

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session — 13th Legislature
13th Day

Monday, February 29, 1960

The House met at 2:30 o'clock.

MESSAGE FROM HER MAJESTY, THE QUEEN

Mr. Speaker: — Before the Orders of the Day, I have a message from her Majesty the Queen:

"I sincerely thank the Members of the Legislative Assembly of the Province of Saskatchewan for their kind message of congratulations to myself and my husband on the birth of our second son, and for the loyal assurances which they offer on behalf of the people whom they represent.

Elizabeth R."

Premier Douglas: — Mr. Speaker, before the orders of the day are proceeded with, I would like on my own behalf, and I am sure on behalf of all hon. members of the Assembly, to express our pleasure at seeing the member for Meadow Lake and the Leader of the Social Credit group (Mr. Weber) back in his place. We were all deeply concerned when we heard of his illness. We all hope that his recovery will be speedy, and are glad to see that he is well enough to be back here with us. We hope his health continues to improve.

Mr. A. H. McDonald: — Mr. Speaker, I would like to take this opportunity of associating myself and, I am sure, the group that I represent on this side of the House, with the remarks of the Premier. We too, are most pleased to see the member for Meadow Lake back in the Legislature. We sincerely hope that his health will continue to improve, and that he can enjoy the balance of the session with us.

WELCOME TO STUDENTS

Mr. A.T. Stone (Saskatoon City): — Mr. Speaker, before the Orders of the Day I would like to take the opportunity of welcoming a group of students from the St. Mary's Separate School in Saskatoon. I am sure all members will join in expressing how happy we are to have them here, and that they will come back in the future. We hope their stay here will be an enjoyable one.

BUDGET DEBATE

The Assembly resumed from Friday, February 26, 1960, the adjourned debate on the proposed motion of the Hon. Mr. Fines:

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

Mr. A.C. Cameron (Maple Creek): — Mr. Speaker, in rising to take part in the Budget debate, I would first like to add my words to those of the Premier and the Leader of the Opposition with regard to the member for Meadow Lake (Mr. Weber). We are happy and pleased to have him back in his seat. While he has not been here to see the Session gradually warm up, I would advise him to sit back and relax, and let the other boys carry the battle for him for a while, because I am sure he will get along splendidly.

Likewise, Mr. Speaker, before proceeding with my analysis of the budget, I would like to address a few remarks to you, sir, if I may. We all know, of course, that you have chosen not to run again in your constituency, and I would like in reference to yourself, to recall that you were elected Speaker of this Assembly and we expressed our appreciation and happiness in the choice at that time. I want to say that during your term of office you have brought dignity and decorum to the proceedings this House. Knowing something of your work in the Commonwealth Parliamentary Association, I think it only fair that I should tell the members that our Speaker is held in the highest esteem in that association for the leadership which he has shown. We wish you well, Mr. Speaker, and many years of happiness.

I would like also to extend my good wishes to the other members of the Legislature who will not be with us again. I would

think first of my congenial, lovable and prakish friend, the member for Saltcoats (Mr. Loptson). I am sure many will regret the breaking up of this team that so many have affectionately referred to as the 'Dead End Kids' . . .

Mr. Danielson (Arm River): — And the 'gold dust twins' over there!

Mr. Cameron: — . . . and we do wish you the best of everything. I would like to extend those good wishes to the Minister of Social Welfare (Hon. Mr. Bentley). I have known the hon. Minister for a good many years and I sincerely wish you the best in your retirement from public office.

Likewise to the Minister of Highways, and to the Minister without Portfolio, and to all others who will not be with us again. I cannot help but think that the Premier at times must surely have some relentless nights when he thinks that, before many moons, he will be called upon to direct his ship through a stormy channel with a great number of experienced hands not on board.

Premier Douglas: — Thank you for that expression of confidence.

Mr. Cameron: — it is not confidence. The ocean is very wide; there are many shoals.

I cannot say, Mr. Speaker, that I regret this is the Provincial Treasurer's last budget. I think I would be less than honest if I should say that, in view of the impending election a few months away. But I do wish to say that it had been my hope that, in some time in the near future, we would have had the privilege of observing the Provincial Treasurer analyzing the budget through the eyes of the financial critic. The Provincial Treasurer, of course, has denied the House that privilege for all time to come. I have observed the Provincial Treasurer bring down 12 of his 16 budgets, and for a goodly number at those it has been my responsibility, as financial critic, to lead off the debate.

Coming to the budget speech itself, first may I say there are certain provisions in the budget that we are happy to see. I am certainly happy that provision is being made for the construction of a small regional mental hospital. You will recall, Mr. Speaker, that I have been an advocate of this type of mental hospital for some years, and each year I have questioned the wisdom of the successive expensive renovations on the two present institutions in Weyburn and in North Battleford. I felt these expansions, totalling now some \$15 millions were delaying the setting up of these small regional hospitals,

and I am pleased to see that provision is being made to set up at least one up to lodge this undertaking of small mental hospitals.

Likewise, I am very pleased that we are to have at least the beginning of a treatment centre for alcoholics. You will recall when we were considering the Report to the Committee on Liquor Outlets, that I strongly advocated the setting up of just such a centre in order to do something for this problem of alcoholics in the province. When you recall there are 10,000 alcoholics in the province of Saskatchewan, and it is estimated there are six to seven people that are directly or indirectly affected by alcohol for each alcoholic, you will get some conception of the tremendous effect this has on the province.

I cannot say I am so happy, Mr. Speaker, with the grant to the Bureau of Alcoholism. Last year, I think I pointed out that, when the province of Saskatchewan sells \$40 million worth of liquor, and as a result of that, brings into the coffers of the province some \$13 millions of revenue, then I think that, since they sell this product, they must assume a great responsibility in overcoming the evil as a result of this sale. I don't think that to devote \$75,000 to the Bureau of Alcoholism comes anywhere near the amount necessary to assist in meeting this problem which is growing each year, and with that I am certainly disappointed. I stated last year, that surely, if the Government assumes the responsibility of the sale of liquor, then it should assume a greater responsibility to the many evils that it leaves in its wake. I suggested perhaps of the liquor profits should be set aside for that very purpose. The money is there, and this problem must be met. This meagre contribution of \$75,000, in my thinking, does not come near meeting the need.

I might say we welcome the increase in school grants. Certainly, any further assistance that the schools will receive in meeting their operating expense is to be welcomed. This increase in school grants of some \$4 million-odd will bring us a little more toward the objective of 50 per cent of the operating cost. While it will increase the percentage slightly, I do not feel, however that by increasing school grants we are attacking the financial problems of the, school in any concrete and practical manner. This will do nothing to remove the inequities in the whole tax system. It will do nothing to that fact that some people are asked to pay eight mills for education and others are asked to pay 38 mills, while others are not to contribute a nickel. It won't remove those inequities. Neither, will it remove the inequities in regard to equal opportunity for children in the classroom. We talk a great deal about the right of a child, regardless of whether he lives in the city or whether he lives in the remotest area in the province, to have an equal right

with all others in the matter of education. And surely today we haven't nearly reached that stage, when some units are spending \$270 per pupil while other are spending \$365 to \$400 per pupil in the type of program in the school. When we realize that it costs \$250 to \$270 a pupil, just to keep that little fellow in his seat, we can see that we haven't yet touched the problem of inequities in the opportunities for children in the matter of education.

I can't say I am as happy about the lack of reference either in the budget or in any of the speeches that have been delivered to date, in regard to the Continuing Committee on Municipal Boundaries. I notice that we are being asked to vote another hundred thousand dollars again this year to pay the salaries of the research staff that has been working on this reorganization since the last election. You will recall, Mr. Speaker, in 1956, prior to the last election, the Government announced that it was conversant with the problems facing the local governments and that, if they were re-elected to office, one of the first things they would do would be to call a Provincial-Municipal conference, and that as a result of the conference, definite arrangements would be made in which to feed some of those revenues that come in from Ottawa to the province down through the province to reach the local levels of government and to play its part there.

