

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

Thursday, March 12, 1959

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

On the Orders of the Day:

WELCOME TO STUDENTS

Hon. J. H. Sturdy (Minister without Portfolio): — Mr. Speaker, may I, on behalf of the members of the House, extend a very hearty welcome to the 58 students who occupy the top three rows of the east gallery today. They are students from the John Lake School of Saskatoon. This welcome is extended to their Principal, Mr. Clark, and to their Vice-Principal, Mr. Hill.

This brings to several hundred the number of students who have visited this Legislature from the public schools and the University of Saskatoon.

I am sure, Mr. Speaker, that one or more of these students that you see up there will occupy the seats now occupied by the Premier and yourself. I hope to see many of them on this side of the House, although I doubt very much if you will find any of them in the Opposition.

Mr. Frank Meakes (Touchwood): — Mr. Speaker, may I extend a welcome to the group of 25 students in the west gallery who have come in from Cupar to see and hear the proceedings of this House. They have spent a couple of hours this morning visiting the Museum and other places in this city. In charge of this group is Mr. Chambers, the Principal of the School, and we hope their visit with us, this afternoon, will be educational and pleasant.

Mrs. J. E. Cooper (Regina City): — Mr. Speaker, I would also like to call the attention of the Assembly to a group of students in the Speaker's Gallery from Central Collegiate. I hope they will enjoy their stay with us, and I am sure we all welcome them very heartily.

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BUDGET DEBATE

The Assembly resumed, from Tuesday, March 10, 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 Committee of Supply).

Hon. L. F. McIntosh (Minister of Municipal Affairs): — Mr. Speaker, during the course of the present debate, there was a quotation made from “The Monetary Times” of February 1959. I think we were accused on this side of the House of quoting the first one or two paragraphs, and my hon. friend from Cannington (Mr. McCarthy), quoted the last paragraph of the article, and I wonder if I might be permitted just to fill in the gap:

“As for British Columbia, neither of the old parties can offer a reasonable alternative to the Social Credit Government.”

Now I think probably, we have the record straight on that article.

I was interested in the address of the hon. member for Arm River (Mr. Danielson), on Tuesday evening. I understand that he has spent 25 years in this Assembly, and it seemed to me that on the eve of twilight he spent approximately two hours. In the course of that speech he referred and inferred that the records of this House were not correct. I would not be the least bit surprised but that was the first time that any member of this Assembly has stood up on the floor of the House and questioned the records of this Assembly.

Then my hon. friend from Cannington quoted from a newspaper report in connection with an article that was probably written by a member of the press, using the Annual Report of the Department of Municipal Affairs for his material, and the heading was: “More Councils in the Red this year, than last.” The hon. member for Cannington made special mention of that heading, and he also made mention of the fact that, while criticizing the article, which (as I stated before) as copied from the annual report that was tabled in this House, the hon. Member went on to say: “As a matter of fact our rural municipalities have an over-all surplus of \$1/3 million, last year, which is a wonderful show.” Granted, but then a little further down he said: “The rural municipalities have a splendid record, and they are not entitled to the abuse that has been given them by the Saskatchewan Government.” Again I repeat that the article in question was copied by the press from the annual report tabled in this House. That annual report is an authentic report of the previous year’s functions of the rural municipalities of the province of Saskatchewan.

Might I just in passing make reference to the Municipal Winter Works Program. Up to few days ago, there were 98 projects approved of in amount of \$2,591,000. The municipalities estimate that this will give employment to 1,780 persons, or an estimated man-work days of

74,050 days. As we are all aware the Government of Canada, the Government of the Province of Saskatchewan and the municipalities are participating in this program, and of the 98 projects approved as of that date, there were 25 projects in rural municipalities of the province for a total of some \$82,000.

I thought I might just make mention of a rural municipality of Prairie Rose, No. 308, and there was some comparison made as to the 1945 tax levies, etc. with 1957.

I would just like to say in passing that, in 1945, Prairie Rose municipality did \$10,396 worth of public works and, in 1957, \$47,723. worth of public works, and the assets of that municipality had increased during that period of time by some \$15,000.

During the course of the debate, some reference was also made to the Government guarantee to the Interprovincial Steel Company. Following the remarks that were made at that time, I received a letter from Oklahoma City, and this letter states that this party is firmly of the opinion that a great deal more social benefits will be derived from the operation of the steel mill than will be derived from the guaranteeing of \$600,000 of bonds on the part of the Government of Manitoba to establish a race track.

Something was also said, and very dramatically at times, about the financial position of our Province, and I have here a clipping from the *Star Phoenix* of January 3, 1959, with the heading: "Saskatchewan Better Off Than Most People Think." This was an address delivered by one who is associated with a Chamber of Commerce in Saskatchewan.

I will just then say a word, Mr. Speaker, in connection with the operations at Green Lake. It is noted that, as of the end of January of this year, on the Central Farm we had seven head of horses, 220 cattle, 9 swine and 460 head of poultry. What is also of interest is the amount of grain produced on the Metis' plots. They grew last year, 9,621 bushels of wheat, 8,940 bushels of oats and 1,316 bushels of barley. This is an indication that an increasing number of the Metis people in the Green Lake Settlement are taking to the producing of foodstuff in order to make a living.

During the last construction season, in the twelve local improvement districts, we cleared some 114 miles of road allowances; we built some 64 miles of new grades; we graded 199 miles of road; put in some 642 new culverts and 64 bridges.

That briefly covers the public works program in the local improvement districts during the past summer.

Dealing more directly with the budget itself, I would first like to say a word or two in connection with the work of the Continuing Committee. No doubt most of you have read the Gordon Report, and in the Gordon Report you will have probably noticed that they have made reference to rural communities. Might I just quote a paragraph or two in connection with that subject; it says:

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“All of this has had the important effect on the amount and quality of social capital provided in rural areas, and on the way in which it is provided. Many responsibilities which once belonged to local units of government have passed in whole or in part to provincial governments. There has also been a pronounced growth of larger, special-purpose units of local administration such as health regions, hospital districts, and consolidated school districts. It has been found better to handle these functions in relation to larger geographical areas. Where the old local school district could aspire only to a one-room, one-teacher school, the new consolidated district, knit together by school-bus service, can provide a properly staffed and equipped institution capable of giving rural children the education they need to engage in successful modern agriculture or to take up good jobs in cities and towns.”

So the Gordon Report, after a study, recognized the position of local governments not only in the province of Saskatchewan but throughout the Dominion of Canada, and what the Continuing Committee is doing here in the province of Saskatchewan is doing a research job, to try to determine whether or not the functions of local governments fit into present-day needs. It is the basic purpose of the Continuing Committee, along with the Staff, to make recommendations as to whether or not, in their opinion after a complete study and research, local governments are performing or can perform the major functions assigned to local government, or whether there should be some change in the approach as between the provincial service and the local service: are the areas sufficiently sound, economically to give the kind of service that is expected of local governments in this modern age.

I did want to say a word or two in connection with the Municipal employees' superannuation, because it now covers practically all local government employees, not only those of the rural municipalities but also of the villages, the towns, and the rural telephone companies, and we hope that the rural hail insurance employees will be added to this group. So there are now 206 employers, and 1,061 employees participating in this superannuation scheme.

The budget, as has been stated (and properly so), is one of the largest budgets brought down in the history of the province of Saskatchewan being slightly in excess of \$133 million, and it is estimated that this budget should produce a slight surplus at the end of the coming fiscal year. Might I draw the attention of the House to the fact that, in the Province of Alberta they brought down a budget of \$309 million and provided for a deficit of some \$48 million. Now, it is true that the Government must step out on the market and borrow for capital expenditures associated with power and gas and telephones, and this will reach a substantial sum during

the coming fiscal year, because of the tremendous expansion that is required and is necessary in an expanding economy.

What I would particularly like to draw to the attention of the House is that education will receive some \$4 million more than last year, 23.32 per cent of the total budget is for education. Public Health comes next; then highways and then Social Welfare. These four departments of government account for \$94 1/4 millions of the \$133-odd millions provided for in the budget.

I wonder if there are any members to your left, Mr. Speaker, who would make any suggestion relative to the division of the expenditure of the money associated with the budget that is now before the House.

In this province that is going to rack and ruin, one must of necessity take a look at the building permits that have been issued during 1958. It is interesting to note that, in the city of Saskatoon, their building permits during the past calendar year were \$37 millions against \$21 3/4 million in the previous year. In the past five years the city of Saskatoon has issued building permits to the amount of \$119 million. In the city of Regina, last year, \$29,150,000 of permits were issued, and we must keep in mind that the industries the industrial development here is largely outside of the boundaries of the city. This is \$2 million more over the previous year's record which was set in 1953. In the city of Moose Jaw they reached a high of \$5,780,000, more than doubled the building permits issued in 1957. Going to the City of the North, Prince Albert (with apologies to North Battleford), we found that, in 1958, it was a record year with \$4,405,000 worth of building permits issued, which exceeded 1955 by some \$700,000. In North Battleford they had, in 1958, the biggest construction year in the history of that city. If we go down to Weyburn, we find that the value of the building permits issued passed the million-dollar mark there. If we look up the records we will find that the permits issued by the city during the first two months of the present calendar year exceed the number of permits and the value of the permits issued during the first two months of 1958.

I don't think I could let this opportunity pass without saying a word or two in connection with the 'March to Ottawa', seeking an equality of opportunity among the other citizens of the Dominion of Canada. We note that in 1858, the wheat acreage was reduced by some 700,000 acres in this province. We note, also, that there has been heavy marketing of cattle and hogs since June 1st of last year; but we must also take into consideration that in the United States of America, their stocks of wheat are 16 per cent higher than they were in 1957, and the stocks of corn are up some 9 per cent over what they were in 1957. This is bound to have an effect in the markets of the world in the disposition of this main cash commodity that agriculture is so vitally concerned about.

If we would care to take a look at other groups that find they are deficient and make application from time to time to make up

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that deficiency, might I just refer to the railways. While it is difficult to determine exactly the amount of money they are receiving as the result of the freight rate increases asked for since April 1948, the records reveal that on the first application they estimated an increase in revenue of some \$85 million; the other major application, an increase of some \$70 million, and the third application that finished up by a 17 per cent increase, some \$58 million. Add those three figures together — and that is just the three major increases granted out of eleven — and you will find that the railways have gone to the Board of Transport Commission and said they were deficient in receiving a sufficient amount of money to give a railway service to the people of Canada, and the Board of Transport Commissioners granted them the right to take from the people of Canada this sum of money to enable them, in the opinion of the Board, to operate without a loss.

The farmers of Canada have stated that they are some \$300 million short in their returns during the crop years 1955-1956, 1956-1957, and 1957-1958, and they went down to Ottawa to place before the Government of Canada their position in relationship to other branches of society, and suggested to the Government of Canada that the Government could well consider making up that deficiency from the people of Canada through the public treasury of the Dominion of Canada. I can see very little difference between the railways going to a government body, asking for the increases that they have asked for and being granted these increases, and the farmers going down and placing their case before the Government of Canada and asking the Government of Canada to give very serious consideration to the economic position facing the food producers of the western provinces. Might I hasten to say, Mr. Speaker, that any nation that neglects its primary food producers is headed for decay. There is no more important group of people in the society of this or any other nation than the primary producers of foodstuffs and, of necessity, that industry must receive number one attention on the part of the Government of this and other lands in orders that these countries may not fast sink into decay like the great nation of Rome did some few years ago.

Freight rates are playing an important part in all costs; for example, to ship a carload of rape seed from an area in the Prince Albert district to Vancouver is costing \$150 more than it did prior to the recent 17 per cent increase: \$150 taken from the farmers to get his carload of rape seed to the west coast; \$150 as a result of the recent increase and these increases are vitally affecting our economy. If we take a look at the area around Kelvington, we find that prior to the increase in April, 1948, it cost \$12.80 to ship a cord of pulp weighing 4,000 pounds from Kelvington to Green Bay, Michigan. In January of this year, it cost \$22.40 to ship the same weight of pulp to the same place. If we go to 1948, we find that it cost \$4.80 a hundred to ship a cord of rough pulp from Archerwill to Kenora, Ontario; in January of this year it cost \$13.20. It costs about \$38 more to bring a combine from Brantford, Ontario, to a central point in this province than it did prior to the 17 per cent increase; back in 1948 it cost 24 cents per hundred pounds to ship lumber a distance of 350 miles from Prince Albert, now it costs 62 cents a hundred. All of these are factors associated with the cost of trying to live and do have a very substantial bearing on the net income of our agricultural people.

The St. Lawrence Seaway has received some attention in recent months and will probably receive increased attention as time goes on; but it is interesting to note that, according to the press reports the Canadian Government in 1955 estimated the cost of the St. Lawrence Seaway would read \$205 million, and the current estimate is \$329 million. We take the position here in the province of Saskatchewan that the St. Lawrence Seaway is just deepening and widening the canals that existed there for more than 150 years; that is all that is taking place. That will mean that larger boats will be able to leave the Atlantic and come up to the head of the Great Lakes, and the cost of moving freight to and from and services back and forth on the St. Lawrence Seaway will be an important factor in the economy of the provinces lying west of the head of the Great Lakes.

Once could probably make mention of the industrial expansion that has taken place in the rural area and where everyone of these factories goes in, it starts to change the frontier of that particular district. We must of necessity keep a very close watch on the South Saskatchewan River Dam during the period in which that is under construction, in particular, and allowing the operation of the power and the irrigation projects, because it is going of necessity to bring about a change, and also bring about problems associated with local government and community development that are not evident enough in those communities at the present time. This will apply to any similar development that might take place. It applies to the Esterhazy area, and will apply in other areas as industrial development expands.

We didn't hear too much about municipal governments during the present Session up to the present time; but just in order to keep the records straight, may I just briefly say that the taxable assessment in rurals and urbans combined reached over \$1,000,000,000. It is interesting to note that, in the special category of assessments, there is slightly in excess of \$33 million of taxable assessment under the heading of Special Categories — that is, railways, oil and gas pipelines, oil and gas wells, It is interesting to note that oil and gas pipeline assessment has doubled since 1956. Oil and gas well assessment has also doubled since 1956, and the railways have remained approximately the same because their assessment had been completed in 1956.

Then we speak sometimes about tax collections, and we find that tax collection in 1957-58, based on 168 rural municipalities that have reported, reached 102 per cent of one year's levies. Then if we take a look at 1945, we find that tax arrears in that year were \$11,164,000, and we estimate the tax arrears as of December 31, 1958, in the rural areas of this province will be \$13 million, a drop of over \$4 million since 1955. Then if we go back to 1945 again, and take a look at the tax levies of that year, we find that the tax arrears in comparison with the tax levy in urban and rural municipalities, was 62 per cent of one year's tax levy, and in 1957, this figure had dropped to 30 per cent.

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Something has been said from time to time about the total general municipal tax levy, and we use the provinces to the east and to the west of us. In the rural areas of the province of Saskatchewan, the tax levy per acre for 1957 was 25.8 cents per acre; in the province of Alberta, 37.3 cents per acre, and in the province of Manitoba, 52.5 cents per acre.

I think we must constantly keep in mind that it is the productivity of the acres in the rural areas of this province that rural municipalities receive their taxes from. We could take a look at it in another way — the net debenture debt: in Saskatchewan, in the rurals, \$270,000, a slight increase in the past two years, because a number of municipalities have floated bonds to participate in the Old Folks' Homes, and the Senior Citizens' Homes construction; in Alberta, \$5,232,000; in the province of Manitoba, \$1,708,000. Now let us take the combination of the rural and urban net debenture debt, and we find that in Alberta it is \$224 millions (in round figures); in Manitoba it is \$75 millions, and in Saskatchewan, slightly in excess of \$65 million. Then, if we wish to take a look at it in another way — the per capita net debenture debt — in the rural areas of Saskatchewan it is .71 cents; in rural areas in Alberta \$15.85; in rural areas in Manitoba \$3.14.

The liabilities of municipalities in 1945 in comparison with 1957 in the province of Saskatchewan: In 1945, our rural municipalities had liabilities of \$38,611,000, and in 1957, \$12,203,000. Then they had some \$3 million more surplus in 1957 than they did in 1945. Another interesting thing is that the fixed assets of rural municipalities, which consisted largely of machinery, was around \$4 million in 1945 against \$22 million in 1957.

Something has been said in the past about what was referred to at one time as the Public Revenue Tax. It is rather interesting to note that, during the past six years when there has been no public revenue tax collected by the Government, the rural municipalities have benefited to the extent of \$8,332,000, the urbans by \$4,170,000, or a total of \$12,502,000 — benefits that had accrued to the municipalities since January 1953 when the public revenue tax was discontinued.

The Provincial Government is now paying slightly over a half a million dollars in lieu of taxes on Crown Corporations.

In addition to the assistance rendered to local governments in the field of health, the field of social welfare, and the field of education, let us just take a look at one single item. We find that, in the field of public works, those expenditures consisting of repairs and the maintenance of machinery, maintenance of roads, and rebuilding and building of roads, in the year 1956 the Provincial Government from the provincial treasury supplied 21 per cent of all the money that went into the field of public works in rural municipalities; the following year, 29 per cent. In the year just closed, 37 per cent of all the money spent by rural municipalities in the field of Public works, came by way of grants from the treasury of the province of Saskatchewan. You will notice in the budget, provisions are made for a slight, or, should I say, a reasonably nice increase over and above what the budget called for, for this purpose, a year ago.

In 1908 the Commissioner of Public Works complained about the tendencies of rural people to look to his department for the building of local roads which they might otherwise provide for themselves, the commissioner said. So in 1910 the legislature of the province appropriated \$60,000 to be distributed to the municipalities for road construction contingent upon the approval of the individual projects of the municipality by the Department of Public Works. In 1912 the Board of Public Highways Commissioners was set up. This Board was succeeded by the Department of Highways, I believe, in 1918.

That then give us a bit of the background of the relationship between the Government of Saskatchewan and the rural and urban municipalities of this province.

Time does not permit me to go into the development of the main market grid road program. Suffice, I think, to say that we have completed the three years of co-operation with the rural municipalities and, at the end of the third year, we find that we are running very close to schedule, very close to one-tenth of the mileage per annum. I would like to say here that we deeply and sincerely appreciate the very fine co-operation received from the 267 rural municipalities that have participated in this program.

The applications for the coming current year will probably use up all of the money that the Legislature will vote. The applications might exceed the amount of money made available to assist municipalities in the construction of the grid road. This is a very healthy sign. It does indicate the interest and, in addition to that, it does suggest that the ratepayers of the municipalities are looking for a higher standard of all-weather rural municipal roads. Might I say, and place this on the records, Mr. Speaker, that we deeply appreciate the very fine measure of co-operation received in this co-operative project, and the year 1959 is a year in which we anticipate an equal measure of co-operation.

Might I just say, in conclusion, that the farmers no longer are largely self-supporting. It is now but a primary unit in a worldwide economic system, conducted with money as the basis of exchange and dominated by the interests of capital. The automobile demands better roads and both farmer and businessman are interested in having them built so that the natural community centres may be most easily reached. Better schools, libraries, facilities for recreation and social life, organization for the improvement of agriculture and for the better marketing of farm products, are all community problems and forced upon the community areas to be served by these institutions. Again, the home and the community institutions are constantly in a process of adapting themselves to each other, and to the extent that each recognizes the function of the other, and is willing to co-operate rather than to compete, is the highest success of each made possible.

We must look over the past 15 years' records of the Government of Saskatchewan, and if we sit back on the hill and take an unbiased view, I think we must of necessity agree that we recognize that the strength of

the community is in the home and in the family, and we have constantly moved towards assisting in establishing increased amenities of life in bringing about a greater measure of community interest, a greater measure of social life and a greater number of the amenities of life in the rural areas of this province. The vast amount of expenditures made in the various fields that I and others have mentioned all goes towards assisting agriculture, and its people in living the kind of a life that every agricultural person is entitled to live in this society of ours.

So I was rather proud again this year to note that the budget, as I have stated before, gives special consideration to education, health, social welfare, highways, and assistance to municipalities in the public works program, and also makes provision for expansion of rural electrification and gas lines into some of our smaller urban communities. So therefore, Mr. Speaker, I have no hesitation whatsoever in given support to the budget that is now before the Assembly.

Hon. A. G. Kuziak (Minister of Natural Resources): — Mr. Speaker, in rising to speak in this debate, I would first like to take the opportunity of replying to two or three statements made by the hon. Member for Nipawin (Mr. Nicholson), which I believe are a little bit, or even considerable, off base. In speaking the other day in this same debate, he pointed to the high school taxes, comparing the taxes of northern Saskatchewan with those of the south, and then he followed through with a statement that the money should be taken out of the profits of the Timber Board, or timber operations in the north, and applied to aid in the reduction of taxes. Well, if we carried this to its ultimate conclusion, there is no doubt that the revenues from other mineral and natural resources of southern Saskatchewan would then have to be applied to the south, and I'm afraid that we people in the north would be on the wrong end of the stick.

May I point out that, at the present time, I believe this province puts more money in to the equalization of municipal and school taxes than probably any other province in the west. I would like to point out that, in this particular budget at the present time, as far as the north is concerned, for example in the Meadow Lake Larger School Unit, 82 per cent of the cost of education will be carried by the school grants contributed by this Government. In the Larger School Unit of Hudson Bay, 77.5 per cent of the cost of education will be covered by this budget; Turtleford, 76.2 per cent; Nipawin — the very area that the hon. member for Nipawin was talking about — 68.8 per cent; my own area, Canora Larger School Unit, 66.5 per cent. We know that the average contribution throughout the province out of this budget will cover some 45 per cent of the cost of education. Therefore, if there is any discrimination, it is probably in the south. We in the C.C.F., or we on this side of the House have always believed that we must aid the poorer areas of the province when equalizing the levy, and I say that we have gone a considerable distance.

The other statement made by the hon. member was in connection with the Love Co-operative Sawmill of Love, Saskatchewan. He made the statement that the Co-op. should not be the first to be cut out in the area. Mr. Speaker, the hon. member called me up, he was in my office, and I

informed him that this Co-operative had a stand of forest given to them some nine years ago, and the Timber Board had informed them, at that time, that they had a cut there of approximately nine to 10 years. He admitted that they had a cut of nine years. Therefore, I want to say that the Timber Board was very accurate in making its estimation some nine or ten years ago; but they cut the area out. May I point out there was only one other private operator in the area who still had a year to go, and I asked the hon. member: should I take this private operator out and hand it over to the Co-operative at that point? — and he said ‘no.’ Therefore, the only thing I could do — I’m not a God to grow the forests around that particular area in Saskatchewan — I had to direct the Co-operative Sawmill into another area of the province, and so we did offer them a ½ million cut, or ½ million board foot out, on the Carrot River, which they refused to consider.

Then he says, “The Minister promised one million board feet for two years.” Mr. Speaker, the truth is that he asked me to provide them with 2 million board feet of lumber, one million per year, and I said that I would do my best; I would take a look over the area, and see what could be done. WE offered them the half million. Later on we gave them another offer, in the summer of 1958, when we opened up another area in the Minneska Lake area. We advised the Love Co-operative Association to put in a bid, and, in fact, the manager of the Co-operative, Mr. Sears, did put in a tender, but he was considerably higher than some of the lower bids, and we had to give it to the lowest bidder.

Then in the fall of 1958, the same Co-operative was informed that we had three million board feet of fire-killed spruce in the Pelly area which we were prepared to grant them. They took a look at that, and did not consider taking that particular operation. Again, in November 1958, another Co-operative, the Spruce Mill Co-operative of Carrot River, decided to cease timber operations. In this particular area they still had an annual cut of 500,000 board feet to run for another four or five years. We offered this to the Love Co-operative, and on December 5th, Mr. Sears advised us that they were not interested. Mr. Speaker, I want to point out that we did everything possible to give them a cut, but I couldn’t give them a timber cut at the point of Love, Saskatchewan. The saw timber resources of that area is, or has been, depleted.

He, too, made the statement that the Minister had lost control of the Timber Board, because somebody made the statement that the manager told somebody else that “You can go and see the Minister if you wish, but I run the show.” I say that this is a shame for a responsible M.L.A. to be stating in the House, where the civil servant, or the manager of the Corporation, has no opportunity of replying. I want to say that the manager of the Timber Board is responsible to a board of Directors, who are in return responsible to me. He does not set the quota of timber-cutting in the north. The Department of Natural Resources sets the amount of timber that is cut in northern Saskatchewan, and we see that the Timber Board is held down to the sustained-yield cut throughout the province of Saskatchewan. That Mr. Speaker, is the truth as far as the Co-ops are concerned.

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Then again the hon. member goes on — he's the champion of this Co-operative; but the moment he mentions the co-operative farms, he calls them the 'Joe Stalin' farms.

Mr. Nicholson (Nipawin): — That's what they are generally called!

Hon. Mr. Kuziak: — Mr. Speaker, getting into the budget debate proper, when I spoke in the House last year on the Throne Speech debate, I took the line that I wanted to see how the Throne Speech debate looked to me in the light of the C.C.F. promises that we made in our election year, 1956. This year I want to check the budget, and see how it comes up in the light of the C.C.F. promises made in the election of 1956. I want to say that we on this side of the House are very proud that we can often, from year to year, refer to and place the pledges and promises which we made to our people, and see how we are stacking up on them.

I am going to mention the first promise which we made in 1956 and, let us check and see how we are doing. The first promise made was that we will spend \$100 million on a provincial highway system. I notice in this budget there is an appropriation of \$25 million for highway expenses. There is a further over \$2 million in the budget in the Department of Natural Resources, for the building of resource roads in northern Saskatchewan; or an amount of some \$27 million; and may I say this promise is being fulfilled and will be more than fulfilled by the end of our term of office.

I was very pleased, last Friday, when the hon. Minister of highways, reported on his program, to see that some highway work is going to be done in my constituency, or in the northeast area of the province. I was very pleased to see that oil is going to be put on No. 5 from Canora to Kamsack. In fact, out of these 32 miles, only some five miles are in the Canora constituency and the rest over in Pelly. I was very pleased to note that he is going to continue the building of No. 49 from the junction of No. 9 and No. 49 north of Canora to Preeceville. The traffic count is very heavy in this area. For example, we have a very fine resort, the Crystal Lake Resort. I want to point out, too, that I had the opportunity, in the Department of Natural Resources, of building a road from No. 9 Highway into McBride Lake in the Northern area, which is going to open up another very fine angling lake in that area, which will make No. 9 highway even more important than it is at the present time.

In the Department of Natural Resources we are also building the northern road from Hudson Bay on to The Pas, and this no doubt is going to add further traffic. Therefore, I am hoping that the hon. Minister of Highways will take under advisement the oiling of this portion of the highway in the following budget.

Promise No. 2: that we will contribute \$3 million a year for municipal roads, for the grid-road system. What have we done on this point? I remember when this was brought in for the first time, the Opposition was very critical. Although they went along with the appropriation, they made statements

in this House and out of this House that the municipalities will not co-operate, and that the municipal contribution is going to be too great. I am pleased to be informed by the Minister of Municipal Affairs, Hon. Mr. McIntosh, that the municipalities are co-operating splendidly. In fact, they are co-operating so well that, in the past year, he spent over \$5 million in contributions to roads in the municipality. This year I notice the budget is appropriating another \$6 million. Therefore, this promise is going to be considerably more than fulfilled.

I realize the Opposition, in this debate, have been making the statement — “What are you doing for the farmers?” What is the Provincial Government doing? I want to point out what the Provincial Government is doing for the farmers of my area, as far as this particular pledge is concerned. For example (and I’m going to take a number of municipalities within the Canora constituency): No. 273 is the rural municipality of Sliding Hill, and in this year concluding, received some \$28,018 in grid-road grants. I wonder whether the Opposition realizes what this means. If that municipality had to raise the money themselves, as they had to under a Liberal administration, their municipal taxes would have had to be 9.2 mills higher than they are today. Then again, if you take into consideration the cancellation of the Public Revenue Tax, which we cancelled off in 1952, and added that, their tax in this municipality, today, if it were still under a Liberal administration, would have to be 11.2 mills higher.

Take another municipality: No. 271, the R.M. of Good Lake. It received over \$25,000 in road grants during the 1958-59 period, or will be receiving if they haven’t received it now, \$25½ thousand. If they wanted to raise that money to do the building they did last year, their mill rate would have to be increased by 15 mills, adding to that the two per cent Public Revenue Tax, 17 mills. I have municipalities in here, for example, the R. M. 305, Invermay: if they were not receiving the road grants, and trying to build the same road program they are building today and not receiving the grants, their mill rate would have to be 22 mills higher than it is today. In other words, to this municipality, this Government is contributing a sum of money equal to 22 mills on the levy of their land.

Promise No. 3: to increase substantially the Provincial Government’s contribution to the cost of education. What have we done? If you check in 1945, the gross to education amounted to some \$4 million. By 1950, we had increased that; five years later we doubled it to \$6 million. By 1955 we increased grants to the schools of this province to \$11 1/3 million; in 1956 to \$13 million; one year later up to \$16 million; one year later up to \$20 million, and in this budget, \$24 million. in other words, the Government’s contribution is eight times greater than it used to be, back in the time when the Liberals were in power. So I say, Mr. Speaker, that we are implementing this particular pledge.

There has been some criticism as far as school taxes are concerned. Here again I want to make a comparison very similar to that I made on grid roads. The increase in educational grants to my area of the province — for example, out of this year’s budget we will contribute as far as educational

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costs are concerned to the Canora Larger School Unit, approximately 66.5 per cent of the total cost. In the Kamsack Larger School Unit, which takes in part of my constituency, we will be contributing 69.9 per cent of the cost. In Sturgis we will be contributing 74.1 per cent; in the Foam Lake Larger School Unit, the contribution will be 65.9, and, as I stated, in the Hudson Bay area, 77.5. But what does the educational grant increase mean to the people of my area? For example, in the Canora Larger School Unit, the increase of grants is going to equal approximately 5 mills levy on the land within the Canora Larger School Unit — the increase alone. Now, that is the contribution which we are making out of this year's budget to the agricultural people of our area.

Mr. A.C. Cameron (Maple Creek): — That's where the money goes, eh?

Hon. Mr. Kuziak: — In fact, I am going to point this out, that this is going to aid considerably in holding the cost-price squeeze brought about by the Liberals, supported by the Conservatives and the Social Crediters!

I want to take a glance at the Opposition's repeated false charges that municipal taxes and school taxes are high because of C.C.F. policies in the province of Saskatchewan. You will recall that, in 1954, I made a study of the taxation along the Manitoba and Alberta boundaries, and at that time the reply to those charges was that, if the C.C.F. policies have increased municipal and school taxes in the province of Saskatchewan, then let us take a look at Manitoba, because they have a Liberal Government there, and, therefore, the taxes should be low! Or let us take a look over to the west into Alberta, under a Social Credit Government; if it is only the C.C.F. policy that has increased all these taxes, the taxes in Alberta should be lower. I want to say that I have brought these statistics up-to-date again, and I want to give to you a few of these figures. For example, if we take two municipalities along the Saskatchewan-Manitoba boundary — I'm going to take the extreme ones on the south, Argyle in Saskatchewan and Edwards in Manitoba, and make comparison of total mill rates levied in Saskatchewan since 1956. In Manitoba it is 61.8 — or it is higher in Manitoba by 5.8. Yes, I am going to give you another municipality. In Saskatchewan the total levy is 65; in Manitoba it is only 50, here Manitoba is 5 mills less than it is in Saskatchewan.

Mr. McCarthy (Cannington): — Mr. Speaker, may I ask the hon. Minister what is the number of Saskatchewan Municipality?

Hon. Mr. Kuziak: — Saskatchewan R.M. No. 31. All right, now I'll take another example, Calder and Shell River: Calder, No. 241 in Saskatchewan; Shell River, No. 84 in Manitoba. The total Mill rate in the Saskatchewan R.M. is 52.5; in Manitoba it is 88, or 35.5 mills higher in Manitoba than in Saskatchewan. If you take the average down the Saskatchewan — Manitoba boundary, you will find the average difference is 7.6 mills in favour of Saskatchewan. On the average, municipal and school taxes are lower in Saskatchewan than they are in Manitoba.

I want to take a few towns. I'm going to take an example in my northern area, and the hon. member for Pelly (Mr. Barrie) will be interested in this one. If we take Benito, just across the Manitoba boundary, and we take Arran, immediately across in Saskatchewan, you will find that in Benito the total mill rate is 62 mills, in Arran it is 52.5 mills, or 9 ½ mills lower in Arran in the Pelly constituency than it is across the boundary in Manitoba. I am going to take the village of Pelly, not very far off, too, from the Manitoba boundary. This village has a total mill rate of 60, which again is two mills less than Benito. Let's take the town of Kamsack near the Manitoba boundary. The municipal and school mill rate in the Kamsack town is 64.2. If you compare that to Swan River, across the boundary in Manitoba — a very similar town — the total mill rate there is 80. If you compare it to The Pas, Manitoba, just a little further north, the mill rate there is 98.6, or some 30 mills higher than it is in Kamsack.

What about the spread of taxes? I have heard much criticism in the Legislature here that there is a large spread in taxes in the province of Saskatchewan. They have always tried to compare a larger school unit with an unorganized unit in the highest assessed area around the city of Regina. I can take a similar case in Manitoba, and if I do, I find, for example, the school mill rate tax in the one area of the rural municipality of Portage la Prairie, a highly assessed area in Manitoba, is 14.6. But then, when you go up north to a rural municipality of LeBroquerie, the levy is 70. Therefore, the spread is from 14.6 mills to 70 mills. If you take the general municipal levy in Portage la Prairie and compare it to the municipality in northern Manitoba, the spread is from 17 mills to 98 mills — general levy alone.

I want to make a few comparisons along the Saskatchewan — Alberta boundary.

Mr. Cameron: — When are you going to turn to your Department?

Hon. Mr. Kuziak: — I remember when the members of the Opposition pointed out that it should be fair to compare Saskatchewan to Manitoba and Alberta.

Mr. McDonald: — When are you going to get to the Department of Natural Resources?

Hon. Mr. Walker (Attorney General): — It hurts, doesn't it?

Hon. Mr. Kuziak: — So let's take a look at Alberta, and if we take a look at Alberta, I can give you a number of municipalities; but the average mill rate along the Alberta — Saskatchewan boundary is 7.35 mills higher in Alberta than it is in Saskatchewan. What about the spread? They didn't like the spread of taxes in Saskatchewan, so let's see what the spread is in Alberta. School taxes, and they have all larger school units in Alberta — the spread in taxes runs all the way from 16 mills in one area to 45.62 mills in another area. As far as general municipal taxes are concerned, the spread runs from 12.24 mills to 70 mills. In other words . . .

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Mr. Cameron: — He's been all over the world, now let's get to your Department!

Mr. McCarthy: — What about British Columbia?

Hon. Mr. Kuziak: — . Mr. Speaker, when the Opposition charges (and I am surprised that the Social Crediters try to do the same thing) and tells the people of Saskatchewan that one of the reasons of increased school and municipal taxes is the C.C.F. policies . .

Opposition members: — Hear! Hear!

Hon. Mr. Kuziak: — They know and they realize that increased school taxes, municipal taxes, hospital taxes, Dominion taxes, all are a result of the increased cost of commodities. I know when I used to be in the municipality prior to 1944, we were able to buy a caterpillar for approximately \$5,000. That caterpillar today is over \$20,000. Since the costs have gone up by four, the taxes must go up by four. But the taxes probably did not go up by four, because we contributed heavily increased school and municipal grants to hold them down. All increased taxes are due to the lifting of price controls in 1946. The lifting of price control in 1946 was brought about by a Federal Liberal Government bringing in a law to de-control prices, and they were supported 'John' Diefenbaker and the Conservative Party, Solon Low and the Social Credit Party, the free enterprising groups, in allowing the lifting of price control, and the sky rocketing of prices of commodities. The only political party who then warned the people of Canada, and the members of Parliament in the House of Commons that prices would sky-rocket, that taxes would sky-rocket was the C.C.F. Party. This is the result of the Liberal policies supported by their Conservative and Social Credit Friends.