After the election was over, a conference was called and a committee was set up to study this problem. During the discussions with municipal men the responsible Cabinet Ministers placed the emphasis on the reorganization of municipal boundaries. That was put as a first; that must come first before the Province would be in any position to make a greater contribution to the local governments.

A Committee was set up, and for four years now that has been supposedly studying this problem. Last year the government submitted to the Legislature what was referred to as an Interim Report. We had asked, "What is the Continuing Committee doing: What objective have they now? What have they deduced? What do they plan to do? What course do they intend to follow?" As a result of that request there was tabled in the Legislature a little booklet consisting of three or four pages with some little drawings and diagrams of the various types of municipal units and school units that might be set up in the province. It gave the list of the Committee members; it listed the Cabinet Ministers that were on this Committee, and something of the number that is on the Planning Committee making arrangements for them; but nowhere in this booklet did it give one little bit of information as to what had been accomplished to date.

This little booklet tabled in this Legislature, in view of the financial plight of local governments was no value either to the members of the House or to the general public or to anyone else. This year we have not received any Interim Report in connection with the Committee. Nothing has been said as to how near they are to a conclusion of the work or how many years it may proceed yet. Every indication is that it may proceed for a number of years yet, and that we will have a bill for that work probably equalling that of the Royal Commission on Agriculture — that Royal Commission that was to set the pattern or the direction we were to follow, as the Premier said, for the next quarter of a century.

Mr. Speaker, that is not good enough. Four years have gone by, and yet we are completely in the dark as to what type of municipal units this Government intends to set up, as to what type of larger units, or what changes may be made in the larger unit boundaries. All these things are cause for grave concern among officials. There is an air of uncertainty as to whether or not we are going to have the county system, whether or not we are going to have co-terminus boundaries, whether or not five out of six municipalities in the province are going to disappear. None of these questions have been answered. Neither have they done anything to assure the ratepayers or the people concerned that, in the event of reorganization, it will be put to a vote of the people concerned. None of these vital questions have been answered, and yet we are going into another election with the same Continuing Committee not yet reported to the House, and after four years, and after commitment given to the people in 1956 that this problem would be dealt with with great expedition. We are going into another election with nothing in any concrete form by which we can judge what, if anything, is to be accomplished.

I notice in the budget that there is to be a new branch created as the Municipal Water Assistance Board under the Department of Municipal Affairs. The purpose of this Board, as I understand it, is to bring water and sewerage to the towns and to the villages and, since early winter, the Government has been issuing press statements, having ads in the papers, on radio and on TV informing the people of the province of the great program for sewer and water for the towns. We hoped, Mr. Speaker, that this would have been a revolving fund which we in the Opposition have been advocating down through the years — a revolving fund from which municipal officials could come and borrow and make arrangements to receive assistance in order to put in sewer and water. We had hoped that this would be backed up with a formula that would act out in concrete terms exactly the assistance that is available and exactly the terms of the contract that must be met to obtain it. If this had been done, town officials could take a look at their budget;

they could take a look at the formula and determine the amount of assistance that they could earn, and they would know immediately what plans to make, if any, in instituting such a program.

This doesn't answer those questions. It still has the municipal officials in all humility coming to the Government in delegation asking for assistance, asking for some financial arrangements to be worked out to assist them in installing sewer and water. I have found in my constituency that they have been sending delegations to this Government for four years trying to establish some arrangement whereby they could institute a program of water and sewer in the town. After four years of negotiation they are just as far away from a settlement as they were when they began. Is this the type of assistance we are offering to our municipal officials, that will keep them in that state of uncertainty and saddle them with all the expenses of delegations and long-drawn-out periods of negotiation, in order to even make a start on sewer and water in the towns? What does this new Board offer the town? We are to vote this new Board the sum of \$400,000 and of this amount, \$340,000 is voted for grants to the towns to install sewer and water — \$340,000.

This program was ushered in with great fanfare, yes, with the sounding of trumpets and the beating of drums. This was to be the solution to the sewer and water problems of our towns and villages. Now that the Provincial Treasurer in his budget has unveiled this program, let's take a look at it. After all we have a purse containing \$340,000. Mr. Speaker, I ask you; into how many towns will this put sewer and water when we realize that takes from \$150,000 to \$200,000 to install sewer and water in a town of 500 population? This program will not install sewer and water; it will not remove the humiliation of urban officials having to come begging, and continue to witness as they have in the past assistance being doled out on a political patronage basis. It has done nothing to remove these things, and from the meagre vote of \$340,000 there is no possibility of its beginning to do it this year either.

Then we have heard a great deal about sewer and water for farms. Certainly we are interested in sewer and water for farms. Certainly the farmers are as worthy of more amenities of life as any other citizen of the province. The Government went to even a better job of selling this program than it did on sewer and water for the towns. The Minister in charge of the Saskatchewan Power Corporation has a great deal to say about this program. The Minister of Agriculture, too, has been very vocal about it; in fact he has employees of his Department holding meetings now and explaining to groups of farmers the great benefits to be derived from this program. The Premier, too, has added his voice to that of the others in regard to the benefits that would be received by the farmers as a result of this plan.

I think, Mr. Speaker, it would be well to pause a moment and take a look at some of the statements that have been made in regard to sewer and water in farm homes. The Premier was speaking as reported in "The Leader-Post" of September 14th, 1959. He is said to have stated that the government crews will move into a district, and with one crew for excavating and another for placing septic tanks and pipes, will proceed with the program. Government crews, he went on to explain, would do outside work. The Minister of Agriculture seems to disagree; he says there will be all kinds of opportunities for private operators.

I would suggest, Mr. Speaker, that these officials at least get together so that they can come up with some common information upon which to base their personnel. The Premier says the Government crews will move into a district, they will establish your sewer and water and put in the sewer system and dig the trenches. The Minister of Agriculture (Hon. Mr. Nollet) says "No, that's not correct; why, all the private operators will have the right to move in and do it." The Minister of Power (Hon. Mr. Brown) says consideration is being given to putting in the bathtubs and the other fixtures in the home. The Premier says that is not correct. Others say the Department is giving consideration to it. That is the manner in which they are selling the program of sewer and water to the farmers. After all of this fanfare, after all this confusion, without even the Ministers knowing what it is all, about and how it's going to be done, the Provincial Treasurer crystallized it. He told us what it's going to be, and this is what they provided for: A new department of government would be set up. We are to vote \$500,000 to this department, and of that \$500,000 the hired help is to get \$200,000 and the 90,000 farmers, \$300,000.

Hon. Mr. Nollet: — Where do you get those figures?

Mr. Cameron: — Of every five-dollar bill, the hired help is to get \$2.00 (that's the staff) and the farmer is to get \$3.00.

Mr. Danielson (Arm River): — That's the way you help farmers.

Hon. Mr. Nollet: — How many farmers?

Mr. Cameron: — That's the \$64,000 question. Well, Hon. Minister of Agriculture, I can understand why you can't assess my figures because none of your Ministers understand the program either and I'll repeat it for you. We are to vote \$500,000 — correct? And of that \$500,000, \$200,000 is set away to pay, the salaries of the staff of the department, leaving \$300,000 as grants for sewer and water. So for every five-dollar bill the hired help is to get \$2.00 and the farmer is to get \$3.00 — right? That's the \$64,000 dollar question: How many farmers?

This program, certainly, on the basis of this vote will not bring sewer and water to many farm homes. This program reeks of political bait designed solely to get the Government through the election.

Mr. Danielson: — Hear! Hear!