Mr. Cameron: — They'll be like you, with your Time business, if they ever tried that!

Hon. Mr. Kuziak: — I'm going to go on with Promise No. 4: that we will supply up to 65,000 farms with electricity, and double the generating capacity of the province. I want to say that this promise is well on the way to being fulfilled. I see in this budget that we have another \$36 ½ million for the Power Corporation to expand power and natural gas installation. You know, when the Opposition talks about the courageous leadership required, I want to say that the story of power expansion is a story of

faith in the people, of courageous leadership and actions taken. Today we have a great integrated power utility stretching from one end of the province to the other. But I will recall the time when these people were critical of this power expansion. When they were critical, they sneered, laughed and stated 'That's only propaganda.' Today, it is a reality; and then they have the audacity to get up in their seats in this Legislative Assembly and say, "Your rates are too high." They don't tell the people of Saskatchewan that the rates prior to 1944 were twice as high as they are now.

Premier Douglas: — They were at least three times as high.

Mr. Cameron: — We didn't have any power, you told us last week!

Hon. Mr. Kuziak: — Mr. Speaker, since 1944, the power rates have been reduced from a maximum of 15 cents per kilowatt hour to 8 cents; from a minimum of four to only 1 ½, or reduced to less than a half. While everyone in this Legislature knows that the costs have doubled and tripled, the rates have gone down. They criticize the high cost of power installation to the farmers of Saskatchewan, and the Minister in charge of power (Hon. Mr. Brown) gave them a reply. I want to say this: why don't they tell the people of Saskatchewan that when they were in power, they only tied in a few farmers, and those farmers had to pay the total cost of power installation? Today the farmers are actually charged less than one-half of that cost.

Going on to Pledge No. 5: bring natural gas to all cities and intermediate towns and villages. I see in the budget that the last city is going to be tied in this year. Long before our term of office is up the pledge will have already been fulfilled. Yet I remember one of the remarks made in this Legislative Assembly, "Well, they're going to shove gas on to the last city just because they made that promise." Mr. Speaker, that's true. Because we made a promise, we intend to fulfil that promise. I am sure that, in the coming year, in my area, the Town of Canora, not very far from Yorkton, will be getting gas, too. I'm sure they will be getting it a lot sooner than I or my people expected to get it.

Going now to Promise No. 6. We stated in 1946, "we will continue the rapid development of oil, mineral and forest resources." What is the story on our gas, oil and mineral expansion? For example, in 1945, the total productive value of mineral resources amounted to \$22 million, or to be precise, \$22,336,000. By 1951, six years later, this value had doubled. By 1955, four years later, it had doubled again to \$85 million. By 1958, three years later, it doubled again to \$204,647,000. In other words, the production rose ten-fold; and yet some of the members opposite under-rate mineral, oil or industrial development and expansion within the province of Saskatchewan!

I'm going to give you some other figures. What is the revenue to the Government of Saskatchewan from the mineral resources, and how does it compare down through the years? In 1944-45 under the previous administration, the revenues from mineral resources amounted to approximately \$1/4 million.

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By 1945-46, only a year later, this amount was multiplied four-fold; it rose to \$915,000 in revenue to the province. In 1951, five years later, this was doubled again to \$1,800,000. In 1952-53, three years later, the mineral resource revenues doubled again to \$9,765,000. In 1956, seven years later, it was doubled again to \$22 ½ million, and in 1957-58, went to \$25 million; in other words, 100 times greater than it was in 1944-45!

Forest expansion — in 1944, timber production in the province of Saskatchewan amounted to some 169 million board feet compared to ours last year of 72 ½ million — reduced to get down to the sustaining base. The total value in 1944 was some \$8 million, and today the value is close to \$9 million.

Forestry revenue — although they were outing 170 million board feet of forest resources, the total forestry revenue amounted to some \$685,000. Today, on a cut far less than one-half, the forestry revenue amounts to \$730,000 plus profits from the Timber Board, amounting to half a million dollars; or in other words, from forestry today, although we have only a cut which is less than one-half of what it used to be, the revenue is twice as great; in other words, in a ratio of \$1.00 to over \$4.00.

Promise No. 7: expand existing drainage, irrigation and reclamation projects. I see in the budget dealing with Agriculture that it not only makes provision for the completion of existing drainage and irrigation and reclamation projects, but it is providing some \$400,000 to commence work on the South Saskatchewan River Dam. I want to say that this pledge is being fulfilled step by step.

Promise No. 9: expand social welfare benefits to the people of Saskatchewan, and the Minister in charge elaborated on the major changes that are being made at the present time. I can't help but recall the days when the rural municipalities of Saskatchewan had to pay for the total cost of social aid. Today, 90 per cent has been taken over by the Provincial Government. Social welfare used to be a responsibility of the municipality, but I am informed now that some 96 per cent of the cost of social welfare is being paid by the province. Therefore, this promise is being implemented.

Promise No. 10: continue to attract new industry to provide employment, and create local markets for farm products. I want to say that we on this side of the House are particularly pleased and proud of our success in implementing this pledge. I know the Opposition continues to belittle and undermine industrial expansion in Saskatchewan, but the people of the province know better. The people of the province know. They can see, for example, the great power development in Saskatchewan; the \$40 million development of power going on at Saskatoon; a multi-million dollar development that will be commenced, this year, on the North Saskatchewan River at Squaw Rapids;

the South Saskatchewan Dam Development; telephone expansion. I notice in the reports by Telephones that they are still installing some 13,000 telephones per year in the province. I wonder, how many realize that we are installing more telephones today within four years than the previous administration installed in some 35 years within this province.

Mr. Foley (Turtleford): — Where are they being installed now?

Hon. Mr. Kuziak: — While they belittle expansion in Saskatchewan, or industrial expansion in Saskatchewan, I wonder where the Telephone Corporation puts these instruments? Do they tie them on trees in the forest, or are they in offices, homes and industrial plants . .

Mr. Gardiner: — Government offices!

Hon. Mr. Kuziak: — Yes, and Government offices, too.

Mr. Foley: — What about the rural people up in the north?

Hon. Mr. Kuziak: — They are getting plenty, too. I want to continue, on this particular pledge of attracting new industries to the province. I wonder if this Opposition ever tells the people that there was no uranium industry under the Liberal administration, but today we have a multi-million dollar uranium industry in Saskatchewan. Mr. Speaker, I remember the time here, a number of years ago, when the Premier talked of Uranium City, or Uranium Town, and talked about the town that may be developed on the shores of Lake Athabaska, and the Opposition laughed and jeered, and called it ‘political propaganda.’ I’m telling you it is not propaganda. We have a Uranium City; we have a Gunnar Mines townsite in that particular area. Another multi-million dollar industry that has come into the province, and which was not there under the Liberal administration, is the potash industry. I remember too, the time . .

Mr. Lopton: — The potash industry was developed under the Liberal Government.

Premier Douglas: — Oh, keep quiet. The Liberals didn’t know how to discover . .

Hon. Mr. Kuziak: — Mr. Speaker, I remember when the Minister of Natural Resources made the announcement in this Legislature, a number of years ago, that an agreement was being signed with a potash firm for which a certain area of the province of Saskatchewan was designated for potash development, the hon. member for Saltcoats (Mr. Lopton) laughed and jeered, and called out ‘propaganda.’ Now he says it was there under the Liberals! Yes these resources were all there under the Liberals, but they were “under” all right and they remained there.

Premier Douglas: — They would still be there.

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Mr. Loptson: — Yes, but you had to get foreign money to develop them!

Hon. Mr. Kuziak: — So today, we have a multi-million dollar industry out of Saskatoon, and I believe another one right in the Saltcoats constituency at Esterhazy. I wonder if the hon. member for Saltcoats, when he comes into the mining town and sees the head-frame of the mine, whether he goes over to touch it, to make sure that his eyes really see something!

Mr. Foley: — Tell us about the pulp mill!

Hon. Mr. Kuziak: — Another industry is the cement industry. I remember the time, not too long ago, when there was a shortage of cement in the province of Saskatchewan, when prices of cement were fantastic. They were not only the highest in Canada, but they were much higher than now.

Opposition members: — You're dreaming!

Hon. Mr. Kuziak: — In other words, cement has always been high in the province of Saskatchewan, but it was considerably higher than it is now. I remember when a Bill was brought into the House to sign an agreement, and agree to a guarantee to bring a cement corporation into the province of Saskatchewan, the Liberals tried to make political hay out of it in the country, and I remember one of the members in the northeast areas of the province even trying to insinuate that some of the Ministers of the Cabinet made some money out of it, and you can imagine who it would be.

Mr. McDonald: — Sure, we know who it was!

Hon. Mr. Kuziak: — Yet the people didn't listen to them — they re-elected the C.C.F.

Mr. McDonald: — You're doing all right, Al!

Hon. Mr. Kuziak: — Now, the next industry that came in was the Steel Pipe Mill; but what I am surprised at is they at times vote with us for bringing in an industry, but they continue to criticize it — they're for, and they're against!

Other corporations that came in were the Continental Paper Products Limited; two light aggregate plants; the Prairie Fireboard Industry; a multi-million dollar Gas Processing industry; a wire and cable plant; the new multi-million dollar steel mill that is coming into the province at the present time, for which the Opposition voted when the Bill came up, and now they criticize it, belittle it.

Mr. McDonald: — They disappointed you!

Mr. Loptson: — You forgot some service stations that have been built too.

Hon. Mr. Kuziak: — In fact, the Opposition becomes ridiculous.

Mr. McDonald: — Tell us about the new pulp mill.

Hon. Mr. Kuziak: — One belittles the industry; another gets up — the hon. member for Redberry (Mr. Korchinski), and criticizes the Government because there are too many industrial plants in the city of Regina, and that he wants a few of them up in the north. In other words, he admits that there is.

I want to say something about population statistics, and some of the arguments that are being carried on, in the Legislature and out. I am going to read an editorial from 'The Star-Phoenix' — a good Liberal paper, dated February 9, 1959. This is what 'The Star-Phoenix' has to say about population in Saskatchewan:

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

Then they go ahead and give Saskatchewan's population figures, and say again:

The period of severest loss was in the 10 years from 1941 to 1951, when the population in the province declined by 64,264 people. The blame, if such there is, for the departure of people from Saskatchewan in that period, must be shared by the Liberals as well as the C.C.F., because the Liberals were in power through the years 1941-1944. The truth is that Provincial Governments have had very little to do with those movements of population. The depression of the early 1930 period sent a flight of people in motion, and the war period sent a flight of people in motion, and the war period saw thousands of people from Saskatchewan leaving to join the forces and to enter war industry in eastern Canada.

Then followed farm mechanization, a major factor in spurring the decline in rural population.

The editor continues, and says this:

The C.C.F. could reply justifiably on the basis of the statistics that the greatest population of come-back was recorded in the 1951-56 period, when Saskatchewan's population rose from 831,000 in

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1951 to 880,000 in 1956; an impressive net gain of 48,937 people.

They go on and say:

Mr. McFarlane has compared the loss of 200,000 people under the C.C.F. Government as equal to the present combined populations of Regina, Saskatoon, Moose Jaw and Prince Albert. Actually the total of the population of these four cities is some 235,000.

There we have a report from a Liberal press on the population, and if everybody is to blame, it was the depression and the war years that started the people leaving these particular areas. We had then a Liberal Government in Ottawa and a Liberal Government in this province that could have established industry, as we are doing now, and could have held the population here, but they didn't.

Yes, they talk, too, about courage. The hon. member for Pelly warns the Government, 'You'd better be cautious about borrowing money for this rapid expansion of Power and Telephones. Be careful, because there could be a crop failure.' Then some other member from the Opposition talks about courage. I'm wondering what the farmers of Saskatchewan may do if they were worried all the time about possible crop failures. But the hon. member for Redberry doesn't agree with this. He wants more gas utility expansion into the villages of his constituency. He says, 'You boys should borrow money, spend more money, expand the utilities.' Then another member from the Opposition rises up and says, 'You should be refunding \$500 to the farmers — borrow another \$20 million and repay it back! The hon. member for Melville believes that the building of the northern roads should be curtailed. Another member of the Opposition, the hon. member for Turtleford (Mr. Foley), wants more money for more building and more development of northern roads!

I want to say that the Opposition has degenerated to the position where they are for certain things at certain times and against the same things at other times. They are a courageous lot! They straddle the fence; they're both for and against — even on the Time question, both fore and against!

Mr. Gardiner: — Who wrote that for you?

Hon. Mr. Kuziak: — Mr. Speaker, Promise No. 11, and the last one we gave you in 1956; protect and improve working conditions of the wage-earners, especially those in low income brackets. The hon. Minister of Labour (Hon. Mr. Williams) covered this field very thoroughly. I am sure it will suffice to say that this pledge is being honoured. It is known throughout the while length and breadth of Canada that we have some of the finest labour legislation on the books of any province.

I would like to report particularly on the northern development roads. I would first like to take the major road — the Lake Hanson

Road which will consist of some 235 miles, stretching from Smeaton on No. 55 Highway just north and west of Prince Albert, which will go through the Nipawin Provincial Park into the northern area, across a heavy potential mineralized area of Saskatchewan, and on to Creighton, Saskatchewan, near Flin Flon. I would like to point out that, up until February 28, we had staked approximately 150 miles of this 235 mile-road. We had already cleared 150 miles. We did grading on 132 miles, we did claying on 43 miles, and we did gravelling on 75 miles of this road. We built seven bridges on this particular road. Up until March 31st, we intend to stake the road up to Mile 175 and do clearing up to Mile 170. In the coming year, 1959-60, we intend to finish the staking of the complete road, and intend to clear the whole road. We intend to complete grading for 200 miles of this particular road, and clay 75 miles of the roadway; gravel 175 miles, and build five other bridges at a total cost of \$1,300,000.

The other road we are building in the north is the Otosquen Road from Hudson Bay to The Pas. At the present time we have located the whole of the road. We have cleared from Mile 15 to Mile 82, and this road runs for 82 miles. We have graded from Mile 45 to Mile 82, and have gravelled a portion of the road. Two bridges have been installed on this particular road. in the year 1959-60, we intend to complete this road at a cost of some \$200,000.

Another fairly important road that we are building in northern Saskatchewan under the winter access program is the road from Buffalo Narrows to La Loche. At the present time we have staked 28 miles and have cleared 28 miles of this particular road. We plan, too, in 1959-60 — and I may point out that, since this is a winter access road program, it is shared by the Provincial and Dominion Governments on a 50-50 basis, and this program runs to the 30th June. So we intend, by the end of June, to clear or stake the whole of the road, clear the whole of the 60 miles, and do building on 25 miles of the road.

Some of the other shorter roads, also under the winter access road program, are under consideration, and I am sure some of the members will be interested in this. Another road we intend doing this coming year, and will be spending \$25,000 on, is the Mitchell Point road. We intend to build nine miles from Dore summer road to Mitchell Point sub-division, and clear the location. We intend to build another road, the McBride Lake road, at a cost of \$30,000. the McBride Lake road is off No. 9 Highway, and it was built last year, and this is a continuation, in the coming year, to build it on to the Swan River road north of Norquay. The Kimball Lake road is in the Meadow Lake Provincial Park, and will cost \$10,000; it is a summer resort road consisting of some seven miles. On all these roads we will be building bridges at a cost of \$25,000: A bridge on the Mitchell Point road; on the Wapewekka road, on the Fir River road, on the La Plonge road, Cumberland-Dore Lake road, and the McBride road. We intend to spend another \$11,000 on the Citron Lake road, widening and levelling this road; another \$5,000 on the Wapewekka Lake road, which is south of Lac la Ronge, by clearing a portion of it; and another \$6,000 on the Armit Lake road.

With that, Mr. Speaker, I want to say that I will support the budget.

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Mr. W. G. Davies (Moose Jaw City): — Mr. Speaker, in rising to speak in the concluding hours of this debate, I am going to endeavour not to repeat what has already been said by others who have spoken up to this time.

I might say, first of all, that it would be a very perfect budget indeed that would satisfy entirely, and in all respects, every member of this House, no matter on what side. I think that approval of the budget should begin with its general and over-all direction and principle: Is it sound? Has it got a relationship to the basic needs of Saskatchewan citizens? Does it offer maximum advantages, and does it generally meet the largest number of needs for the greatest number of people?

I think these are questions that must be answered whenever the issue of endorsement of any budget comes before the members of this Legislature. Naturally, this sort of approach does not preclude a minute examination of all sections that are dealt with in the budget, and at the same time, as I said, it seems to me the major thing that every member must look at is the general, the over-all tone and tenor the budget takes.

On this day, Mr. Speaker, I think we can say this, that, first, the general and the developmental programs are to be given full sway within the budget before us. Projects like road building electrical power and gas, public works — these projects are an integral part of the budget that is before us. Then, of course, there are the programs that deal with aspects of education, aspects of health, social welfare and other such measures. Here again, it seems to be that substantial improvements have been made.

I am particularly pleased to see that a very considerable increase in funds will be made in the direction of education. I think here again, as I think I have said before in this House, that the Government pledges of further aid to education, as revenues become available, have been fully redeemed in the budget that is before us. I might say in this respect that I followed with great interest the remarks of the Minister of Education (Hon. Mr. Lloyd) when he spoke on general matters of government and, in particular about those questions that are primary to his Department.

I think we are indebted to the Minister for an extremely fine address and an excellent account of the activities of the government. When I was listening to the Minister of Education, I followed with great interest and very closely, what he had to say about the Provincial Technical Institute and the programs that will be built into the program there. I think that, first of all, I should say that the work done up to this time both by the Department of Education and by the Department of Public Works is certainly to be highly commended, I think that all possible speed and dispatch has been used to see that the institute is put into operation as soon as possible.

As time goes by, Mr. Speaker, I think that we can look on this institute not only as an extremely fine addition to the post-secondary field of education, but also to something that will add considerably to the field of adult education in this province. I think that eventually we will see hundreds, perhaps thousands of students attending the night classes that will be a feature

of this institute, according to the understanding I have been given by the Minister. I think that this will certainly, particularly as far as my constituency is concerned, be a very important factor. I feel, too, that for all of the farming people in the area of Moose Jaw this will be an extremely important thing.

I would like to say just a word about the location of the institute in Moose Jaw. I believe it was the hon. member for Redberry (Mr. Korchinski) who objected to it being built there. I don't feel that his objections are on very sound ground. After all, why should all educational facilities, be located in one area? Surely in these days of vastly improved transportation it is possible to locate our higher education facilities in more than one city. I think that, if we were to adopt the philosophy that it was only possible to locate institutions of higher education in one city we would be, in effect, adopting a policy of discrimination against many communities in this province that are extremely deserving. I would like to say again that, so far as this institute is concerned, it is most apt that it is located in Moose Jaw, for the reason that Moose Jaw is still, to my knowledge, the city that has the highest per capita number of persons who are working in industry, and has, of course, for a long time been the centre of industrial activity and industrial workers. So, to my mind, it is extremely fitting that the institute should be located there.

The words I have spoken up to this time are a very brief appraisal of the budget and perhaps, were it only for what I have said up to now, I would not have found it necessary to take part in this debate; but after the remarks of the hon. member for Saltcoats (Mr. Loptson), when several days ago, he chose to devote a large portion of his speech to attacks on labour, I thought it was necessary that I get to my feet and say something about them.

First of all, Mr. Speaker, in my opinion, the hon. member for Saltcoats handled this subject in a fashion which unworthily reflected on the whole trade union movement in this country, and in particular upon its leadership. He pursued his subject with the sort of single-minded malignancy which I found rather appalling, and also in what I thought was a notable disregard of the known information and the facts, which even among some of the members opposite me, seemed to be almost positively distinguished.

I shouldn't have taken the time of the House if my hon. friend had remained in the confines of that weird and peculiar economic maze from which he seems to derive his economic information which is so often contradicted on this side of the House. I don't think the Premier of Newfoundland would have caused me to rise in this House. I do think that the basis of his remarks constituted an attack on the whole labour movement of this country and in particular of the leadership.

I want to say that the leadership of the trade union movement of this country and of the United States is not of a few paid representatives, not of a few chosen persons that have large salaries. The fundamental leadership of the trade union movement of this country is, of course, in the trade union officers and committees in the thousands of union organizations in the two countries.

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I want to say, speaking about Canada, because I am well acquainted with the trade union movement in Canada, that I know the leaders of the trade union movement in this country is not a leadership of Americans; it is the leadership of people who are born in this country or who have emigrated from the Old Country, and have been raised in this country. I can say that with very few exceptions . .

Mr. Loptson: — They take their orders from Americans.

Hon. Mr. Davies: — . . the entire leadership in Canada of the trade union movement is Canadian. I was just this afternoon jotting down the names of those who work full-time in the trade union movement in this Province. I find there is not one of some 25 persons who originates in the United States of America. I found that all but two came from Saskatchewan, or the other two prairie provinces. Of the other two, one came from England, not so many years ago, and the remaining one comes from Ontario.

Of all the people who work for the trade union movements in this province and across Canada, there is not one who makes the sum of \$50,000 a year. I don't know of any person working for the labour movement in this country who makes one-third of that amount. As far as I know the highest salary in the country is that paid to the President of the Canadian Labour Congress; this salary, I think, is some \$13,000 or \$14,000 a year, which is not out of keeping with the sort of duties and the sort of rigorous routine that a person in this position has to carry on.

I listened with a great deal of patience to the remarks of my hon. friend from Saltcoats. I listened to his tortuous formulations in tortured silence, in suffering silence, and I expect him, Mr. Speaker, to do the same.

Mr. Loptson: — Tell the truth and nobody will believe you.

Hon. Mr. Davies: — I think that the pertinent part of the remarks from the member for Saltcoats had to do with the fact that labour costs were too high because labour leaders were prodding their union memberships into asking for exorbitant wages. I want to say with reference to this that it is pure drivel and pure nonsense; the reverse is true, if anything. If anyone does the prodding, it is the union membership of their officials. This picture of the union leadership in this country and the United States whipping the membership into line to accept wage increases is one that is almost fantastic. Among many unions they don't see their representatives often enough to get the service that they expect of them, because in most cases union representatives have a great many unions to service. These are the facts of the situation. They are not founded on supposition. They happen to rest on solid reality.

The member for Saltcoats has supported the Premier of Newfoundland and he has called for similar legislative action in Saskatchewan. I think we should be very clear, Mr. Speaker, what the Newfoundland legislation means in that province and for all of Canada. First of all, of course, the

Bill now before the Newfoundland House, directly attacks the basic rights of unions and of workers to choose their own union. I think secondly, that it establishes the principle that, if a union organization can be banned, then any organization can be banned, whether it happens to a service, a fraternal, or a political organization. I would say that this is precisely the same sort of activity that took place after 1933 in the Country of Germany, where as a first move Adolph Hitler banned the trade unions, telling the world, of course, that it was because unions were subversive and that they were this, that, and the other thing. By 1938, every organization that could in any way stand in the way of that dictatorship had been outlawed, including the Masonic Order; I think the Masonic Order was the last.

I say that the Newfoundland legislation is on the totalitarian highroad, and that is putting the matter pure and simple. I notice from a release that has just been issued by the legal department of the Canadian Labour Congress that the Bill also outlaws peaceful picketing, which, of course, is permitted by the Criminal Code of Canada.

Mr. Loptson: — What about the other picketing?

Hon. Mr. Davies: — They say, and I would like to quote this:

This Bill is in flagrant and illegal defiance of the Code, and expressly prohibits what is commonly known as picketing, not simply violent picketing, not simply picketing by this particular union, or its members or officers or representatives or agents, but any and all picketing by any and all unions and their members or officers or agents or representatives or by any body, group or organization of trade unions.

The Bill also prohibits any and all unions, groups of unions (and so forth) and their members, (and so forth) and everyone else from authorizing, procuring, aiding or abetting any person to persuade anyone not to enter or leave the property or place of business of the employer.

Premier Douglas: — If that's democracy, I love Liberalism!

Hon. Mr. Davies: — The legislation, in essence, is not simple anti-union legislation; it is anti-democratic legislation. I think that, as time goes on, this country will recognize that fact. I would like to say this, too, that if we follow the advice of some of the members opposite and instituted this sort of legislation that would not permit the establishment or existence of international unions in this province, we would be denying the right of choice of trade unions to two out of three of the unionists in this province. Mr. Speaker, if you examine the last report of the Department of Labour you will see that approximately that number of persons are members of international unions. This is in a

province where the number of international unions is considerably less proportionately than it is in neighbouring province or some other Canadian provinces, because we have some large so-called federal unions that are affiliated directly to the Canadian Labour Congress. But even at that, in this province the effect of this would be to tell people who have chosen these unions, chosen them by the majority of the people in the employment of each employer, that they cannot have those chosen instruments to represent them.

Again, I went to point out that in Newfoundland this I.W.A. issue has been beclouded by charges of gangsterism, corruption and similar words and similar phrases. There has not been one charge levelled in the courts or before the Labour Relations Board in the Province of Newfoundland against the I.W.A. for any alleged corrupt act or any act that is in any way against the laws of Newfoundland. It was necessary for the Premier of Newfoundland to manufacture Legislation to define things that would be illegal. I want to point out, again, what may be clear to the members of the House from their perusal of press accounts. This organization was certified by the Newfoundland Labour Relations Board after a vote where 86 per cent of the loggers in the bargaining unit chose this union, under the legislation of that province . . .

Premier Douglas: — Wasn't that a Government-supervised vote?

Hon. Mr. Davies: — . . .and under a government-supervised vote under the legislation of that Province. A Conciliation Board, set up, again, under the laws of Newfoundland, with one member nominated by the employer, and one by the employees and a chairman nominated by their common agreement or by the Government, gave a unanimous report for, as I have said, an extremely meagre contract, for a 54-hour week and \$1.22 an hour, not this year but in 1960. These were not granted. The pulp and paper company in Newfoundland, which is, to my mind, the only foreign influence involved in this argument, said that any type of proposal would not be acceptable from this union. I would say this is what has happened. From the first the company was determined to break the union which was chosen by the loggers after a two-year period of organization, and determined to return them to a company union type group that could be easily controlled by the employer. I think these are the real issues involved here. I say that the actions in Newfoundland of the Government have just no parallel in modern day history; if they have a parallel I think we will have to go back a fair distance. We would have to go back at least to the days of Premier 'Mitch' Hepburn. I say that the Premier of Newfoundland has violated his own legislation by directly interfering, in the interest of the company, not only in passing anti-labour legislation but by lending his person to 'union-busting' meetings called by himself and excluding the press. He has attempted to ram down the throats of some of the loggers what I think is a company-inspired, government-controlled organization.

I said at the time of the first trouble in Newfoundland, and now say again, that I have not seen any accusation that would substantiate in the slightest degree, charges of corruption against the I.W.A. As a

matter of fact, I think it was the *Vancouver Sun*, in an editorial just a few days ago commenting on this aspect, said that there had been no examples of corruption in Canada or the United States respecting this union. Of course, in British Columbia, where there are some 35,000 or 40,000 members of the I.W.A. this newspaper should be in a position to know something about it.

I think, contemptible though it may be, there is only one conclusion to draw: that Premier Smallwood has manufactured charges out of thin air to cloak the real purpose of smashing the chosen union of the loggers who up to now have been forced to live on pathetically low incomes in the midst of wretched working conditions. I think the actions of the Premier, regrettable to say, are an example of almost unparalleled duplicity.

I would like to move on to this question of high costs of labour which was raised by the hon. member for Saltcoats when he inferred it was because of the excessive demands for wages by unions, which were not wanted by the membership but forced on them by the leadership, which were the causes of unemployment in this country today. This again is a statement which is not validated in any way by factual evidence. I am amazed really that any responsible person in the political world today could make the sort statements that I listened to a few days ago. For example, the hon. member was talking about \$200 million-worth of orders (I think it was) that had been lost because of the high wage level that allegedly exists in Canadian industry. You know, I think it was almost at the same time the hon. member made this statement that there appeared in the press a report of Professor Clark's studies on old-age pensions just recently submitted to the Dominion Government. Professor Clark commented on incomes in Canada, and the press release of his remarks said this: "Average incomes in Canada are about 30 per cent below those in the U.S.A."

Mr. Loptson: — That shows how stupid he is.

Hon. Mr. Davies: — Now surely, with wages almost one-third less in this country, it is very difficult to see how wages can place us in a very poor competitive position.

Again my hon. friend expressed concern for the plight of workers who earn from \$2,000 to \$3,000 a year which I think were the figures he used. It may come as a surprise to him, Mr. Speaker, that the majority of the wage and salary earners in this country are getting no more. There are very, very few people in this country who make more than \$4,000 a year, and if you take the bargaining units that have to do with trade unions, I think the percentage would be very low indeed.

I believe the hon. member made some reference to the high prices that these workers have to pay. I was looking at a statistical study by D.B.S. done in 1956, of retail chain stores, that is chain food stores. They take the wages and salaries paid to store employees and express them as a percentage of total sales in the years 1946 to 1956, I am not going to

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read each year, because that would take a little time; but I am going to take the two years 1946 and 1956 because I think these are sufficiently illustrative for our purposes here.

Here is what we find: 19046 wages and salaries as a percentage of total sales were 6.5 per cent; in 1956, they were 5.9 per cent. From 1946 to 1956 the percentage of wages and salaries in total sales had declined. What is more interesting is to note the actual figures. back in 1946, wages and salaries were about \$15 million; total sales were around \$238 million. By 1956, total sales had risen to \$1,096,000,000, while wages had risen to \$64 million. Look at it this way, Mr. Speaker. There was an \$858 million gain in sales against only a \$49 million gain in wages. It is figures of this kind that point out very clearly that over-all per-worker productivity is increasing. Certainly, if prices are high this condition cannot be ascribed to the ordinary worker, certainly not in this comparison to the worker in the food industries, although the chain stores are doing now about 43 per cent of all the retail foods in Canada.

Again, Mr. Speaker, I noticed some other figures that might be interesting to the hon. members, I think that the hon. member for Saltcoats referred to paper products and steel industries in particular, and I believe also to mining as examples of the condition where high wages have boosted the prices out of the market. Well, I have here again the analysis from the Dominion Bureau of Statistics. The source is the "General Review of Manufacturing Industries in Canada," and the comparison period is 1946 to 1955. In this comparison, salaries and wages on the per-workman in industry basis are given; then following that the production values added per workman in each industry. Here is what you find, taking, for example, paper products. In 1955, wages had increased in the paper industry by \$1905 but the values added per capita (that is, per workman in industry) had risen by \$4,716. In other words, over and above all wage increase gains there was a gain in production of \$2,811. Going again to iron and steel products, the increase in wages per worker in 1955 over 1946, was \$1,828. The value added per capita, however, had increased in 1955 over the 1946 figure by \$3,551. Again this is \$3.500 — odd, more than the production of the earlier year. This is a gain over and above all the extra wages that were paid, of \$1,723.

There are 16 industries given here, and I am not going to give them all; but in every one of them, there is the same principle expressed when you look at the figures. There is only one more I'll give here, and that is 'Petroleum and Coal.' Wages had increased \$2,144 in 1955 over 1946. The extra value in production, however, that had accrued in 1955 over 1946, for every workman in the industry, was \$7,335, a gain over and above all extra wages paid of some \$15,194.

Mr. Loptson: — Why don't you take the figures up to 1958, then we could probably get close to realities.

Hon. Mr. Davies: — There is a reason here why the figures up to 1958 are not given and it is because they are not available. However, I don't think there is any substantial difference from the period

1956 to 1959; certainly it is not claimed by any statistician that I know that there has been any marked change.

I think, having shown in 16 main industrial units in this country that the condition charged by my hon. friend does not exist, he might go to some of the larger industries in this country and in the United States, industries that have large operations in both Canada and the U.S.A. Actually, they are probably the main reason for international unions. The fact is that the only way the worker can cope with these companies is to have a union that has headquarters in one country but has a bi-national membership — in the United States and a Canadian membership.

I refer to the magazine *Newsweek*, February 23, 1959. They are talking about this issue of 'Productivity' and again this particular excerpt disproves what my hon. friend was trying to tell us the other day. This is the quotation:

"General Motors and Ford built close to 60,000 more cars in December 1958 than they did in December 1957," said Woodrow Ginsberg, UAW's director of research, "But they did it with 33,400 fewer workers." In all manufacturing, in fact, the number of production workers rose less than 1 percent (from about 12.8 million to 12.9 million) between 1947 and 1957. In the same decade, the index of industrial production shot up 43 percent.

I say, Mr. Speaker, that the heart of why there is unemployment is because of the expanded automated production for workmen in American industry.

Speaking about these same two Corporations — General Motors and Ford — (incidentally, it is said that in a few years' time they will be the only car producers on the market, because of the monopoly practices) — the "Co-op Union Newsletter" of July 1958 says this:

Since 1947 General Motors took in about \$2.7 billion additional, because of price increases, and that only about \$730 million could be accounted for by wage increases. As for Ford, the hike due to profits in the same period was nearly \$1.4 billion; the wage rise amounted to only \$278 million. By no stretch of the imagination can price increases of that magnitude be attributed to wage increases.

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I have also here another item from “The United States News and World Report,” of February 20, 1959. I don’t think this publication could be accused of having a pro-labour bias, Mr. Speaker but it says this:

Gains in productivity, always rapid during recovery from a recession, are playing a part in slowing the rise of employment. Factory output has recovered almost to the level of August 1957, last month before the recession began. The average work-week is back to where it was in August, 1957. The number of production workers, on the other hand, is still 8 per cent below August, 1957.

Here again, additional evidence, from people who have not any particular reason to manufacture it, to bolster the thesis that I am suggesting is a true one before this House.

Again referring to the “Co-operative Union Newsletter” of May, 1958; they speak about the concentration in industry. This particular report is on United States industry. I think it is applicable here, too, Mr. Speaker, because of the intertwining of U.S.-Canadian corporations. We, unfortunately, do not have the same type of examination as is made by the United States Government. But anyway, this is a report of the sub-committee on Anti-Trust and Monopoly of the Senate Judiciary Committee:

The 50 largest manufacturing companies today account for 25 per cent of the total industrial output compared to 17 per cent in 1947, an increase of 35 per cent.

The greatest concentration is in the aluminium industry where the four largest companies produce 99 per cent of the output. For passenger cars, 98 per cent are produced by the four largest companies with General Motors and Ford, incidentally, accounting for 80 per cent of the total.

Other high degrees of concentration are: linoleum, 94 per cent; electrical light bulbs, 93 per cent; coal tar, 89 per cent; telegraph and telephone equipment, 89 per cent; gypsum products, 89 per cent and so on . .

They conclude by saying:

In the food industry, 36 of the 110 classes of products listed show more than 50 per cent of output produced by the four largest companies.

I think this evidence is useful because, it seems to be, it is not very often that information of this kind is available to us; in fact it is extremely difficult to find. I thought that, in respect of the charges which have been made in this House, it would be especially timely to bring it forth.

I am convinced that any solution which is advocated that seeks to penalize labour or its institutions, or to weaken it in any way, or by subterfuge to discredit it would, if successful, do the greatest of harm to society. I say this because I sincerely believe that labour is one of the few forces today that is capable of dealing with the increasing tendencies to monopoly, which are assuming frightening concentration, importance and control in both Canada and the United States. Who would want to return to conditions where we did not have unions as we know them today, and turn back to that position known in the period prior to the 1940s, when a vast, inarticulate group of workers had no means of expressing their wishes to management? What would happen if these people didn't have unions of their choice? This is exactly the issue that is confronting us today in Canada. I say that we would be in a position where the resulting earnings and working conditions would be so drastically low, so very poor, as not only to endanger living standards, but moral and social standards of the whole society. The working people of today, of course, are the largest number of people of our society, and as I said the worker and the farmer together constitute the overwhelming mass of people in the country.