Mr. Cameron: — This program, Mr. Speaker, has been killed before it has been born. It has been strangled because there hasn't even been sufficient funds set aside to develop it and let it grow. I wondered when I read that, if it would be something like the Minister of Agriculture's program to assist the farmers to conserve fodder and grain. I can recall a few years back, the Minister of Agriculture saying: "I'd like to call you back to the biblical days." He said: "Only commonsense dictates that in years of plenty we should prepare for years of scarcity," and he said: "Anyone familiar with the history of Saskatchewan knows it has a cycle of good crops followed by years of drought bringing poverty and hardship in its wake." He then said this is another "first" for Saskatchewan, it is another milestone and a living proof of what can and will be accomplished by a government whose driving force is based on the principle of "humanity first."

That's the way that program was introduced the Legislature. The purpose of that was to encourage and assist the farmers and rural municipalities to store fodder and grain in surplus years in order to have it on hand in case of emergency. Actually we were interested in this program. I come from the southwest portion of the province, and we know more about drought conditions than anyone in the province. It was in 1946 that this plan was brought in; by 1948, the Government had stored 2,400 tons of hay. In 1956 we asked a question in the Legislature. We gave it seven or eight years to build up and get itself going, and ten years later in 1956, we asked a question in the Legislature, and it is recorded in the Journals of that day: "How many tons of hay has the Government in storage under its fodder and conservation program? The answer came back: "11,450 tons". In 1957 we asked: "How many tons of fodder have been added to the government reserve bank?" The answer: "Nil." in 1958, we asked the same question: "How many tons of fodder has the Government put in its reserves in 1958 to build up its surplus for the time of scarcity?" And the answer again was "None."

We asked about the program in connection with building granaries and bins in which the farmers could store wheat in order that in case of a crop failure, they could withdraw the wheat from these bins. In 1950 (again four years before we asked any questions), we asked how many bins had been built. The answer came back: "Fifty-three 2,000 bushel bins." We thought that at least a wholesome start. Then we asked a follow-up question: "How much grain is stored in these 53 bins?"

This is the answer, Mr. Speaker, from the Minister of Agriculture. He says: "We have no record." "Consistent drought made it difficult for the to R.M.s to arrange storage." The bins were still empty. In 1953 we asked the question: "How much grain have you got stored in these bins?" And in 1953 the answer came back: "We have no record of any grain being stored." Then we asked: "How many grain bins has the Government got on hand?" The answer came back: "Sixteen; we have sold thirty-seven of the bins to the farmers." in 1957 we asked again: "How many bins have you got in which to store grain?" And the answer was: "None. The sixteen remaining bins had been sold to the farmers." That was the great conservation under The Fodder and Conservation Act. It was to usher in a new approach for storing fodder and grain in times of plenty in order to have it in times of drought, and scarcity.

This fall, when all those farmers in northern Saskatchewan find themselves faced with a crisis, there is neither any fodder banks nor any bins from which to draw the reserve. That was the record of that great undertaking on behalf of the farmer.

I hope these new programs are not like the amendment to The Implement Act in which they said: "We are setting up a program for the testing of farm implements to see that the dealers and the merchants at all times carry sufficient repairs to service the machines which they use in the fields." "Why," they said, "these dealers have been getting away too long with selling and making huge commissions on the original sale and not keeping sufficient stock in their bins with which to service the machine after it is in the farmer's hands. We're going to stop that." Then we asked last year . . .

Mr. Speaker: — Order! Order!

Hon. Mr. Nollet: — Mr. Speaker, on a point of privilege, I must take exception to the hon. member constantly putting words into my mouth, that I, or any member of the Government, made the statement that he is just mentioning at the moment.

Mr. Cameron: — Mr. Speaker, that is not a point of privilege, because I had not mentioned the Minister's name. Never once did I mention the name in regard to The Implement Act, and then he rises and says I a, putting words in his mouth.

Hon. Mr. Nollet: — You certainly are!

Mr. Cameron: — On with the program. So in order to get this program going, they licensed the implement dealers. Last year we asked, "How is your program developing? . . . How many inspections have you made? . . . How many complaints have you received from the farmers with regard to lack of repairs on hand?" There the inspections were only

a few, the complaints were even less. Then they indicated that they were going to get down to the problem at hand this year. So, comes the 1st April, they jumped the tax for the implement licence from \$5.00 to \$25.00, and they used this money to put on increased staff to inspect the dealers' stocks. Well then, we asked, the other day: "How many dealers' licences have been cancelled by this Government?" The answer came back: "In 1957-58, eight dealers lost their licence; in 1959-59, twenty-six lost their licence; in 1959-60, under the stepped-up program, 102 dealers lost their licence. This last year we have lost 102 dealers because they couldn't obtain a licence any more to carry on. Not only had they put 102 dealers out of business but, last year, the papers were full of it, every day during the harvest season, with farmers complaining that it was the worst year in history in their efforts to obtain repairs to keep the machines operating. Why? Was it the fault of the little local dealers? No, Mr. Speaker. He has no control over the amount of repairs that his company kept in their factories or in their repair depots and he just was unable to obtain those repairs.

I had a dealer come to me two months ago — and there are instances all over the province. He told me, "I sent in my \$25.00 and I applied for a licence and I got a receipt, so I went on selling the few things that I do sell under The Implement Act. I went on selling stationary engines, grain loaders, and all of the little things that are covered along with big machines," and he said, towards fall one of the officials came in to inspect his stock. He said, "How many little engines have you sold," How many grain loaders?" He told him so many. "How much of this?" How much of that?" So he looked it over and he said, "You haven't sufficient stock; you can't be in business. Where's your license?" Then the inspector looked at it and said: "This is not a license, it is only a receipt. You haven't yet received a licence from the Department of Agriculture." And he said to this dealer; "You have been selling all year without a licence and you are subject to prosecution for having done so." "Well," the dealer said, "I sent in my money, I got my receipt; that's as much as I knew." The inspector said: "Not only have you been selling without a licence, which is contrary to regulations but I assess that you haven't got sufficient stock on hand, and I am making a recommendation that your licence be cancelled." — and it was! That was repeated up and down the province when you go out and talk to the machine dealers.

Hon. Mr. Nollet: — I would certainly like to have the details . . .

Mr. Speaker: — I think the hon. member is entitled to the name.

Mr. Cameron: — Oh, I'll give him fifty names; but I am not going to take my radio time now to divulge them. I will undertake to give it in private, as many as he wants.

A great deal has said, and a great deal more will be

said, about the economic growth of the province, and I want to deal with that for a few minutes.

Speaking of the economic growth, one can leave whatever impression one chooses depending on the yardstick he chooses to measure it with. The Premier, I notice, has been using the yardstick, production figures. This is the yardstick with which he measures the economic growth of the province. He points out (and rightly so) that manufacturing is up, retail sales have reached an all-time high; he points out that uranium production is up, oil production is up. The Provincial Treasurer with his yardstick (from what I could estimate) stresses the boost in revenue from our main sources of taxes — the sales tax, the gasoline tax, liquor profits. He points out that they have reached an all-time high. It's true there are increases in manufacturing, there are increases in oil production, in retail sales, and this indicates something of the economic growth and certainly, increased revenues from tax sources, taken by themselves, might show an upsurge in the economy. But, there are other factors, Mr. Speaker, equally important that must be considered. They also must be considered with these others as well. We can choose only a portion of the yardstick and by doing so we can point to the sun shining on the peak, but we don't reveal the clouds in the valley and, in order to get a true picture of the economy in the province we must use some criteria which will include both the peaks and the valley. If we are to arrive at the true assessment of the economic growth then we must consider factors which have a prime bearing on it.