One other thing: This Government has been accused of being "too kind" to labour, and I think the hon. Minister of Natural Resources (Hon. Mr. Kuziak) said, a little while ago (and quite rightly), that the labour laws of this province are, in the main, superior to all other provinces of Canada. But why should the accusation be made of being "too kind" to labour? What have we got? A Trade Union Act, a Minimum Wage Act, and Hours of Work Act, Compensation Act; legislation of this kind. There isn't one piece of legislation we have here that is really more than reform legislation. Yet the old parties who claim to have a basic philosophy of social reform, have done nothing in other Provinces to the extent that we have done in this province, I think the fact that this legislation does not exist in these other provinces is yet another illustration of the commitment of these governments and their controlling parties to business interest, and to the demands of business interests, in Canada.

Mr. Speaker, I have, I think, answered some of the charges made by the member for Saltcoats. At this time of the debate it seems to be that it would be unfair to spend too much time in answering what are largely unfounded facts. But may I say this, in finishing on this topic: Workers of this province will be justly apprehensive of Liberal Party policies towards organized labour as a result not only of the events in Newfoundland, but of the statements that have been made in this House over a period of the past few weeks. I say that working people are entitled to reject the Party which has displayed such overt hostility towards labour.

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I believe that my friends opposite have often been rather contemptuous and derisive about the new political party which is anticipated. I would like to say this: The need for a new political party, for a strengthening of existing progressive political institutions, has become all the more evident as a result of the events of the last month or so in this country. I don't know what reasonable human being would expect any other reaction from Canadian working people after the treatment they have received in Newfoundland and, as I say again in respect to this Province, remarks from some of the members of the Opposition.

I intend to support the budget, because it takes firm steps towards what I think are better things. I feel, frankly, it does have shortcomings, but it is an infinitely better approach to good government and a better society than, I suggest, could have been brought down if my friends opposite us had been sitting in a position of responsibility. For all these reasons, and because I believe this Government has always done much to redeem the pledges it has made to the electorate, I will support the budget.

Mr. J. W. Horsman (Wilkie): — Mr. Speaker, it is rather late to get in on this Budget Debate, there have been so many things said now; but there were one or two things said here, last night, to which I must take exception.

The Hon. Minister of Social Welfare (Hon. Mr. Bentley) was talking about the old days, and he emphasized that, through all the years in the history of Saskatchewan, nothing had been done of any importance until 1944. I think the Minister knows better than that; if he doesn't he is very ignorant of the history of this province. I didn't hear him give the pioneers of this country very much credit for anything they have done. I certainly didn't hear him give any former government, since this province was formed, any credit for doing anything of value in Saskatchewan.

Hon. Mr. Bentley: — Mr. Speaker, on a point of privilege, I could have given a lot of people my age, including myself, a lot of credit, but I am too modest.

Mr. Horsman: — I may say that modesty sometimes is a virtue, and I don't think he should have hesitated at all for that reason.

When you look back over this history of Saskatchewan you must remember that this province started in 1905 and conditions were much different, of course, than they are now. I came to this province in 1907 and all there was in our country was grass — miles and miles of it. The hon. gentleman said, too, that we were short of houses; there was no housing in those days. There certainly wasn't as far as we were concerned. When we moved in on the bald-headed prairies we didn't even have a load of lumber to build a house with. We had to use the prairie sod with which to build a house, until we could afford to build something better. We got along through those years; it wasn't too hard, I didn't think. I never saw the time when we couldn't eat three times a day. We didn't have any of the luxuries of life, but we had at least the bare necessities of life.

He pointed out, too, that there was never anything done about health: there were no health services in those days; and that is true, when you back that far. But before this Government came into office, there were at least 100 municipalities in Saskatchewan that did give health services to their people. One of them was my own municipality; we have health services there yet, and have had since 1934. There is no desire to drop it now.

Hon. Mr. Walker (Attorney General): — What did the Provincial Government do for you?

Mr. Horsman: — I didn't ask your opinion, sir.

Hon. Mr. Walker: — I'm asking yours.

Mr. Horsman: — You know, I think the hon. Attorney General is possessed with a sixth sense. The reason I think that, Mr. Speaker, is because he never gives much evidence of possessing the other five.

But to draw a comparison between those days and the present time is absolutely ridiculous. People who do these things and say some of the things that emanate from the members on your right, Mr. Speaker, are either very ignorant of the history of their own province, or else they are telling things with the intention of misleading the public.

Hon. Mr. Walker: — I tried to find out something and you wouldn't tell me.

Mr. McCarthy (Cannington): — You wouldn't know, anyway, if he did tell you.

Mr. Horsman: — When this Government came into office in Saskatchewan our school districts were formed, our municipalities were formed, our hospitals were built — what there was of them at that time. We had municipal hospitals years before your time.

Hon. Mr. Walker: — That was done by health regions — what was the government doing? They just sat.

Mr. Horsman: — People believe in doing things for themselves sometimes.

Hon. Mr. Walker: — They had to in those days.

Mr. Horsman: — With regard to farm income, everybody admits that the farm income is down. This Budget compares the farm income and it tells us that farm purchasing power is 53 per cent below the average for the period from 1946 to 1956 and that the gross product of Saskatchewan now is two thirds industrial produce. This is understandable because, while the prices of farm products have been going down over the last number of years, the prices of manufactured articles have continued to rise. That is what we call the 'squeeze'; that is the real squeeze. That is one thing that started the "March on Ottawa"; and the reason for the "March

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on Ottawa” is because our prices are so low that the farm people figured they couldn’t survive very much longer. That delegation is on its way back now. I hope the “March on Ottawa” has done some good. They apparently won’t get deficiency payments, but still the representations they made there may, in a few years or I hope shortly, do some good for the farmers of this province. I hope it will. At the present it looks like a payment of some kind should be made, because any other system would have to go over a matter of a few years. If this March on Ottawa has the effect of bringing some policy into force which will be permanent and which will help to keep prices more stabilized, then I think the March on Ottawa hasn’t been made in vain.

After all, I don’t think the farmers want the rest of Canada to feed them or to subsidize them. All they want is a fair price for the things they have to sell, somewhere in line with the things that they must buy; and it is only fair that they should have that in some way where they can preserve their dignity and their independence.

According to the Budget, the net debt for this province is a little less than \$25 million. That doesn’t seem to be much money; but the gross debt is somewhere over \$300 million. This gross debt is supposed to be self-liquidating, and I suppose it is. It is like the mortgage I used to have on my farm at one time. I thought that was a self-liquidating debt, but it took a great many years to liquidate it; and all through those years it still remained a debt to me. I think that any debt that the people of Saskatchewan are responsible for, no matter if it is paid now or twenty years from now, still remains a debt of the people of the province. I can’t see it any other way. Of course, you know I am only a stupid old farmer. I don’t know too much about figures, but that is the way I look at it.

There is one thing though that even a stupid farmer can see and that is the right-about-face that this C.C.F. Government has made in the last few years. I remember before they were elected to office some of the things in the platform that they were elected on. This is the group that was going to eradicate capitalism. This is the group that was going to put into operation a full program of socialized planning in Canada. Well, what are they doing now? It is rather an amazing spectacle to see them now. I don’t blame them for trying to get industry into the province. That is their business, that is what they should do; but they don’t bear much relation now to the great Socialist party that they once thought they were. They have lost their socialist principles, and I think that when a party or a person goes back on his principles it is the first sign of decay, one of the great signs of decay. I think it is an amazing thing to see them now not only trying to entice capital into the province — which is the right things, I don’t care how they get it here — if it was any group that did not have the idea of eradicating capitalism, it would be quite all right; but they are not only visiting them in, they are financing them as well. These people that they condemned in such vicious terms over the years are the very people they are financing. So

we have the spectacles now of the C.C.F. Socialists taking the millionaires by one hand, labour by the other hand, marching along. It's a good thing they haven't got three hands, Mr. Speaker, or they would be trying to grab the farmers, too.

Then, of course, we hear about this grand new party that they are going to form — a union between the C.C.F. and labour. Labour, it seems to be, is in a very strong position today, and I don't know what they could expect to get that they are not getting now. What I mean is, I don't see how they could expect to get into a stronger position by going into politics. I hope for one thing that the Farmers' Union stays out of politics. If they don't they will just be submerged by this other group, they won't have anything to say at all; and I would advise Labour Unions to just keep out of politics. They have a great influence in the country now. I would say they are in a very strong and powerful position, powerful enough that they could, if they wished, hold up the whole economy of this nation. One example of that would have been if the railroad men had gone out, last fall. They settled without going on strike; but if they had gone on strike they could have held up the whole economy of this country.

I have no complaint against labour; or labour unions either; I think labour men should be organized. Perhaps we farmers should be organized much stronger than we are now. But labour has one weapon that the farmers will never have — they have the great weapon of the strike. The farmers couldn't go on strike; it is absolutely impossible. For instance, if a farmer has a bunch of hogs ready for market, he has to put those hogs on the market or they would be too heavy within the next few weeks. If he is milking cows and selling milk and cream, that milk and cream must be marketed. The same applies to eggs. You cannot destroy them; so the strike is out as far as the farmers are concerned.

Labour hasn't shown too much friendliness to the farmers as far as I can see, over the years. It is only about a year ago or a little more that the longshoremen went on strike at the Coast ports and refused to load our grain, right at the time when our grain was ready to move, and when the farmers needed the money for that grain. They weren't thinking about the farmers; they were thinking about themselves, and that is only natural. When we do things, or when the Farmers' Union does things, we don't think so much about doing something for labour; we want to do something for ourselves. This March on Ottawa has nothing to do with doing something for labour. It is to try to do something for the farmers; and I cannot see any place in an organization of this kind for the farmers. I just cannot see it. Maybe some of you can, but I can't.

Trade, to me, is the only thing that will help the farmers or help any country out, and if we get prices of our manufactured articles up to a point where we cannot sell them in other countries, then what is going to happen? I think it has been pointed out many times in the last

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few years that we are now pricing ourselves out of most of the markets of the world. I see the Premier smiling, but I would like to see him take a combine at \$7,500 or \$8,000 and sell it in any other country besides Canada. I don't know where he could get that for it.

Premier Douglas: — Might I ask my hon. friend, if he is so concerned about labour costs, is he not concerned about the profits that are being made by the companies? Your idea is to get the wages down but keep the profits up.

Mr. Horsman: — I can say this, though, about labour. The last freight increase that we had here came right after the railway men got their raise in pay. I don't say that a raise in pay wasn't coming to the railway men. Maybe it was; but it is a good example that when wages go up other things must go up; at least that is the way the thing is working out. The farmers are in a different position. They have to sell on the world market, not on a closed market.

We hear a lot of things about the family farm, and I think it is a subject that we should talk a lot about and should now everything about. How much land forms an economic unit? Someone said in this House, a few days ago, that the family farm depended mostly on the farmer. I know men in this country who have never owned more than a half-section of land. They have good homes, good buildings. They have raised families and educated them and everything else, and they have money; and yet they have never had more than a half-section of land. I know men who have had much more land than that, who have been 'broke' all their lives, just living from hand to mouth. I think that a farm unit depends so much on the man who is operating it that it is pretty hard to say how much land a man should have to have an economic unit. One thing certain is that on a large farm, if you get a crop failure, you lose much more money than the small farm does. All our crop insurance that we have now — the P.F.A.A. for instance — is geared to the small farm, not to the large farm; half your acreage up to 400 acres is what you can get a P.F.A.A. payment on, if your crop is below eight bushels to the acre. It is not geared to help the big farmer at all.

Mr. Speaker, I would suggest that we call it 5:30.

[Resuming at 7:30 p.m.]

Mr. Horsman: — Before we called it 5:30 this afternoon, I think I succeeded in convincing the hon. members on your right, Mr. Speaker, that their once great socialist C.C.F. party, as they were called when they were first organized, is just about ready to pass out of existence, because they have deserted their principles. Of course, the members on this side of the House always did know that, but for some strange reason the members on your right never seemed to catch on.

I think I was talking about family farms when I stopped speaking at 5:30. There are some things that this Government could have done to help the family farm, which they have not done. Farm power is one

thing which has been mentioned many times in this House, but anything as important as that, I think, can bear repetition; I think it is all right to talk about it again. As you know the farmer paid \$500 to have his power installed. In a way it was much cheaper than the farmer could have done it himself. We have to admit that; but at the same time the whole thing should have been pooled. I think it should have been done along the same line that the gas lines are being put in now. They are distributing gas to all the major towns and cities in Saskatchewan and the price is just about the same at one place as it is at another. I know — nobody has to tell me — that it costs more to install power on a farm than it does in a town or city; everybody knows that. No one can tell me, though, that you can take gas to Prince Albert as cheap as you can take it to Kindersley, right at the wellhead. I think that the system under which gas is being distributed is the proper system, and I believe the same system should have, and could have, been applied to power in this province. That would have helped the small farms and the family farms and any other farms. Of course, gas has nothing to do with the farmers; the farmers cannot get natural gas. You cannot take pipelines from one farm to the other — we know that; but when it comes to something that does interest the farmers that they could get, then the price wasn't pooled and they were charged the extra fee for their power.

There is another thing, a small thing perhaps, but this Government could be of considerable help to the farmers of this province if they allowed them to use purple gas in their farm trucks. To me, a tax on gasoline for farm trucks is a direct tax on production, and it could be taken off, and it wouldn't cost the Government too much money.

There is another matter that I would like to talk about for a minute or two, something that concerns my own people in my constituency, and that is the hospital that was supposed to have been built at Luseland. When the new Kerrobert hospital area was mapped out, it took in an area comprising Luseland and some land to the north of Luseland. Those people said that they would go into that hospital area on the condition that a 10-bed hospital would be built in Luseland. They got that promise from the Department of Public Health; at least they tell me they did.

Hon. Mr. Bentley (Minister of Social Welfare): — No, that is not so. They did not get that promise.

Mr. Horsman: — They claim they got that promise, and they said that was the only condition under which they would go into the Kerrobert hospital area. I believe these men — they are friends of mine; and I believe they are telling the truth. If it wasn't told to them as a definite promise . .

Hon. Mr. Bentley: — Mr. Speaker, on a point of privilege, if he believes they are telling the truth then he does not believe that I am telling the truth. I assure you, sir, I am telling the truth when I say they were not given that promise.

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Mr. Horsman: — I did not accuse you of lying, sir. I said that is what they understood. They are people of ordinary intelligence. I don't think they are fools or anything like that. They sent delegation after delegation down here and met you and other officials of the Department of Public Health, and they thought that was the promise under which they went into the area. All they have in Luseland is a little small place — what we call "the clinic," something that is of very little use. I think that the area should be allowed to withdraw from the Kerrobert area, at least the portion of the area that is in Grass Lake municipality, because it is much closer to Unity and they would prefer to go in to the Unity Hospital area.

Hon. Mr. Bentley: — Some of them are.

Mr. Horsman: — They circulated a petition, not very long ago, through that very area and over 90 per cent of the people signed the petition to go into the Unity area instead of Kerrobert.

Now there is a question that is pretty much in the minds of farmers and municipalities these days, and that is the proposed change in municipal boundaries. We have a Committee working on that but they have not yet reported. They haven't advised us what they are going to do about the matter, but I do think that, before any overall changes are made in the municipal boundaries, the people concerned should be allowed to take a vote on it.

Now, Mr. Speaker, I am going to talk for a few minutes about liquor. I guess we all know what that is. I am not going to talk about The Liquor Act which is coming through this House, but I want to make a small review of the liquor business in Canada as I know it through the course of my lifetime. I have seen liquor sold very freely; I have been under certain prohibitions and every other system that we have ever had. The town where I was born in the East was a small town of about 2,000 people, and in that town we had seven licensed saloons, all of which were open from 8:00 o'clock in the morning until 10:00 o'clock at night; and on Sundays, if you wanted a bottle, you could always get in the back door. That is how free it was. I remember in those days, in those early times, that even on election day they were passing bottles around on the street. You couldn't find liquor any freer anywhere than it was there. Then I came West and we had the open bars here; but even in the East, when I think back to that time, with all the liquor outlets we had then, I don't believe that drunkenness was much more common than it is here now. And I think there were as many people who didn't drink at all as there are now. There were plenty of people who didn't drink at all as there are now. There were plenty of people who never drank and I know at that time, if you offered a woman a drink you would insult her. There wasn't one woman in a hundred, I don't think, who ever tasted liquor — not to my knowledge. It was as free as the air and it was cheap. You could buy a 26-ounce bottle of whisky for about 70 or 80 cents; it was very cheap.

Then the open bars were 'on the go' when we came West. There weren't five or six in every town; but many of the small towns had two bars, where there were two hotels, and I don't think it was any worse than it is now. Then we decided to go into Prohibition. We took a vote on it across the province and we voted a Prohibition law into force. I remember those days very distinctly, and if there ever was a heyday for the bootleggers it was during the time when we had Prohibition in Saskatchewan. I have heard of men who made themselves millionaires out of bootlegging liquor — running from one province to another and across the American border. Druggists sold liquor on prescriptions. Even veterinary surgeons would give you a prescription to get a bottle of liquor — it was to use for horse medicine, of course, but there were all kinds of ways of beating the law. Moonshine was made in many places. There were stills scattered all over the country. I am speaking of my own experience. Perhaps some of the rest of the country was more moral than we were, but that is what the situation was there. I remember the Mounted Police hunting for stills, and they would find one once in a while, and they would fine the fellow a little, but in a month or two he would be going again.

I think that proves pretty well that you cannot legislate a group of people into morality, and it also proves to me, all the liquor laws that I have ever seen prove to me, that they are laws that are very, very hard to enforce. As far as more outlets in Saskatchewan for liquor is concerned, it couldn't make the situation any worse; it might improve it some; I think it will; but I just wanted to say these few things about liquor. It makes no difference how we amend the liquor laws. It is an evil that we are going to have with us and something that we have to learn to live with and put up with. That is my opinion on this question.

Now, Mr. Speaker, I often think, when we hear so much about the problems that we have in Canada and in Saskatchewan and the difficulty we have in trying to solve these problems, problems arise and we have to face them. Sometimes we have great difficulty in solving them to our satisfaction. I wonder how many have thought very seriously about conditions in the rest of the world, in the world at large. We don't live only in Saskatchewan here; we live in Canada; we live in a very large and great country. Conditions are so much different from one end of the country to the other that we must admit that it is a country that is very hard to govern. When we go into British Columbia, for instance, we find the economy of that province entirely different from our own. The three prairie provinces are pretty much alike; our problems are fairly similar. Then you go to Eastern Canada, the highly industrialized part of Canada, and you will find that conditions are much different there than they are on the prairies, and certain laws that we would like to see enacted here that would affect us and do us some good, are things that they just simply don't want down east. Then you go further east, to the Maritimes, and you will find another set of conditions. That is where I lived at one time; it was where I was born in fact. You would find things altogether different down there; a different economy again, with the need for different laws apparently to work out the things that they want to do.

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A government confronted with a country like this, as you can imagine, must find it very hard to figure out a set of laws which work out for the benefit of every part of the country. Sometimes I pity the people at Ottawa. I have no particular pity for Diefenbaker and his bunch. I had nothing to do with putting them in there; but now that he is in there he just has to solve the problems the best way he can. He made lots of promises before he got in anyway, and now it is up to him to solve the problems. But to go back to things in other countries — we have learned here in Canada and in every other country, the world has advanced in knowledge in the last 50 years; but we have learned something unbelievable, things that we wouldn't have believed could be possible 50 years ago, and even less than 50 years ago. When I was a young lad in the east, if someone had told me that the time would come when a human voice would circle the globe, I wouldn't have believed it. If someone had told me that there would be such a thing as televisions, that a picture of human beings would be flashed on a screen hundreds of miles from where they were sitting, I couldn't have believed that. When I as a young lad aviation was just in its infancy, when the Wright brothers made their first flight; and I remember it well. I remember when the man (I can't just recall his name) made the first flight that was ever made in Canada, in Nova Scotia. Afterwards he was Lieutenant Governor of Nova Scotia, and I believe he is still alive. He flew a few yards. That was just the start of things like that. Now men are being propelled through space faster than sound. We are cured now of almost every disease, medicine has advanced to much in the last 50 years. We have all kinds of inventions, labour-saving devices of every kind; and I would say he is a bold man who today would say that he knows what was going to happen.

We learned how to split the atom, one of the greatest accomplishments that science has ever achieved since the world began. The division of the atom, I think, could be the greatest blessing that mankind has ever had, if it is properly used. If it isn't, man has now within his hands the means of destroying the earth, or at least setting our civilization back a thousand years. These things concern us because we not only live in Saskatchewan and Canada, but we also live in the world and we must admit that speed annihilates distance and nobody is safe anywhere, if it comes to a war where these weapons are used.

I think that our small problems are dwarfed into insignificance when we think of these things and they concern us. Probably when we are talking in this Legislature we should talk about things more relevant to our own province, but these things are important to our own province. They are important to all of Canada and the whole world. We have men out of work, unemployed; we have lots of problems besides the farm problems. The farm problem is close to us, and that is why we think of it in particular. I think we are very fortunate indeed to live in a country like Canada and to have the blessings of a free country such as this.

Mr. Speaker, I am going to come back to Saskatchewan for a minute; I don't like to leave my own province too long. I have a question here that I am going to read to the House. This question was

asked by the member for Qu'Appelle-Wolseley (Mr. McFarlane) on March 11th, and this is the question: "What was the total expenditure to date for the obstacle course for testing farm machinery?" The answer is "The track proper cost \$22,567.96; the steel obstacles, \$5,804.00; a total of \$28,371.96." I understand this obstacle course is situated somewhere around Regina — the Minister of Agriculture will likely know where it is; but I am just wondering if a carload of machinery should be shipped to Saskatoon, or Wilkie or Unity, how they would get the machines down here to have them tested on that course. Any piece of machinery could be shipped to the most remote part of the province, and I am just wondering what they are going to with that course in that respect, anyway.

I mentioned something a while ago about the fact that the C.C.F. members on your right, sir, never give any other government any credit for doing anything before 1944. To them it seems to appear that this history of the province started in 1944. I think I pointed out to you that schools and municipalities, hospital areas, roads and all these things were started at the turn of the century. This building where we sit, today, was built around 1909 or 1910, and that was long before we ever heard of the C.C.F. The University of Saskatchewan was started in 1909 — just 50 years ago. A Liberal government was in power then. Of course these things have been built up and extended since, naturally they have; you cannot remain static altogether; but former governments did do things in this province and they had to start from scratch. When the C.C.F. came into this province everything was laid out for them — just like a farmer, who had farmed for 50 years, deciding he was getting too old, and turning his farm over to his son. There he has his buildings, the land all broken up, and everything set up for him. That is the way you fellows found things when you came in here; and yet you say that no one had ever done anything before 1944.

I have in my hand, here, some of your own reports: "Saskatchewan Government Telephones, 1958"; and I find a review of the history of the Telephone Company from the time it was started — a fairly good review, too. I am going to read some of it because I think it would be of interest to you. It says: "The Corporation had its origin in the Department of Railways, Telegraphs and Telephones, and its work established by the Telephone Acts, assented to on June 12th, 1908." That is quite a long time ago since this telephone system was started. It goes on to say:

After several minor changes in name, the system eventually became known as 'Saskatchewan Government Telephones', a provincial crown corporation . .

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Organization of the department and planning a telephone system which would serve both rural and urban subscribers took up most of the time in the first year. Many rural telephone companies were encouraged to come into being, while at the same time the system concentrated its activities on developing a long distance network for the province as well as establishing its local service in the cities and towns. In the first year work was commenced on the construction of long distance lines from Antler to Regina and from Lumsden to Saskatoon.

That is a long time ago, Mr. Speaker, and it proves to my satisfaction that that is one thing, at least, that was started before this Government came into office.

In 1909, Saskatchewan Government Telephones built its first telephone exchanges at Hanley and Melville. The System was considerably expanded during the year by purchase from the Bell Telephone Company (May 1st, 1909); the Saskatchewan Telephone Company (July 1st, 1909); and the Wapella-Harris Telephone Company (October 1st, 1909); a total of 18 telephone exchanges, 53 toll offices and 492 pole miles of long distance lines. Among the telephone exchanges purchased were Estevan, Moose Jaw, North Battleford, Prince Albert and Regina. To this Saskatchewan Government Telephones added, in addition to the two exchanges built, 47 toll offices and 640 pole miles of long distance line. At that point the number of subscribers in the province totalled 5,710-3,412 local subscribers, 2,118 rural subscribers and 180 subscribers in municipal systems.

Now that was the start. That is when the Saskatchewan Telephone Corporation started, and you can imagine the problems we had then. Nobody had any money, the country was raw, half of it wasn't broken up; but the start was made then, and this report testifies to that. I quote again:

From that early beginning, successive annual reports testify to the Corporation's growth and improvements of service to meet the ever increasing communication needs of the people of Saskatchewan.

This is a Government report I am reading from, and it certainly doesn't say that nothing was done in that line before 1944. I am going to read some more from the report:

In 1911, three more purchases expanded the system still further. These acquisitions were from the Saltcoats District Telephone Company, the North Western Telephone Company (Saskatoon) and the Swift Current system. Of these the Saskatoon system is historically significant as it had the first automatic telephone exchange serving any community in Canada, having been installed in the latter part of 1906 and brought into service early in 1907.

That was 1907, Mr. Speaker, 52 years ago. We had the first dial system in Canada — and there wasn't any C.C.F. then.

By the end of 1912, the long distance net-work serving all major centres in Saskatchewan had taken shape. Over 11,850 miles of wire were strung on 3,172 miles of long distance pole lines.

That was a long time before the C.C.F. came into power! I am glad it is your own report, because you can't deny it. Continuing:

Yorkton was added to the provincial system by purchase from the North Western Electric Company on December 1st, 1911. Nearly 15,000 local subscribers were then connected to the system's exchanges, in addition to which there were some 9,000 subscribers in the independent and rural companies.

That was in 1911. And here is something else — I think they have set up a very good case here for the former governments of this Province, a very good case, much better than I could do. They say this:

Within twenty-four hours of the Regina cyclone, which completely destroyed the telephone office in 1912, long distance service was re-established. Six weeks later, a temporary building had been erected, a new switchboard, cable and other equipment brought in from Eastern Canada, and local telephone service resumed on August 11th and 12th, 1912. This was later replaced by dial system housed in the telephone building at 12th and Lorne Street, which served the people of Regina from January, 1914, until November 15th, 1955 . . . Soon after the conversion of Regina to automatic operation in 1915.

Automatic operation in 1914 — that is a long time ago, too; that was

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before the first World War:

. . planning and work commenced so that the following places were converted to dial: Prince Albert (1915), Moose Jaw (1918), Swift Current (1918), and Qu'Appelle (1919). In the 1920's three more exchanges were converted to dial (North Battleford, Indian Head and Melfort). During the thirties the only conversion was at Yorkton (1936).

Well, things were getting tough about that time.

Hon. Mr. Fines: — The time of the Liberal Party.

Mr. Horsman: — That was getting close to the time when the C.C.F. came into office. There is a little more here:

Long distance service improvement has received continued attention over the years. The system pioneered operator distance calling in 1919 when it established one-way dial circuits from Kerrobert to Saskatoon, Lumsden to Regina, and Rouleau to Moose Jaw. However, it was not until the major project involving the conversion of local systems to dial, the changing of telephone numbers to the '2-5' system and the cutover of the two cross bar machines, that distance dialling was practical on a national scale.

The company installed its first carrier system in October of 1928 between Regina and Saskatoon. This made it possible to transmit four conversations simultaneously over the same pair of wires. Improvements have increased the number greatly. About the same time the vacuum tube found its way into Saskatchewan Government Telephones repeater equipment to strengthen feeble voice currents.

Now, Mr. Speaker, that is taken right from one of the Government reports.

Hon. Mr. Williams: — Try Page 5, John.

Mr. Horsman: — So you didn't start the first telephones.

Mr. McDonald: — And you didn't start the first radios.

Mr. Horsman: — And you didn't start the Parliament Buildings; you didn't start the University; you didn't start our schools; you didn't lay out the roads; you didn't build our first hospital — all these things 'firsts' under the Liberals.

Hon. Mr. Fines: — We have paid for what the Liberals did, too.

Mr. Horsman: — Oh no, they were pretty well all paid for.

Mr. McDonald: — Who is going to pay for what you are doing?

Mr. Horsman: — I want to tell the hon. gentleman something. I used to be Chairman of the Hospital Board of Unity Union Hospital for several years. We owed a lot of old debentures that were a result of the hard times; but the Government didn't pay those debentures off for us. Finally we paid them off while I was still a member of that Board, and we didn't owe a dollar on them at all. Then when this Hospitalization Plan came in, in order to get a grant we had to make many improvements to the hospital. I admit those improvements were needed; but at one time — just after the 'thirties' — we had every dollar paid off in that hospital. We owe a lot of money today, and the Minister of Social Welfare (Hon. Mr. Bentley) said, yesterday, speaking about health services — that we had no health services. We had a hospital plan in our area; we paid hospital bills for the people. It was a very small payment that they had to make themselves which was never a hardship to them; and we looked after the indigent patients ourselves.

It was also stated that people were denied admission to hospitals in those days if they couldn't pay. That may be true, though I have never heard of it; but I don't doubt the hon. gentleman's word. I know that municipalities had to do something about admitting indigent patients, to let the hospital know that they would be responsible for the bill if the people couldn't pay themselves. But I never knew of a case where a sick person was denied admission to the hospital. In the health plan in our own municipality (and the same thing applies to many other municipalities), I remember the time, in the early 1940's when we owed our doctors over \$10,000 that we couldn't pay; but the doctors never turned down one of our patients and, as things started to pick up, we paid them off, so they didn't lose any money.

I think the people in the early days who lived through those hard times had more sympathy and understanding than the people have ever had at any time since. Now they run to the Government for everything. I don't know whether it is a good thing or not. I don't think that people should be educated to think that their country owes them a living. I think people should be educated to do everything they can for themselves. If the Government of the day passes good laws and gives the people a chance to work under the laws, with a chance to work for a living, I believe that is right; but I don't think people should be brought up to think that when any little cloud appears on the horizon, all they have to do is run and get something from the municipality and something from the Government, or some other source. I don't think that is good. I think that the old and the weak, the young orphans, the crippled and people like that should certainly be looked after by the local government, but I think able-bodied people should look after themselves. Most of us do. But I think people could be educated to do that.

Now, Mr. Speaker, I have possibly spoken longer than I should have, longer than I intended to; but I am afraid I will not be able to support the motion. Too bad, isn't it?

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Hon. J. H. Brockelbank (Minister of Mineral Resources): — Mr. Speaker, I would like to make a few comments at this time, following the hon. member for Wilkie (Mr. Horsman) as he read parts from the Telephone Report. I don't think we have ever tried to detract from the achievements of the early days in Saskatchewan. I think my hon. friends will remember the celebrations of our Jubilee Year, and there was no detraction from the achievements of those days, but after having listened to the hon. members opposite for a number of years and then hearing the member from Wilkie reading about the Telephone Company and all these 'Liberal' private telephone companies they were buying up, that terrific, horrible octopus of a monopoly that was put into effect by the Liberal party — buying out these little telephone companies all over the province; that is the kind of stuff they hand out. But at that time, long before my hon. friends here had any voice in the Liberal Party — pardon me, I should say 'had little voice' in the Liberal Party — the Liberal Party then did have enough vision to see that if Saskatchewan was going to get telephone service they had to have a publicly-owned monopoly to get that service.

Mr. McCarthy (Cannington): — I was right here helping them.

Hon. Mr. Brockelbank: — That decision was made away back, just about 50 years ago now; but they did nothing about power. They had a Power Commission organized that had did nothing about power. They had a Power Commission organized that had bits and pieces of a system; but in those times of private enterprise they had no high-tension grid of any kind, no proper plan of distribution of power throughout the province, no generating facilities which would be economical and in the best interests of this province of Saskatchewan.

Mr. McCarthy: — That's not true.

Hon. Mr. Brockelbank: — When we took over in 1944, we had to proceed to buy out a number of private power companies and put together a power system which could be developed to fill the needs of the province.

I can also say to the hon. member from Wilkie that if the power policies of the late Liberal government in Saskatchewan had been continued, there would not have been power for many farmers in the province of Saskatchewan at \$500 each, or at any other price, because they failed to build a foundation in generation and in transmission to make such a plan practical. I just want to suggest to the hon. members opposite that they have plenty to do in worrying about their own situation and the many times that the Liberal Party has gone back on its principles without concerning themselves with our problems in that respect.

Mr. McCarthy: — The same to you.

Hon. Mr. Brockelbank: — Of course, the Liberal Party throughout Canada, with a couple of minor exceptions to date, is in the happy position of coming back again to some of those promises which they ignored and neglected while they were in office for

years. The Liberal Party throughout Canada is certainly travelling in the deep, dark forest, and there is no telling how long they will be there.

A number of members opposite have had something to say about the financial situation of the province. The hon. member for Wilkie pointed out that these buildings were built long before the C.C.F. came to power. yes, they were built, Mr. Speaker; we quite realize that. The total amount spent on public buildings by former governments, up to 1944, was \$24.2 million, and up to that time they had paid off \$800,000 of it, and left the rest of it to be paid off after 1944. Since 1944, \$57 million has been spent on public buildings and there is no debt on any of those public buildings. The University buildings, the Administration Building, and all other public buildings throughout the province are paid for; and besides that, we have paid off half of the debt on the former old public buildings of over \$24 million.

Mr. McDonald: — How much debt have you accrued?

Hon. Mr. Brockelbank: — So when my hon. friend talks about what was done before the C.C.F. Government took office, he should take into account the whole picture. now the Leader of the Opposition (Mr. McDonald) is saying: "What about the debt at the present time?"

Mr. Danielson (Arm River): — What about the millions . . .

Hon. Mr. Brockelbank: — Mr. Speaker, there are about six people here who want to make a speech, but I hope they will let me go on and finish.

Mr. McCarthy: — Well, stick to the facts.

Hon. Mr. Brockelbank: — The debt concerning public buildings, highways, and all that sort of thing is included in our net deadweight debt, in that figure that has been quoted a good deal, somewhere around \$24 million. Let us see some of the other things the Liberal Party did for the province of Saskatchewan. They went into the Farm Loan business, and there was a debt of \$15,590,000 shown in the back of the Budget Speech on this. Ironically, that is classed as a self-liquidating debt, but it was not a self-liquidating debt. There is still \$3½ million to pay on it, and there will be, when it is all wound up, from \$5 million to \$6 million of a deficit because of the mismanagement and the political favouritism exercised with regard to farm loans in those days.

Mr. McCarthy: — That is not true.

Hon. Mr. Brockelbank: — Mr. Speaker, on this same page of the Budget Speech, which is page 46 (I don't know whether the financial critic saw this or not), but in 1944 there was a deadweight relief debt of \$88 million. Now there is an interesting little story about that, too; it is reduced now to \$23 million. Granted there was a considerable amount of cancellation, but there has been a considerable amount paid, too.

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Mr. McCarthy: — How much did the Dominion pay?

Hon. Mr. Brockelbank: — We had a deadweight debt in 1944 for highways of over \$32 million. It was awfully hard to find the highways, but the debt was there, and there was no trouble in finding it at all. The total spent on highways in construction and maintenance prior to 1944 was \$87 million, and they left us a \$32.7 million debt. Since 1944 we have spent on highways over \$200 million — and no debt today on those highways. It is certain that the debt created by the Liberals on the highways they built had much greater longevity than did the highways.