A healthy and buoyant economy will certainly reveal itself in an accelerated growth in population, an increased tempo of exploration and development, of mineral resources, of oil wells being brought into production, of mining claims being staked, and of mines being developed; it will reveal itself in increased earnings to the farm worker and to the labour force, and above all, a healthy and buoyant economy will make itself felt by the extent to which it has broadened the economic base of the province, and thus, by doing so, lifting from the books of the people some of the tax burden necessary to carry the essential services of the province.

We must consider the picture in its entirety. If we break up the measuring stick into its component parts, then by using any one of these component parts alone, as I say, we can create any picture that we wish to make. It reminds me of a man, the other day, who said to me: "Why, Saskatchewan was never so prosperous in its history." He said: "Look at the amount of liquor sold last year — \$40,000,0000". I asked him: "Do you think you can measure the prosperity of a province by the amount of liquor consumed?" And he thought a moment, and then said: "No, I guess not. It depends on how much the Government has watered the whiskey and jacked up the price."

Well, I thought that man was speaking words of wisdom. I thought of this man, the other day, when the Provincial Treasurer brought down his budget when he said with a great flourish, "The gasoline tax of 15 years ago yielded \$4.4 million; next year we expect it will yield six times as much — \$22.6 millions." No, he didn't water the gas; but he sure jacked up the price — a nickel a gallon! He said further, and I quote: "In 1945-46 a year before we removed the education tax of 2 per cent from all foodstuffs and meals, the yield of the tax was just over \$5 1/2 million. Next year, the education and hospital tax of 3 per cent, with many additional exemptions, is expected to yield \$22 1/2 million." Here again, he jacks up the price 50 per cent.

Our economy has been strengthened; but (let no one try to forget it) we still have many soft spots in the economy of Saskatchewan, and some sections of our economy are in such a depressed state that it should cause grave concern. I'm going to deal with that in a moment.

Canada, as a whole, has, during the past decade and a half, had a phenomenal growth. This has been reflected not only in the gross productivity; it has been reflected in population increases, it has been reflected in personal incomes. Fifteen years ago, Saskatchewan had 7 per cent of the population. This percentage is the lowest level in the history of the province, and our percentage of the population has gotten so low that, after the next redistribution, Saskatchewan will have fewer members in the House of Commons than the city of Toronto. Saskatchewan's voice in the House of Commons will be its weakest in the history of the province. Now in this interprovincial competition of people, the problem facing Saskatchewan is not merely to provide new industry and consequent job opportunity, it is to do it at an accelerated rate.

Mr. Gardiner: — Hear! Hear!

Mr. Cameron: — This rate must be greater than it is at present if we are even to hold our own in regard to this growth. The Premier revealed something of the state of the economy when he stated this — and I was amazed, Mr. Speaker, to hear it because I didn't know that before. He said that 49 per cent of our farm and wage earners don't make enough to pay income tax. Well, if that is the state of our economy, I say that is just not good enough for Saskatchewan.

Mr. McDonald: — Hear! Hear!

Mr. Cameron: — I said a moment ago there are segments of our economy . . .

Premier Douglas: — Mr. Speaker, on a question of privilege. If my hon. friend will quote all the sentence. I said that 44.9 per cent of the people of Canada did not earn enough to pay income tax.

Mr. Cameron: — As I said a moment ago, there are segments of our economy that give us cause for concern, and I just pointed out that although the total value

of agricultural output remained steady, farm cash receipts declined 6 per cent and as a result of result of this, cash farm income will be lower than a year ago by \$20 million.

From this evidence, it is clear that production figures in themselves do not indicate the condition of an industry. Farm production could very well have increased substantially and yet the farmer could have received millions of dollars less in his cash return, and when conditions such as this exist, that industry is in a depressed state. A few years back the Premier's theme song was that we in Saskatchewan were facing an agricultural depression in the midst of an economic boom. Well, if indications in those years pointed in that direction, they certainly do not today; we talked about all production going up.

Speaking of oil, it is significant that the Provincial Treasurer in his budget speech mentioned the word "oil" only once; he made passing reference to the decline in wellhead prices for oil; and the word 'uranium' doesn't even appear in his budget speech, We have observed the C.C.F. long enough and know that, when they are hollering from the housetops and making a lot of noise, something is doing; but when they are quiet, we had better pull the curtain aside and, take a peek, because mischief is afoot. That 's what we're going to do here. Since the Provincial Treasurer didn't talk about oil or uranium, I'm going to do so.

In 1957-58 the mineral production soared to unprecedented heights. Production was up 54 per cent over the previous years and the significant thing about this was that the revenue to the Province from this same source paralleled production in that it increased 53 per cent, the same year. However, last year, 1958-59, mineral production again increased. It was up 30 cent over the year before, but, on the other hand, the revenue of the Province did not follow upwards with production; they headed exactly in the opposite direction. Production jumped by 20 per cent, but revenues tumbled downwards 10 per cent below the previous year's level. These revenues were almost in inverse proportion to the increased production. I wonder, in view of all this, if the Minister of Agriculture still holds to the view that there is no such thing as the law of supply and demand.

I want to segregate from the total mineral production of the province the natural gas and petroleum industry, and if we segregate that out of the complete picture of industry, we can get a bird's-eye view of the state of the health of this industry. In 1958-59, petroleum and natural gas production was up 13 per cent (which the Premier talks about) over the year 1957 to tell us that the revenues to the provincial coffers here again headed downward as much as production headed upward. Production swung upward 13 per cent; revenues to the Provincial Treasurer tumbled 15 per cent. Revenues in relation to exploration in the oil industry, bonus bids, lease rentals, have plunged downward by 26 per cent below the level of the previous year.

How much risk capital is being invested in mineral exploration as revealed by the amount of revenue estimated from this source? Revenue estimated from bonus bids, lease rentals, permits (that is the non-recurring revenue) shows a very interesting picture when you look at the tables in the budget. The non-recurring revenue from the exploration days of the oil development in this province, in 1959 was estimated to bring \$10 million to the Provincial coffers, in 1960, the Provincial Treasurer dropped his estimate to \$3 million, and for the current year we are budgeting for, 1961, he is estimating \$1 million, a drop from \$10 million in 1959 to an estimated \$1 million in 1961.

If we omit the amount spent on construction of the Trans-Canada and the Saskatchewan Power Corporation pipelines, plus the addition to the refineries in the city (this can't be classified as risk capital in the same sense as exploration for gas and oil is classified as risk capital), what do we find here? In 1957-58 the amount expended by the oil companies for exploration in Saskatchewan was \$133.5 million. In 1958-59, expenditures for exploration were \$87 million — a drop of \$46 1/2 million in their budget for exploring gas and oil in the province. They cut back their expenditures last year by 46 1/2 million.

I have a chart here, Mr. Speaker, prepared by the Department of Mineral Resources. I am not giving you any information that is not verified and obtained from reports issued by the Government itself. It is put out in very beautiful chart form, and it portrays the picture much better than I could do it. If you look at this you will notice expenditure on gas and oil development (which I have just mentioned), wells drilled to completion. Here's a picture of an oil well. In 1937 there were 1,258 oil wells drilled to completion; in 1958 it had dropped to 803. Then you go on to footage drilled, and it is less; and this chart points out the wells drilled to completion in 1958 were less than the wells drilled to completion in 1954. This chart states clearly the condition of the oil industry in this province. The exploration phase of the oil industry has ground to a complete halt, and there is no exploration going on within the confines of the province.

We cannot attribute this alarming decline in exploration to exhaustion of oil reserves. There are great possibilities of reserves for oil in Saskatchewan down into the deeper layers. This is proven by the fact that right across the boundary, our neighbour in Montana is having success in finding oil in this same deeper strata. I am sure that oil has no respect for either provincial or international boundaries. The oil industry in this province, from the information that we can obtain in assessing these reports has been strangled. It has been strangled by government bureaucracy, by the regulations and controls imposed upon the industry, regulations and controls unknown in any other area of Canada. In 1957 the Minister of Mineral Resources jacked up the royalty to the oil companies a million-and-a-half. Last year, he brought, in a Bill that says we want a million dollars from the oil industry for the so-called oil that may be under the road allowance. "Why," he said, "it's not a royalty; it's not a tax, but it brings in a million dollars."

We pointed out, last Session, the danger of this very principle of loading this extra charge and these regulations upon an industry which, at that time, was facing a difficult problem. But they were hungry for money and they proceed to do it. And the drop in revenues, as I pointed out from \$10 million to \$1 million, has shown that they have jacked the taxes to the industry so high that they have come to the point of no return.

I think, Mr. Speaker, that we in Saskatchewan have paid dearly for the C.C.F. attitude toward big business. Oh, they try to keep it underhand, but it broke out again, the other day, as it does every year in this House when the hon. member for Cumberland stood up and said: "Why, the Federal Government looks after the big interests. Look what it did to with the uranium fields in northern Saskatchewan. Why, it guaranteed to those companies that they would make \$14 millions in profits a year." He was standing in this House condemning the Federal Government and its and its interest in uranium, while if he had read, just a week or two before, the announcement, he would have noticed that his own Minister of Mineral Resources had been down to a conference demanding that something be done to ease the depressed condition of the uranium industry. Then we wonder why we do not get risk capital into Saskatchewan.

Hon. Mr. Brockelbank: — Mr. Speaker, on a point of privilege. I can't remember being at any conference demanding that something be done about the uranium industry.

Mr. Cameron: — Mr. Speaker, that is no point of privilege.

Hon. Mr. Brockelbank: — It certainly is privilege.

Mr. Cameron: — Well, then, if you weren't down there, you should have been down, because the other Ministers of Mineral Resources were.

Opposition Members: — Hear! Hear!

Mr. Cameron: — It is just too bad for Saskatchewan that you did not see fit to go there.

A clipping from 'The Leader-Post' the other day said:

"Mineral Resources Profitable"

"The most profitable Department of the Government is Mineral Resources. Revenues were \$20.6 million; expenditures, \$1.3 million."

I would point out to 'The Leader-Post', to the members here, that in the budget just tabled, the other day, it sticks out like a sore thumb. The taxation department is the most profitable department the Government has ever operated, Education and Hospitalization tax, gasoline tax, motor and vehicle license, and the mineral tax brought into the provincial treasury \$42.9 million, and the expense, \$900,000.

Let us take a look at some of these taxes the people are paying, the estimates taxes in this new budget from these sources. It is estimated that education, hospital, gasoline, vehicle licences will bring in \$47 million to the Province. Recent reports published in the Treasury Department of which I received a copy, indicate that the revenues for this year closing on March 31st will be \$50 million, not \$47 million estimate from this budget. The budget estimates how the Treasurer proposes to raise \$148 million — to some it may sound frightening. When you break it down into simple form, it is quite readily understood. These four main sources of taxation — education, gasoline, vehicle licences, liquor profits — will bring in a total of \$65.3 million. The mineral tax, licences, and forfeitures under the Attorney General's Department, all these other sources of revenues, will bring in \$63.8 million. Ottawa will pay us \$46.5. So of the \$148 million, \$115 comes from the taxpayers and from the Government at Ottawa. That leaves a balance of \$30 million-odd to come out of all the mineral resources of this province. We hope to collect \$30 million-odd from the 4,000 oil wells, from the uranium mines, the potash mines, the gold, copper and zinc mines, from sand and gravel, salt, coal and clay; \$65.3 from the backs of the people, and half of that from the industrial development within the province. That shows the condition of the economy. The taxpayer contributes more to the budget than the revenue from all of these sources included. For every dollar that you receive from your oil fields, gold mines, and production of all the minerals, the taxpayer matches it, two to one. For every one dollar from that, two dollars from the taxpayer.

It is significant to note from this budget estimated by the Provincial Treasurer and brought down just a few days ago, that the combined total revenue to the provincial coffers from all the oil and gas, mines and minerals and clays produced in this province will be less than the gasoline tax alone.

Opposition Members: — Shame!

Mr. Cameron: — Then we talk about the broadening of the economic base of the province. Has the base been broadened, when all of the 4,000 oil fields, all the mines and minerals, bring into the provincial coffers less than the tax on gasoline alone?

Mr. McFarlane: — Maybe they want to give the farmers a rebate!

Mr. Cameron: It is no wonder the Provincial Treasurer stressed the tax sources. I want to refer to a few of his statements.

"Revenues are up than three and a half times since 1944-45 and in 1945-46 revenues from education, hospital tax was \$5 1/2 million. Next year the education and hospital tax is expected to yield \$22 1/2 million."

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Still quoting from sentences in his speech, he said:

"Gasoline tax 15 years ago yielded \$4.4 million. Next year we expect it to yield six times as much — \$21.6 million. Motor vehicle licences will have moved from \$1.9 million to \$7.7 million."

I have always known that the Provincial Treasurer was a genius at extracting taxes, but I am surprised that he has gone to the extent where now he stands up and boasts about it.

Mr. Danielson: — It's the last chance he'll have!

Mrs. Batten: — He's leaving, anyway.

Mr. Cameron: — I noticed, Mr. Speaker, another thing in the budget. The Provincial Treasurer, like every C.C.F. speaker who spoke in the House, just the same as they do on TV and radio and in the press, kept running back to 1944. You know, I took the trouble to add up the number of trips the Provincial Treasurer made back to 1944 in an hour and a half, and he made 27 trips back to 1944!

I have an Irish friend who is somewhat of a philosopher. One time when we were discussing politics, I said, "Over the number of years you have been voting, how have you arrived at your decision on which political party to support? He replied, "Well, you know, when you see a man who talks about the present and the future, you see a man who is virile and alive. On the other hand, when you see a man who talks about the past, you see a man who is senile and decadent. This same truth holds true of political parties," he said, "and when a party has reached the stage that it talks about the past, then I know it is time for a change."

Speaking about time for a change, I would ask the C.C.F. to listen to the comments on the buses and the trains. Get out, and don't talk for a little while, and listen to what is being said in the rural areas in the towns and villages . . .

Mr. Lopton (Saltcoats): — They'll all quit.

Mr. Cameron: — . . . and you will be surprised how correct my Irishman is. They have assessed that it is time for a change.

Opposition Members: — Hear! Hear!

Mr. Cameron: — Now, Mr. Speaker, I would like to deal with the debt position for a moment. I am not going to take a long time to try and entangle the thinking of the Provincial Treasurer in regard to debt. He says that we are practically debt-free in the province, and I am sure,

today he must regret that this, his last budget, could not have been like Premier Bennett's a debt-free budget.

'The Leader-Post' carried an article the other day, taken from Public Accounts, just tabled, and it says:

"The gross debt of the Province has doubled in the past ten years."

Well, of course it has doubled. The gross debt of the Province today is \$388 million and, on top of this, the Provincial Treasurer reveals in his budget that he is going to borrow \$50 million and up for the coming year. How does the Provincial Treasurer arrive at the conclusion that Saskatchewan is almost debt free? I am afraid he is using exactly the same tactics as Mr. Bennett did in B.C. I am going to come to that in a moment.

In reference to the borrowing, he said in the budget speech:

"We, in common with other provinces, have borrowed large sums in the U.S.A., because there was not enough capital available in Canada."

I checked on that statement, and I went to the report issued by D.B.S. on funded debts of the provinces of Canada, and I have it here in my hand. It gives a complete outline of the amount of bonded debt for Canadian provinces, and the amount each province has borrowed in the United States. Manitoba floated 99 per cent of all its bonds in Canada; only one per cent in the United States; Quebec, 85 per cent of her money was raised in Canada, 15 per cent in the United States; Ontario, 74 per cent in Canada, 26 per cent of her bonded debt in the United States; New Brunswick, 87 per cent of her debt in Canada, and 13 per cent in the United States.