There is another interesting little item in this list of deadweight debt: the City of Regina — \$586,351. This was a loan made to help the city of Regina at the time of the cyclone. It was a loan to the city of Regina, and the last payment made by the city of Regina to the Government of Saskatchewan was in 1922, ten years afterwards; but that debt of \$586,351 was all outstanding in 1944. These people talk about management of the affairs of the Province of Saskatchewan!

I want to say a few things about the question of labour, but before I go on to that may I make one or two more comments. This really needs no answer, but the hon. member for Wilkie referred to the obstacle course for testing farm machinery being located at Regina and asked how you would get the machinery tested if a carload went to Saskatoon or Meadow Lake or Hudson Bay. When he referred to himself, early in his speech, and I never thought of him as a stupid farmer; I don't think of any farmer as being stupid; but he produced evidence to that effect when he came out with this statement about the obstacle course and the testing of the farm machinery. He apparently presumed that every machine is going to be tested. That is not it at all. A machine of a kind and class is to be tested and, maybe a year or maybe two years later, another one of the same kind might be tested; but it would be ridiculous to think of doing it any other way. I never met a group of people who worked harder at misunderstanding and did a better job of it.

I said I wanted to say a few things about the labour question, and I think my hon. friends are doing an injustice to the farmer in the comments they made about farmers and labourers here in Saskatchewan and in Canada. These are the people — the farmers and the labourers — who create the wealth of a nation. They are also consumers. They have more in common than any other groups of people in our country. They are creators of wealth, producers of goods and they are all consumers; but during recent years, in the later development of the capitalistic system, they have become to a considerable extent, disinherited. The labouring people, with the development of the industrial revolution and the large factories, come to the point where they do not own or in any way control the means whereby they live. They only sell the labour of their hands and the skill of their hands and their minds. They have not too much security. They can lose their jobs — and many do through no fault of their own; and they are laid off. So they have lost, under this development, a good deal of security, a good deal of freedom, in that they are no longer able to directly exercise any control over the means

whereby they live, to determine whether or not they will have a job at all.

Farmers, on the other hand, have, generally speaking, been left with a title to their farm lands, though many of them are renters. They have been left with a title to farm land, but somebody else holds the mortgage, and the mortgage is sometimes the best document. It has proven to be so in a great many cases, but that is not the important point. The important point is that the modern system of trade, of markets, has been taken completely out of the hands of the farmer, and with it his power to control those markets. The farmer produces the goods but when he takes them to market he has little to say as to what he gets for them. So both these classes — one, because of lack of control of the means whereby they produce, and the other because of lack of control of the value of their production — are at the mercy of the people who control the markets and big industry.

There is a lot said about inflation. The Star-Phoenix had an editorial referring to the delegates who just went to Ottawa, as another of these delegations that is composed of people who talk about the evils of inflation but go down to Ottawa to ask for deficiency payments, which, the Star-Phoenix says, will make a contribution to inflation. Inflation today is not caused by too much money and too few goods. There isn't anything you can't buy all you want of. If you want to buy a dozen suits of clothes, you can get them downtown. If you want to buy 15 automobiles, you can get them on mighty short notice. There is no shortage of goods. So this philosophy, which is being put out by the people who are opposed to the interest of labour, and opposed to the interest of the farmers, is completely false philosophy; that is not the cause of inflation at all. The cause of inflation is nothing else but the fact that the market place is no longer free but is controlled, prices are set and administered. If the hon. members had listened to the hon. member from Moose Jaw when he was speaking and giving the figures, this afternoon, from those American magazines, showing that when there was an increase in the wage bill, the selling price of the product went up 100 per cent more or sometimes more than that, over the increase in the wage bill, they would have learned. But my hon. friends bury their heads in the sand, refuse to listen, refuse to see any of these facts of life.

I was very pleased to hear my hon. friend from Wilkie say those few words about problems in the world today, and I don't think that either labour or farmers would mind going a bit short if the surplus that they were not getting was going to help out the under-developed countries in the world — to build them up, and make them self-supporting. But when they know, as they do know, that the lower relatively farm prices go the greater production there is from a dollar's worth of wages and labour, the greater are the profits for the controlling corporations, you can't blame either farmer or labour for trying to do something about it. Mr. Wesson, the Leader of the farm delegation at Ottawa, said "We'll be back." I want to say to the farmers and other people who are interested in the welfare of the farmers of Saskatchewan, that is a promise you had better keep, and ultimately you will have to go back with ballots, if you are going to get justice.

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Mr. Speaker, I have in my hand an article I clipped out of the Star-Phoenix for March 10th. It says, 'World Revolt against poverty', by Stanley Burke. Mr. Burke is quoting Paul Hoffman, managing director of the United Nations Special Fund. Mr. Hoffman said: "Future historians will record as the most significant event in our time, not the world wars, not atomic energy or outer space, but the revolt of hundreds of millions of people against poverty, sickness and illiteracy"; but he warned that "The awakening may not be a gentle one. There is an explosive unrest in the underdeveloped countries. Economic advance is demanded by these nations, and if they cannot obtain it through co-operative methods, they will try violence. Violence cannot be contained."

The hon. member from Wilkie is quite right when he says that this situation is serious, but I would suggest to you, Mr. Speaker, and to the members of this House, that we cannot do very much about this situation as long as the farmers and labours of our country have riding on their backs the people who take the profit from their work. Let us have justice here, then let us step out to really do a job in helping our brothers throughout the world.

I was interested to read, in the Leader-Post of March 12, an article by the Canadian Press Staff writer headed, 'Opposition Party backs Smallwood', and the Labour Minister in Newfoundland asks this question: "Why has the Newfoundland Progressive Conservative Opposition given him complete support?" There is nothing extraordinary about that. No one who has watched the passing show, expects either the Liberal Party or the Conservative Party to stand up and fight for Labour. They are all remaining quiet except some, like my hon. friend from Saltcoats who says " 'Joey' Smallwood should have support for this kind of thing."

Mr. Loftson: — Yes, I do!

Hon. Mr. Brockelbank: — And he still says it, and there is not a Liberal member in this Legislature who has said anything else. There is not a Liberal member at Ottawa who has condemned the action of 'Joey' Smallwood in saying the loggers of Newfoundland cannot have a union of their choice. Not one of them.

In the same article that I was quoting from a minute ago, we find this paragraph: "Esaw Thom, Provincial C.C.F. Leader, is about the only Newfoundland politician to voice out-and-out disapproval." We know, Mr. Speaker, that neither Liberals nor Conservatives will ever support labour.

Mr. McCarthy: — We gave them all the labour laws they've got.

Hon. Mr. Brockelbank: — I want to comment now on some of the remarks made by the hon. members opposite. I have here an article from the Leader-Post, March 7th, it is headed: "Budget Figures are Confusing — says Pelly Liberal". He says, "people don't realize what position we are in financially;" he says, "if the squeeze comes there will be scrimping and saving on basic and essential services. Our future is mortgaged, mortgaged heavily."

The hon. member from Arm River got a headline in the paper the other day, it reads, "Fines is hiding Mounting Debt." Mr. Speaker, it is only a few years ago when they were saying, "The Provincial Treasurer has got money here and money there and in tin cans and all over the place," and now he is hiding the debt. Well, we know that deadweight debt that has to be paid out of taxes or resources revenue or Taxation Agreement revenue, is lower today than ever it has been before. We know too, that when we took over the Power Corporation and the Telephone Corporation from the former government, they had a debt; but they never counted that as a deadweight debt. The Telephones had never shown a profit, and the Power had, at that time, an accumulated debt which had not yet been worked off.

As long as we have money invested in good industries like power and telephones, which will pay off and give great service and even pay something in addition to that debt, I think we can consider ourselves to be in very good position. In some other provinces of Canada, where the power is privately owned, there is just as much debt and more debt than there is on the power system of the province of Saskatchewan, and the people of those provinces, in the rates they pay, are going to pay off that debt — and after they have paid it off who will own the system? The people won't own it. It will be the private enterprises that own it. We are building here property facilities which are of great value, and which will liquidate their debts and pay themselves off. The people of Saskatchewan know this; they are not going to be worried about it.

I would like to take the opportunity, on a nice quiet evening like this, to say a few things about the general organization of the Department of Mineral Resources and some of the duties of that department. However, I don't think that will of much benefit to my hon. friends opposite, because it has been said many times before, and they have demonstrated that they have paid little attention to it.

In the Department of Mineral Resources, of course, like other departments, we have a Deputy Minister, and there are eight branches in the department, besides the Oil and Gas Conservation Board. Already, Mr. Speaker, they are not listening, but jabbering among themselves; but I think probably some of the members in the House may appreciate what I have to say. the eight branches are, first, what we call the Administration Branch, which includes a number of divisions, for example, the Accounting Division. The Accounting Division is a fairly substantial organization, because in a year we take in nearly \$25 million. Some of it comes in big lumps of money, but much of it comes in small amounts. Then there is the division that looks after the procurement of supplies, and control and management of the property of the department. That too, is a rather important job in a reasonably large department. We have a Personnel Officer, whose job it is to look after recruitment of staff, works with the Public Service Commissioner, and who arranges and puts on initiation and staff-training courses and that sort of thing. Then, of course, each department operates on a budget, so we have the people who look after the

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budgeting and so on. Most members will realize the importance of that work. That completes the Administration Branch which, at the present time, has 27 members on its staff.

Then we come to the Mineral Audit Branch. The laws and regulations provide for the disposition of mineral rights on certain terms and conditions. Usually included in those terms will be a rental for land; a royalty on the production. Many of the royalties are based on a formula which isn't just too simple . .

Mr. McDonald: — Not like the Minister is.

Hon. Mr. Brockelbank: — That's right — it is not like the Minister; it is not too simple, but it can be understood by a lot of people. I won't try to explain it to my hon. friends.

Mr. McDonald: — It would take too long, probably.

Hon. Mr. Brockelbank: — The work of the Mineral Audit Branch is to check these royalty returns to see that we are receiving the proper amount of royalties. It is not just a question of thinking that the companies who have this land would be dishonest and would try to cheat the Government, but there are questions of interpretation, border-line questions of whether an item should be charged as an expense before the royalty is calculated, or whether it should not be allowed as an expense. So this work ahs constantly to be done, and it is most important work if we intend that the Government should get the full benefits from royalties on mineral production in this province. That Branch only has a staff of three. That staff has to do a good deal of travelling as they go to the headquarters of a company where the books are kept in full, to carry out an audit.

The next branch which I have to mention may not be greeted with the greatest applause from the members of the Opposition, but nevertheless it is performing a useful and just function. It is the Mineral Taxation Branch. The mineral tax, as members know, is levied on privately-owned mineral rights on an acreage basis, and also there is provision for a production tax which is levied on certain minerals when they are produced from privately-owned mineral rights. This Mineral Taxation Branch does get substantial revenues for the Government, and it has a relatively small staff of nine.

One of the big jobs of the Department is keeping records of the property which we have to administer, the Crown mineral rights is the province. So we have a Record Branch where there are 21 people, and their job is the maintenance of records of Crown-owned minerals, keeping them up-to-date with regard to dispositions and agreements and that sort of thing, so that, when any person enquires about certain mineral land, in a matter of a very few minutes the officer in the proper department can go to the Record Branch and get the story with regard to those minerals and whether or not they are under disposition of any kind. The Records Branch also includes the central drafting service for the Department. We have too a Legal Branch where we have two solicitors whose duty it is to act as advisers to the Department, subject

of course, to the advice from the Attorney General's Law Officers. They prepare legal documents for the Department, agreements, leases, permits and all this sort of thing. They do a great deal of work in regard to the study and drafting of regulations and, of course, legislation. The legislation which I have in the House at this Session, the original drafts of those Bills were made by solicitors and staff in my own Department, worked over at that stage, and then later sent on to the Legislative Counsel here. One of the solicitors in the legal office is also secretary of the Oil and Gas Conservation Board. The legal office only has three employees — two solicitors and the stenographer.

One of the larger branches in the Department is the Mines Branch. The scope of the work of the Mines Branch covers the mining, as we commonly speak of it, in northern Saskatchewan, the potash mining, as we commonly speak of it, in northern Saskatchewan, the potash mining, coal mining, the mineral salts like sodium sulphate and common salt, sand, gravel and clay — as a matter of fact all of the minerals except oil and gas. In this branch there is an engineering division. The principal responsibility of this engineering division is that they carry out safety inspection work in the mining operations.

Then we have a geology division, and, incidentally this geology division is related to the geology of the pre-Cambrian area. This division looks after the geological surveys which are carried out in the north, the aerial surveys (if any) and also the prospectors' training program and prospectors' assistance program.

The mining lands division of the Mines Branch looks after the disposition of the mineral lands covering the scope which I mentioned before — the pre-Cambrian, the potash, the mineral salts, coal, clay, gravel and so on, everything except oil and gas. That is, as I said, a large branch with a staff of 37.

The Petroleum and Natural Gas Branch is also a large branch with a staff of 95. Now, before I go into detail on this, I want to mention that there is another branch that has to do with petroleum work called the Petroleum Lands Branch; but the Petroleum and Natural Gas Branch is the branch where you find most of the technical people, the engineers and geologists. There is a development division, responsibility of which is to look after drilling and production practices in the field. There are certain regulations in regard to drilling, concerning the use of surface casing, things they may do for safety or for protection of the different formations; that all has to be checked from time to time, and in production, of course, is the question of regulation of production and so forth.

Then we have a Reservoir division. This division administers the Oil and Gas Conservation Act and the regulations. This division is concerned with getting the information in regard to the reservoirs containing oil or gas, and studying those reservoirs so that decisions under The Oil and Gas Conservation Act can be made, the setting of the regulating of production, the establishment of drainage units, how far apart the wells are to be, the question of unit operation, the question of repressuring, secondary recovery programs, injecting gas or water into the formulation to increase the recovery.

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Then in the Petroleum and Natural Gas Branch we have a geology division. This division is concerned, of course, with sedimentary geology of the various areas. They study the geology of the field, geology of regions and the geophysics and so on. This division publishes the geological reports and also looks after the core and sample storage laboratory.

The Petroleum Statistics division assembles and puts into proper form and publishes the statistics with regard to drilling production, etc. Members of the House have had copies of some of those reports.

In the Petroleum Lands Branch, which is a relatively small branch, with a staff of 18, first is the geophysical and evaluation division. The work in this division of the branch is to study the Crown lands which we have, which are proven or semi-proven, to find out as much as possible with regard to their value, so that when land may be offered for sale at a lease sale, and we get a bid on it, we will have some information to go on as to whether we should accept the bid, or reject the bid as being too low. This Petroleum Lands Branch, of course, has another division looking after transactions and dispositions of land, which needs no further explanation.

The Oil and Gas Conservation Board, which I mentioned a while ago, is a Board appointed by Order-in-Council. The Deputy Minister is Chairman of the Board and other members of the Board have been, most of the time, from the University of Saskatchewan. One of them has been nominated by the industry. This board is an advisory board. They hold inquiries, or public hearings, on any question like well-spacing, almost any question can be referred to them. There is the question of Unit operations; they hear witnesses from interested parties and this Board then, after a hearing, makes their recommendation to the Minister. Some of the recommendations of the Board are within the power of the Minister to carry out or to reject; some of them must come to the Lieutenant Governor for a decision. Notable among these is the question of a Unit operation.

Mr. Speaker, I thought the House would be interested in having a short sketch of the Department and its duties. I want to say at this time that I consider the present budget that we have been debating for some days to be a budget tailored to the needs of the province of Saskatchewan and its people, which are most urgent. No one would say that a budget can do everything all at once, in one budget. No one claims that. One measure of government, I think, is whether or not we are satisfied with our own budget, and the only reason I am not satisfied is that I want to see bigger budgets. I want to see Saskatchewan able to have bigger budgets that can accomplish the most towards making improvements in the province of Saskatchewan and giving greater services to the people of this province.

This is a good budget, and it is worthy of the support of every member of this House who believes in the development of the province of Saskatchewan.

Mrs. Mary J. Batten (Humboldt): — Mr. Speaker, I was very happy to see the previous speaker sit down because for a while I thought I was being subjected to a filibuster. I was quite amazed to find that, in the Department of Mineral Resources, they have a Deputy Minister. He also told us that the Administration Branch of his Department was interested in administration; that they take in money, sometimes in small amounts, sometimes in large amounts, and that the Geology Division was concerned with geology, and even published geological reports! There are speakers, they say, who can make the most humdrum subjects fascinating, but there are speakers who can make the most fascinating subjects humdrum and commonplace.

Premier Douglas: — Go right ahead!

Hon. Mr. Brockelbank: — There's a good example over there.

Mrs. Batten: — Well, I'll do my best. We have a humdrum budget, and I'll see how fascinating I can make it.

Opposition members: — Hear! Hear!

Mrs. Batten: — Really, Mr. Speaker, the reason I got up, first of all, is to inform the hon. Minister of Highways (Hon. J.T. Douglas) that there is a constituency of Humboldt in the province of Saskatchewan, because my people seem to think he has forgotten all about it. And that is rather amusing in view of the fact that the hon. Minister who just sat down told us (I think it was last year) that he remembered a by-election in Humboldt (by-elections in Humboldt are very famous) when we had signs all over the place, saying 'Elect a Liberal and Get Roads' or 'We Need Roads'. I think that was the slogan, Mr. Speaker, we still need roads, and we have had the C.C.F. Government for quite sometime. There are placed . .

Mr. McFarlane: — Elect a Liberal and get roads!

Mrs. Batten: — . . going from my constituency into your constituency, Mr. Speaker, where you can see that there is some improvement. There is a great big wide highway into your constituency, and then the road becomes much more narrow. The roads, Nos. 5 and 6, are very narrow through the constituency of Humboldt, and we wouldn't mind that, if there was some pavement. But instead of that, they have this nice gravel ridge on either side, so that there is just barely room enough for two cars to pass, and it is only the good driving ability and good sense of the people of the constituency of Humboldt that keeps our insurance rates down, or we'd be taxed terrifically, I think.