Hon. Mr. Fines: — Mr. Speaker, on a point of privilege. As the figures are being quoted incorrectly, I have the right to correct them. The figures that are now being quoted do not count the money which has been borrowed by the Power Commissions of these various provinces: Ontario, Quebec, New Brunswick . . .

Mr. Cameron: — Mr. Speaker, he can make his speech when . . .

Mr. Speaker: — Order! Order!

Mr. Cameron: — He can speak twice; I can speak only once!

Mr. Speaker: — Order! Order!

Hon. Mr. Fines: — Mr. Speaker, I am trying to correct the hon. member. I am not including the money borrowed by the different Crown Corporations, or the Telephone Companies.

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Mr. Danielson: — Sit down!

Opposition Members: — So what?

Mr. Cameron: — So what, even if they aren't? But I can assure you that they are. This report will show it to you. I know these figures hurt, Mr. Provincial Treasurer . . .

Hon. Mr. Fines: — No, they don't.

Mr. Cameron: — I know that you don't like to hear that you went to the United States to borrow 52 per cent of all your money when other provinces borrowed from one to two to 15 per cent. This is why he said in his budget speech, sure, there is some risk involved, but 52 per cent of your borrowings are in American money, and if the premium rate changes, (there is no guarantee; the evidence is that it will) — then we will be asked to put millions of dollars in interest charges to retire that debt.

He said the money market wasn't available in Canada. The other provinces found the money. I would like to ask why the Premier and the Provincial Treasurer preferred to go to the American market and give the coupon clippers of New York the interest charges on our debt, instead of reserving it to the people of Canada.

Opposition Members: — And Saskatchewan!

Mr. Cameron: — Premier Bennett announced his first free-debt budget in B.C. I want to read you what the C.C.F. in B.C. had to say about Mr. Bennett's so-called figuring of the budget. This is quoting from the C.C.F. News of B.C., July 27, 1959. Here is the editorial:

"The so-called mortgage burning being staged in Kelowna by Premier Bennett is all but trappings of an ancient Paganistic ritual. In those days it was felt that the mass of people who were uneducated and unthinking could be kept content with bread and circuses, but in 1959, a circus is not acceptable as a substitute for truth.

"At the very moment when the Kelowna spectacle is being staged, the absolute minimum debt responsibility of the Government of B.C. will be \$95 million, and it could go higher."

All this fuss about, a debt of \$95 million. We have \$380 million! It went on in a later issue of the 'C.C.F. NEWS', August 26:

"It has screened its financial juggling by double-talk and has diverted the public attention by treacherous circus displays."

All over \$95 million! I would say, Mr. Speaker, our Provincial Treasurer has learned well at the knee of the Premier of British Columbia. He has learned so well that he is a living example today of a student who excels his master.

I would say here to the Provincial Treasurer: "I will use the same thing here as the C.C.F. did in B.C." You know, it is funny, Mr. Speaker, how different a political party is when it is in power, and when it is out of power . . .

Govt. Members: — Hear! Hear!

Mr. Cameron: — . . . and the C.C.F. are out of power in British Columbia.

Opposition Members: — Hear! Hear!

Mr. Cameron: — And the C.C.F. are in power in Saskatchewan.

Govt. Member: — We'll start all over.

Mr. McDonald: — But not for long.

Mr. Cameron: — I want to say in all sincerity that it is my belief that all these statements which the C.C.F. issue on TV, radio with your breakfast, your dinner hour, your bed-time story — those same familiar faces are there, telling the same old story in the same old say . . .

Hon. Mr. Nollet: — You don't like it?

Mr. Cameron: — . . . all about Saskatchewan's great reduction in debt.

Mr. Gardiner: — Tens of thousands of dollars!

Mr. Cameron: — If I had the time I would tell you something a lady told me the other day, about those faces on TV.

I would point out, Mr. Speaker, that, in spite of all that is said, the people of Saskatchewan have pledged their resources to every dollar that the Provincial Treasurer has borrowed, and when the time comes for repayment they must meet every cent of the interest charges as well as the principal. All the talk in the world will not remove the fact that we have pledged the resources of Saskatchewan to the extent of \$388 million. This will not all be paid in visible taxes, no, it will be paid in invisible taxes — in the form of electric and gas rates, telephone rates, and all these things. In different ways, but coming out of the pockets of the same people of the province

of Saskatchewan.

I get awfully cross when they go before TV all over the province, and continue to repeat the story that Saskatchewan is almost debt-free. I say this is nothing but a shabby trick to hoodwink the gullible in the province. Statements such as this, in this House and on TV, in my judgment, at least, is just a sorry comment on the state of public morality. When the highest personages in public life resort to such trickery as this, it makes a mockery of the virtues of truth and nothing but the truth.

Opposition Members: — Hear! Hear!

Mr. Cameron: — Mr. Speaker, in looking at the budget we must assess it, not only for the amount of money that is to be raised, but in the manner in which these moneys have been allocated for expenditure. There are several things that are evident in assessing the economy of Saskatchewan in bringing down a budget. These factors must have a bearing. It is true the construction industry has hit an all-time high; retail sales have hit an all-time-high; revenues to the Provincial Government from their tax sources were never more buoyant, have never been greater; production of many of our minerals are up, and that is good. We welcome it. But we must not overlook that there was a darker side as well. While mineral production is up, revenues to the province from this source are down. The oil industry has, to all intents and purposes, ceased its exploration program. This not only contributes to loss of job opportunity; it seriously dampens the hope of continued expansion in this whole mineral field. The oil industry has joined agriculture as a full partner in a depressed state in Saskatchewan.

When our two major industries, agriculture and mineral resources, share this common state of depression, I think we have grave reasons for alarm. Saskatchewan has been stopped cold in its attempt to broaden her base, to broaden the economy in order to lift, off the backs of the people, some of burdens necessary to carry the responsibilities of the Government. That we have neglected to do that is evident from the fact that the ratio of the taxes collected in comparison to that received from the production of oil, uranium and other minerals.

For these reasons, Mr. Speaker, the fact that we have been unable to do these things, I think the desperate need of Saskatchewan to secure new industries and new developments, but it must do so at a much greatly accelerated rate. This the Government has been unable to do. This is evident by the heavy dependence on taxes for its revenue, and on the ever-increasing dependence on Ottawa for assistance.

Sixteen years in office has had its effect. It has beclouded the vision and the efficiency of this Government, which has failed to relieve the load of school officials, municipal officials and local government; which has failed to provide an accelerated program of broadening the economic base of the province. In these things it has failed, and because of that, Mr. Speaker, I cannot support the motion.

Mr. A.L.S. Brown (Bengough): — Mr. Speaker, at the outset I want to associate myself with the member who has just taken his seat in, the Leader of the Opposition (Mr. McDonald, and the Premier in welcoming once again into our midst the member for Meadow Lake (Mr. Weber). I want to associate myself with the remarks made by the member for Maple Creek (Mr. Cameron) when he made reference to your health. I feel that those are the sentiments of all of the members who sat with you during your term of office, and during your term as a Minister of the Crown, and sat with you when you were, as I am, one of the backbenchers on this side of the House.

I want at the outset to extend my congratulations to the Provincial Treasurer (Hon. Mr. Fines) on the budget which he brought down here, last Friday, not only for the contents, but for the manner in which it was presented in the House. I have sat in this House and heard the Provincial Treasurer bring down some 16 budgets, and I am prepared to predict that this very best budget (and I am not slurring the previous ones) that has been brought down in this House. However, there is one thing that I cannot ignore, and that was when he indicated in his remarks that this is the last budget he would be bringing down. I know I express the feelings on this side of the House, and I would like to suggest to him that we bring in a House amendment striking out those words.