I can tell you that, coming into the constituency from the north on that beautiful road that you have in the Melfort constituency, everybody is reminded of me, because, when they hit the gravel coming into Naicam they say, "Oh well, here we are in a Liberal constituency!" I don't think that is quite fair, Mr. Speaker. After all, we're not a step-child, and even step-children are part of the family and should be treated with some degree of justice.

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These are the people who cry about justice, and I simply love those beautiful remarks that the Minister of Mineral Resources gave, about how "We must have justice here before we have justice on an international scale. Let us go ahead, and bare our arms and get to work and make the justice here." Let's start with doing something about the highways in the Humboldt constituency.

Opposition members: — Hear! Hear!

Mrs. Batten: — There are several other things which I am going to mention, because my people are concerned primarily with the province of Saskatchewan. They feel that if we have good provincial government, good administration, prosperity and industry in the province, Humboldt will get its fair share through sheer industry, if nothing else. Therefore I will not belabour the point of the things that we need in the Humboldt constituency I want to say that we need, we want and should have the first small mental hospital that is going to be built in this province, and I am very much afraid that we are going to have to wait until the Liberals build it, because certainly with all the talk and propaganda which we have had from the people on your right, Mr. Speaker, we haven't had one built, and I am very, very disappointed.

Hon. Mr. Willis (Melfort-Tisdale): — Did you say there is a need for one there?

Mrs. Batten: — There will be need for them all over the province, and it is not a matter of joking. I don't think mental health is funny. If the hon. Minister who is in charge of building mental hospitals feels that a facetious attitude towards the building of small mental hospitals is warranted, I can see why they are not being built, and I can see why our facilities have not been more improved in the large mental hospitals. I know there has been work done, and I know that there has been a vast improvement here over conditions that existed 20 years ago . .

Hon. Mr. Walker: — Or anywhere else in Canada.

Mrs. Batten: — That's right, any place else in Canada. There have been improvements all over Canada in the condition of mental health and mental patients; and so there should be, because after all, mental health studies have advanced, have really snow-balled, in the last few years. We know more about mental health now than we ever dreamed of knowing 15 or 20 years ago. That is the reason why we should have better facilities, because we know what facilities we need. We look at mental health, and try to give those facilities, and I don't think we will ever have adequate care of mental patients until that care is brought closer to the people.

I think the people of Humboldt are to be very sincerely congratulated not only by their member, but by all the people of the province, for the work they have done in building a hospital there and the other hospitals that exist throughout the constituency. True, we received grants from both Federal and Provincial Governments, but that beautiful hospital in Humboldt was built mostly through the efforts and sacrifice of the Sister,

and of the people of the community, not through government aid.

Sometimes I wonder what the Government thinks it is using for money. They seem to forget that money is coming from the taxpayers. They seem to forget that the money from the Power Corporation and Telephone Corporation is coming from the users of those facilities. They seem to think they invented money, as well as every other dogma they can propagate here.

I want to repeat something that the hon. Attorney General brought up that was very interesting. I'm quoting from his speech of 1957. He said: "Throughout my constituency, which is predominantly an agricultural constituency, I find that conditions are not as good as they were five or 10 years ago; they are definitely worse." Those were the words of an honourable man who is certainly not trying to mislead this House, and he is setting out what the conditions in his own constituency are. What have we, as a Legislature, what have you as a Government, done about those conditions? What is this budget, particularly going to do about it? I can't see too much relief for those in poorer areas. In the hon. gentlemen's own particular sphere of the Attorney General's Department, I don't find very much is going to be done that is going to help Saskatchewan, or the rural areas. He would have us believe that merely because this Government pays for the R.C.M.P. (most inadequately, I might say), but pays for them according to their agreement, therefore the rural people should be very grateful, because some of the load is being taken off their shoulders. Mr. Speaker, that is destroying absolutely everything the Government does — any Government, Federal or Provincial; that certainly is not assisting agriculture in any accepted sense of the term. If this Government didn't do anything to relieve the pressures that are on the citizens of this province, they have no business being in existence whatsoever. It is an amazing thing that, after the financial critic for the Opposition got through speaking, this Government had to put forward their only lawyer to present their case in rebuttal. That is very amusing, because, as was pointed out by the Attorney General, when you have a poor case, you are supposed to pound hard on the facts, then you pound hard on the law, and then, when you haven't any case at all, you just pound hard on the table. Well, I have never heard such pounding of tables in this debate as I have heard from the other side of the House.

Opposition members: — Hear! Hear!

Mrs. Batten: — The hon. Minister of Natural Resources said very little about finance, but he certainly pounded the table. As a matter of fact, all the speakers for the Government who supported the budget have been raising their eyes heavenward, and I have been wondering if they were awaiting some sort of manifestation; but I see that they are actually looking at the press, and making sure that all their words are sent to the people of this province. I wonder, Mr. Speaker, if they are really going to

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accept my challenge and go to the people this spring, because I have never heard speakers that sounded quite so much like election speakers! I couldn't help but wonder, after all, who was the Government? They were attacking the Liberals as if they were still in power. They seem to have forgotten that they won the election 15 years ago, and have been in power ever since!

Mr. McDonald: — Wake up!

Mrs. Batten: — It's all very well for the hon. Premier to say, "You look after your principles, and not after ours." I'm not looking after the hon. gentleman's principles; I am just trying to keep up with them. I can't even understand them any more . .

Premier Douglas: — I believe that!

Mrs. Batten: — I think I have average intelligence.

Premier Douglas: — That is just an assumption; it hasn't been proven yet.

Mrs. Batten: — Well, that may be true. I don't know what the hon. Premier thinks the average intelligence in this country is, but I think that my I.Q. is considered to be average. Of course, they didn't give I.Q. tests until they are given by a Socialist Government after a brain-washing, then naturally . .

Mr. Loptson: — Put that in your pipe and smoke it!

Mrs. Batten: — It's amazing that these people have spent so much time on the Budget Debate, Mr. Speaker, and we expected to hear not what happened in 1944 or even what happened since 1944, but what is going to happen in this coming year. Certainly we wanted to know what was going on, and what was going to happen in the Department of Mineral Resources, but not that they have a Deputy Minister, not the number of persons employed in these branches. We could find that out by looking at our estimates. I never heard such childish prattle. There wasn't one word of future plans, of future action. Certainly there were some vague, sentimental remarks about what we should do for the people of this province, but there was not even one concrete proposal of what was going to be done.

I was not amused — not amazed — (I don't even know what the word was) — astounded, I think at the emphasis that has been laid during this debate, on labour. Labour, labour, labour! You would think they were proposing to a rather hesitant lady who was not accepting them. Then I looked into the history of this movement, and I thought that such proposals, these rather frustrating proposals have not been unusual to this Party. After all, when you look back — and I am looking into the history called the 'Agrarian Socialism', which is supposed to be a history of the Co-operative Commonwealth Federation in Saskatchewan — it sounds much better than C.C.F. That always sounds like a bad word to me! In it they say that between 1936 and 1938 the Saskatchewan C.C.F. Party entered into repeated negotiations with all the provincial parties opposed to the Liberals.

Now, isn't that amazing? That is why we have been listening, year after year, to all this brow-beating; all this opposition to the Liberals. They have only one political enemy. There is only one party they are afraid of, and that is the Liberals. I have never seen such setting up of straw men and knocking them down, all despite the fact that there is only one party they are worried about, and that is the Liberal Party. They are merely trying, Mr. Speaker, to mislead the people of this province into thinking that perhaps the Conservatives can beat the C.C.F. and get rid of this Government, and they are deliberately doing it. It is the usual mechanics of their type of thinking. So between 1936 and 1938, the Saskatchewan C.C.F. entered into repeated negotiations with all provincial parties opposed to the Liberals — that is the Social Credit Party, the Communists and the Conservatives. Repeated efforts were made to secure a real coalition which would sweep the Liberal Government out of power and replace it by a "Progressive" administration, their pledge to help the farmer. At that time they were the friend of the farmer!

In 1937, the C.C.F. Provincial Executive sent greetings to the Social Credit convention. Our Social Credit friends here will be happy to know they have friends across the way! Through the medium of this message — and I am quoting the message of greeting: "The Saskatchewan C.C.F. desires to extend to the organization an invitation to meet in committee with the Saskatchewan C.C.F. to consider the possibility of co-operation." Oh, but that wasn't enough. Just a few minutes ago the hon. Minister of Mineral Resources said that after all, in effect, there wasn't any difference between the Conservatives and the Liberals. There is one difference. In the provincial field, at least, you are afraid of the Liberals, but you are not afraid of the Conservatives.

Mr. McDonald: — They want to join them!

Mrs. Batten: — Then they go on to say:

As the C.C.F. moved away from the orthodox socialist principles and tactics, it seemed they were vigorously attacked from all sides. Everybody knew that, after all, the socialist movement as a socialist movement didn't amount to much.

The former Conservative Premier of the province, J.T.M. Anderson, in an appeal for the C.C.F. support in areas where it was not running its own candidate, went so far in 1938 as to repeat the contention of the new C.C.F.'s 'New Era' (which appears to be a C.C.F. publication that the C.C.F.

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program and the proposed party's program were one and similar. "Every plank in the C.C.F. platform is ours . . ."

Hon. Mr. Fines: — That's what Tim Buck said in 1940!

Mrs. Batten: — "There is no reason why the members of the C.C.F. Party cannot conscientiously support us in this effort to rid the province of this . . . administration. 'After all, if you can just get into power . . .'"

Premier Douglas: — What stopped you in 1948 . . .

Mrs. Batten: — This is pointed out in the C.C.F. . .

Mr. McDonald: — That's the only way he go in: he's a Social Credit!

Mrs. Batten: — Even then, Mr. Speaker, that wasn't good enough. The C.C.F. movement then did its best, and is still doing its best, and I think this is rather a despicable thing — this is a favourite word of the members on the opposite side — they tried to get in on the co-operative movement. Even as they are trying now to get in on the labour movement. Now, I, too, like any other politician would like to see my Party in power, but not at the risk of hurting something as valuable as the labour movement, or as sacred as the co-operative movement.

Opposition members: — Hear! Hear!

Premier Douglas: — Did you hear that, 'Minty'?

Mrs. Batten: — It might be ridiculous for the members on the other side, but they aren't for those people who believe in the principles that exist in these movements. I think that, to bring politics into a thing like that just to discredit these movements by an association with a losing party like the C.C.F., is truly despicable.

Opposition members: — Hear! Hear!

Hon. Mr. Walker: — You agree with them!

Mrs. Batten: — I want to point out that in every election program of the C.C.F., and most of the speeches by party leaders, they stress this relationship between the C.C.F. and the co-operatives — not for the good of the co-operatives, but for the power they the C.C.F. wanted to gain.

Hon. Mr. Erb: — It is the only Party that ever did anything for the co-operatives.

Mrs. Batten: — Anyone listening to C.C.F. speeches or reading C.C.F. literature for 1944 would think that he was being asked to vote for the Co-operative Party, and this is a quotation from ‘The Commonwealth:’ “This movement (the C.C.F.), founded by the people, has also grown by leaps and bounds, just as did the co-operative movement originally, and it is now being viciously opposed by the same vested interests which opposed co-operation . . .” There we have the same sort of talk, vicious, unfounded and untrue, which has been perpetrated here every day by speakers on the right, Mr. Speaker.

Opposition members: — Hear! Hear!

Hon. Mr. Brockelbank: — Tell us what you think of ‘Joey’.

Mrs. Batten: — I’m going to tell you what I think of you.

Premier Douglas: — It would take a lot less courage, anyway!

Mrs. Batten: — It’s a funny thing, but the speakers on your right, Mr. Speaker, who have accused us of ‘sitting on the fence’ will at least give us the courtesy of acknowledging that we sit with one face. It might not be pointed in their direction. We might not have decided what we’re going to do next, because we don’t happen to be the Government in full possession of the facts, but at least we’re not two-faced. We’re not facing in two directions at once, and it is a strange thing . . .

Premier Douglas: — Can you tell us where you stand on this labour legislation?

Mrs. Batten: — . . the most relevant . . .

Premier Douglas: — Mr. Speaker, I would like to ask the hon. member a question.

Mr. McDonald: — Sit down!

Premier Douglas: — If she doesn’t face both ways, would she mind telling us where the Liberals stand on the Newfoundland labour legislation?

Mrs. Batten: — I would very much like to tell you where the Liberal Party stands . . .

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Mr. Cameron: — Mr. Pearson made it evident in the paper, and you read it, I'm sure. You know exactly where we stand.

Mrs. Batten: — Mr. Speaker, this happens to be a debate on the budget . .

Govt. Members: — Oh, oh . .

Premier Douglas: — You'd never know it!

Mr. Cameron: — The Leader of our Party put us on record, and every labour man knows it, too, that he put us on record.

Mrs. Batten: — I said a few minutes before . .

Premier Douglas: — . . national prejudice.

Mrs. Batten: — I would like to say this, and I think it is a lot more relevant to what is going on in Saskatchewan than the Newfoundland crisis, which is a tragedy, and certainly nothing to be made political capital out of. But once again the C.C.F. are quite willing to make political capital out of even tragedy, even if it results in human lives being lost.

Opposition members: — Hear! Hear!

Premier Douglas: — Your self-righteousness is sickening.

Mr. Cameron: — Not as half as sickening as yours!

Mrs. Batten: — Self-righteousness! After watching the haloes being adjusted across the way, I couldn't help but reflect some.

Let me talk about self-righteousness. The hon. Premier talks about self-righteousness, so I would like to quote something he said:

Opposition members: — Hear! Hear!

Premier Douglas: — Is this on the budget, too?

Hon. Mr. Fines: — Is this on the 1959 budget?

Mrs. Batten: — This isn't relevant to the budget, and I'm sorry, Mr. Speaker, but I just can't resist. He asked for it, and he's going to get it. Talking about self-righteousness, which the hon. Premier brought up here, here is a quotation from the hon. Premier — and I hesitate to bring this up in this House for this very reason, because I think it is delicate grounds and sacred grounds to tread on; but I don't hesitate to do it if the Premier asks for it. This is how the C.C.F. Party has used every available weapon, even that of religion, and I quote from a speech by T.C. Douglas, first elected in 1935, who later became Leader of the Saskatchewan party, then Premier of this province:

He expressed the point of view that appealed to many Saskatchewan Ministers who became active members of the C.C.F. "The religion of tomorrow," he says, "will be less concerned with the dogmas of theology, and more concerned with social welfare advances . . . When one sees the church spending its energies on the question of antiquated dogmas, but dumb as an oyster to the poverty and misery all around, we cannot help but recognize the need for a new interpretation of Christianity.

Opposition members: — Hear! Hear!

Mrs. Batten: — Mr. Speaker, are they implying that we should turn for a new interpretation of Christianity to the Socialist Party? I should hope not! Let me go on — there is one more paragraph:

. . . the Kingdom of God is in our midst if we have . . . (beautiful words). The rising generation will attempt to build a heaven on earth, rather than live in misery, in the hope of gaining some uncertain rewards in the hereafter.

That, Mr. Speaker, might be good politics, but I doubt whether most people think it is sound theology.

Premier Douglas: — Mr. Speaker, the hon. member could hardly be an authority on theology.

Mrs. Batten: — Well, you are an authority, Mr. Premier, and that is why it is so much worse when you say it. Where is this 'heaven on earth'? Look at the words of the hon. Attorney General: "I find that conditions are not as good as they were five or ten years ago."

Opposition members: — Hear! Hear!

Mr. Cameron: — That's their 'heaven on earth'!

Mrs. Batten: — What have the so-called 'socialists' done since they have come into power? They have lost their socialist theory apparently, and they now talked about 'social planning' (and that's an about-face), "that for all men they are all things." It reminds me of that true story about the farmer whose neighbour was quite amazed that he had become a C.C.F.'er and a socialist, and he said, "Well, John, when did you become a socialist?" He said, "You know, it's a funny thing, Mike, I've always been a socialist, but I didn't know it until our C.C.F. speaker came around and told me about it!" Just whatever you believe, they'll fit their theories to that — if they want your vote, and they always want your vote;

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but it is not correct to say that the C.C.F. Party has been good to labour. I don't remember hearing anybody on this side of the House say that, because one of the objections that we have to the C.C.F. is that they are really not good to labour. Oh yes! they put some fine legislation on the books, but that in itself won't give you good government, Mr. Speaker. That in itself won't give you decent working conditions and decent wages. That in itself won't give you industry or highways in the province. If these people were really good to labour, it is true then, they would have done something far more far-sighted than to put on legislation that has been asked for by the unions, asked for with good reason — I'm not objecting to that. I'm not objecting to their doing what the unions want them to do; I think that's fine. They should. But, when they way they are good for labour, why don't they look at their own Crown corporations? It is very easy to tell an independent employer or big corporation in the province what they are supposed to do for labour. What does this Government do for labour, those people who are actually working for the Government? I would like to know: how much do the labourers in your Crown Corporations participate in the profits and the management of your Crown Corporations?

Hon. Mr. Walker: — A lot more than they did under private enterprise.

Mrs. Batten: — Not at all. I venture to say they do more in the Ford Corporation, which you rave and rant about.

Hon. Mr. Douglas: — You don't know what you are talking about!

Mrs. Batten: — There are many so-called 'big monsters' with which you people try to terrify people in Saskatchewan, that give their workers far more participation in employment policies and management policies than you in your own Crown Corporations do.

Opposition members: — Hear! Hear!

Mrs. Batten: — Where will you be when you turn over to the co-operatives those few industries which you are going to turn over? What kind of a deal are you going to give them then?

Mr. Speaker, I don't want to go on any longer. My hon. friend the Provincial Treasurer might want to say a few words, and I will merely assure you that I will not support the budget.

[The motion that Mr. Speaker do now leave the Chair (Hon. Mr. Fines.), was then agreed to on recorded division by 31 votes against 16.]

[The Assembly accordingly resolved itself into the committee of Supply.]

[The Assembly adjourned at 10:05 o'clock p.m., without question put.]