I am in somewhat the same position as the Provincial Treasurer, as this be my last opportunity to take part in a budget debate. I am in the same category for another reason; for I can very well remember some 25 or more years ago, when the Provincial Treasurer was down organizing in the area from which my Leader was elected. So we have something in common in our background, and it is possible that the reasons he made up his mind to retire from public life are not too far different from those reasons which made me make up my mind not to remain in public life.

Our reasons for joining the C.C.F. were essentially the same. I joined the C.C.F. as a protest against human suffering and human privation. In retiring from public life, the Provincial Treasurer and myself realize that the struggle against human privation and suffering has not yet been won; but there are many ways in which we can serve the movement other than as an elected member. I feel satisfied that, in the years that lie ahead for myself and the Provincial Treasurer, we will continue to serve this movement to the best of our ability, although it will possibly be in another category than before.

Mr. Speaker, if I may deviate for a moment from the budget proper, I would like to make reference to one or two other matters. The first one I would like to refer to is the Clerk of our Assembly, who has been with us during the entire time of my term in the Legislatures and who, I believe, is considering retiring at the end of this Session. I would be remiss in my duties if I did not make mention of my appreciation for the work and help he has given to me as an individual and as a member of this House, and the assistance he has given to all the members of this House.

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I would also like to make passing reference to another individual, and that is our Sergeant-at-Arms. While he has not been here during the whole term of my office, nevertheless, during the time he has been with us, (and that is a good number of years) he has brought dignity and decorum in his capacity to the Legislature, and I certainly, as an individual, want to express my deep regard for him, and the hope that he will remain in this Legislature and also remain in good health.

If I may just deviate possibly even a little bit further from budget itself for just another moment. What I am going to say, Mr. Speaker, I am not saying in a critical voice, and I certainly am not attempting to lecture. I have sat in this Legislature for some 16 years as a private member, and I appreciate having had that opportunity; and I feel that I have come to respect, and possibly even to love, the parliamentary procedures that have been built up over the years, and am proud to appreciate the value of those parliamentary procedures. I am as jealous of the rights and privileges of the private member, as anyone in the House. I think and I feel that it is through a proper understanding and a proper appreciation of these procedures that we, and those who follow us as private members, can make our greatest contribution to the proceedings of this House, and the deliberations of this House.

Parliamentary procedures are something which we must cherish, and at the same time, realize that we should not be afraid, when it becomes necessary, to set a precedent. We have had them in this Legislature, Mr. Speaker. We established a precedent when we established a Crown Corporations Committee, which has been accepted as a normal part of parliamentary procedure in many of the Commonwealth nations. I want further to suggest to those private members, whether they are on the Opposition side or whether they sit on the Government benches, that under no circumstances should they allow themselves to be dominated by those who may sit on the treasury benches of that day. There is a way and there is a means, and it is up to us to understand the ways and means in which we can make our impact properly felt upon those who sit on the treasury benches.

Now, Mr. Speaker, turning back to the Budget Speech. I wish to refer to some of the remarks made by the member for Maple Creek (Mr. Cameron) in making his criticism of this budget. I was impressed not by what he said, but rather with what he failed to speak about. He failed to realize and appreciate the true contents of the budget as presented here last Friday. He did say, however, that he noted increase in school grants, but he tried to point out that this will not remove the inequalities in our present tax structure. I agree that it does not do that entirely, but it does a great deal more towards it than did the policies on this province prior to the C.C.F.

The C.C.F. Government inaugurated the principle of equalized grants throughout the whole province. In some parts of the province we find 75 per cent of school costs being borne by the Provincial Government. I think it is a right and proper principle, and it is contributing to equalization of the tax structure all across the province. I agree with him that it does not do

entirely, but every time in the part of the budget for education, that principle has been followed. If we continue to follow that principle, we will reach the day when we have eliminated inequalities in our tax structure; and I do agree that with all the contribution this Government has made toward education, all inequalities have not been removed.

As far as the educational system itself is concerned, it is not possible to have the same high class of education in some parts of this province as they have in other parts of the province; but through the only media through which it can be done. It is being done and that is through a media of equalizing our financial contributions towards education, both in operating costs and capital costs for the building of schools.

From the school grants he went on to discuss the Continuing Committee. He said that the Continuing Committee had not given us any information and he referred to the Progress Report tabled in this House, one year ago, as having no information in it. Well, I suggest to him that he undertake to read this and to read it carefully, and he will appreciate what this Committee has done. It has done a considerable amount of work up to the time it prepared this report, and when the interim report or the final report of this committee is placed before us, I am satisfied that the report will indicate that they have undertaken their task with zeal and energy and have done a considerable amount of work even up until 1959, when that was laid on our desks.

From there he went on to the question of the municipal water and sewage program, and suggested that the amount of money to be voted in the budget would do little toward assistance of our smaller urban centres in obtaining municipal water and sewage programs. But it starts the program, Mr. Speaker. Certainly, in one year, we are not going to undertake to bring water and sewers to all the urban centres in this province, but it is nice to know where you are going, and I suggest that some time, sooner or later, you have to start. Here is a program which, in the final analysis, could unquestionably assist many smaller urban centres to get this necessary water and sewer supplied.

This is not the first step to be taken in assisting municipalities as far as water is concerned. They have already given some of them a considerable amount of assistance through the medium of buying up their debentures, taking them off the financial markets on the one hand, and thus making it possible for many municipalities to obtain a lower rate of interest than they would otherwise have had to pay. The combination of this policy along that, will do much towards assisting the municipalities.

The same is true in respect to the farm program to which my hon. friend referred. I think he referred to it as a plan for political spread and pooh-poohed the idea that it was going to have only some \$300,000 in grants this year, and approximately \$200,000 for the salaries of those engaged in promoting and undertaking this work. There was only going to be some suggested 1,500 farms (which he read from a press report) for 1960, which would come into

the category for grants for water and sewer programs. You have got to get a program started. When we undertake a program like this, we do not expect to accomplish it all in one year; but rather, it must be a program spread over a number of years — somewhat in the same category as the rural electrification program was, with the Power Corporation. I expect and I hope and trust that whoever brings down the budget in 1961, they will have an item in here for a considerably larger amount than this, so that this program can be expanded, as we were able to expand the rural electrification program when it was started.

We started the rural electrification program in this province in 1949. By 1959 we had power in the position where it could be available to well over 90 per cent of the farmers of this province. That was done in 10 years. Starting off with a modest 1,500 farms in 1960, it is not beyond my comprehension that, by 1970, we will be in the same position with water and sewer on farms throughout the province, as we were with power by 1959.

Government Members: — Hear! Hear!

Mr. Brown: — He went on to The Farm Implement Act. I could not quite get the connection between The Farm Implement Act and the Budget, but I suppose there was some relationship there. From there he went on to try and prove to this House that there had not been the type of economic growth that we were entitled to see. Well, Mr. Speaker, we have seen a lot of economic development in the last 16 years. We have seen this province change from one of 5 per cent non-agriculture, to a point now where non-agriculture represents 50 per cent of our production in this province — an indication that there has been economic growth in the non-agricultural segment of our economy.

He made reference and tried to prove his point, by saying that the Premier had indicated there was less than 49 per cent of the farmers and workers in the province of Saskatchewan who do not pay income tax. That is true, Mr. Speaker. It is true, in spite of the fact that we had this industrial development and economic growth in a non-agricultural economy, and agriculture is still the largest single industry in this province, and the Premier had forecast, some time ago, that you could have a depressed agricultural industry in the midst of an industrial growth, and that is exactly what has happened. That is the reason why there are 49 per cent of our workers and our farmers who do not pay income tax, and that again in a depressed condition. Whose fault is that? That certainly cannot be laid at the feet of Government. This must be placed at the feet of the people who are responsible and that is the Federal Governments, as a result of their marketing and their policies for agricultural products.

He went on then to substantiate his argument by saying there was a reduction in exploration of oil in this province. Certainly, there has been a reduction in oil exploration in this province as compared with previous years; but we have a right to expect that oil explorations will come back and be developed, because it has been proved beyond the shadow of a doubt that no policy of this Government has had any effect on reducing

exploration work in this province. It not the policy of this Government, but once again, rather it was the question of markets for these products for which this oil was produced.

He went on to point out that this \$29 million which he referred to in this budget, which would be received from mineral resources, as compared with \$30 million the year before, and suggested that in comparison to the overall revenues, that was a proportionately small amount of money, that the \$29 million, the bulk of our budget, was coming from other sources. Certainly that is true, Mr. Speaker. What was the case back in 1945? What did they obtain from these same sources then in relation to the budget at that time? Well, we have the estimates for 1955. It is all under natural resources. In it they have lands, they have forests, water, permits for grazing, and they have fisheries and game licences, making a total of \$1,246,000; but referring back to the same items that now make up the \$29 million in our budget. We must only take into consideration mines, minerals and coal mines — that was the mineral production in those days — and adding these two figures together we get somewhat less than \$200,000 out of a total budget of \$34 million. So I would suggest that, in relationship to our overall budget, to say we are not getting a proper share from these mineral resources is a statement of absolute nonsense.

If it were possible to increase this, I would certainly like to see it done, because the mineral resources belong to the people of Saskatchewan. It has been a cardinal rule with this Government that when resources are developed (as has been done), they will be developed in the interest of the people of the province of Saskatchewan who own them. I hope and trust that, in the future, they will continue to maintain that policy even if it does mean that you might not get quite the same development as you would in some other form. I do not want to see this Government reach the day when they will sell the people of Saskatchewan short.

He went on from there to suggest that it was time for a change. The people in the province of Saskatchewan back in 1944 set the political trend for this province for a long time to come. They made the decision as to the type of economy and the type of society they would undertake to defend, and I am convinced that the people are of that same political opinion as they were at that particular time, and will continue to march along the path set out in the last few years.

From there he went on to make reference to the fact that our debt has increased in this province and he uses the term 'gross debt'. Yet the Provincial Treasurer in this House has tried to explain to him, on more than one occasion, the difference between the gross and net debt. He went on to say that we had all the resources of the province behind this gross debt. Well, possibly that is true. Mr. Speaker, but we have with the \$388 million increased the production capacity of this province and increased the assets of this province to something considerably greater than what he indicated was our gross debt. Certainly the people of the province of Saskatchewan will have to pay off this debt. They may have to pay it off through taxes, as he

referred to, as a net debt, or else through the payments they make to the utilities. If we had not borrowed this \$388 million for the purpose of investing in such utilities as Power and Telephones, if we hadn't done that, someone else might have done it. The National Light and Power might have done it, or the Dominion Electric might have done it, and they would have had to borrow the money, and the same people would have to retire their debt just as we have to retire our debt here. So to suggest that putting that kind of a debt on the province is putting a millstone around our necks is simply ridiculous.

Mr. Speaker, at the outset I suggested that the remarks of the member for Maple Creek were more remarkable for what he failed to say than for what he did say. There are many other programs in this budget speech to which he could have made reference, to indicate and bring out constructive criticism against our proposals, which he failed to do. There is, for example, the medical-care program which he could have referred to, but didn't. I don't want to spend too much time on it as much has been said outside this House, and I expect much more will be said in and outside the House in respect to the medical-care program for the people of the province of Saskatchewan.

In the final analysis, it is not a question of whether we do or do not have a medical-care program, but rather what type of medical-care program we will have, whether it will be compulsory or voluntary, whether it will be under public control and supervision, or whether it will be under some other type of supervision and control. I am going to suggest that any medical-care program to be effective, must be compulsory. There are some very fine medical schemes being operated in the province under which there is no compulsion for the people to join, but when you give to me the right to refuse to join a scheme, then you must also give the operators of the scheme the right to refuse to accept me. In other words, if you want a universal scheme and you want a scheme that will accept everyone, the only way is to make it universal and make it compulsory. The present scheme would deny me that right. Therefore, I say, it must accept all the people of the province of Saskatchewan and, therefore, it can be nothing else but compulsory.

Secondly, it must be under public control. It is a cardinal rule democracy that we, the people, must have the right to control and formulate our own destiny, and I suggest that that principle, if it can be applied to allocation, should be applied to health, and we will simply be extending that principle a little further. We as people should have the right to form our own destiny in the field of health and assure to ourselves that we give not only the cheapest or at least the lowest cost of help and care to people, but we give the best care for our people. I feel that some form of public control is the only way it can be obtained.

Turning for a moment to one other item that was mentioned in the Budget Speech . . .

Mr. Foley: — Did I understand him to say a moment ago, that there would be some choice on the part of the people whether or not would be compulsory? Then a few moments later I understood you in your opinion it must be compulsory.

Mr. Brown: — No, I said the decision we will be asked to make is not whether we will have a medical-care program, because I think the people of Saskatchewan are in favour of a medical-care program, but what type of medical-care program.

Now, Mr. Speaker, turning to another item that was mentioned in the Budget. There is a vote in the budget to make provision for expenditure with respect to crop insurance. This question of crop insurance has been an issue in the agricultural field for a number of years, The Royal Commission, you will recall, issued a report with respect to crop insurance. The national Government passed the crop insurance payment. It had no resemblance to the recommendations of the Royal Commission on Agriculture and Rural Life with relation to crop insurance.

Premier Douglas: — Mr. Hamilton says it is borrowed from that book.

Mr. Brown: — Their scheme is directly opposite to what was advocated here by the Royal Commission. Some time ago, maybe three or four years ago, we members of this Legislature endorsed in a Resolution, the program developed by the Royal Commission on Agriculture and Rural Life with relation to crop insurance, and it was a Resolution that received the unanimous support of the members of this Legislature. The plan in which we are being asked to co-operate is just the reverse to what was suggested here, for their plan is enabling legislation to allow the province to set up a plan which would then enable the Federal Government to participate in it. The Royal Commission advocates the reverse; that it shall be a national crop insurance scheme with provincial participation in it. The net result is that you have an item in here — I think it is some \$200,000; a net expenditure for the province over and above the administration costs. There is, however, a liability takes place on this problem which could, in a crop insurance scheme, expand it to the extent (if it was desirable to have that expansion) that could very well wreck the entire economy not only here, but in the other provinces as well.

I suggest that while we are going to make some progress toward attainment of providing this industry with a more adequate type of insurance than presently, we must realize that we cannot forgo in the program the proposals which are laid out in this report which we, in this Legislature, have endorsed. We must continue to press the Federal Government for a more adequate type of crop insurance in which they themselves, and the country as a whole will bear the liability incurred in that crop insurance scheme.

Mr. Speaker, I don't wish to weary the House too long. In closing I would like to say, as I said at the outset, I have seen 16 budgets brought down in this House, and I suggested that this budget brought down by our Provincial Treasurer is the best budget in the whole period and the best that

has been brought down in this House. I can support this budget because I am satisfied with the programs outlined and proposed in it, so that future generations can look forward to a better society and a better way of life than we have had here in Saskatchewan in the past. What we have started and what we have done in the past 16 years, this is not the end; it is not the beginning of the end. It is not even the end of the beginning for the type of society which many of us visualized, including the Provincial Treasurer and myself, 25 years ago. Therefore, Mr. Speaker, I have great pleasure in supporting the budget.

Mr. C.G. Willis (Minister of Public Works): — I beg leave to adjourn the debate.

(Debate adjourned)

The House resumed at 7:30 o'clock p.m., in Committee of the Whole on several Bills.

The following Bill was reported without amendment:

Bill No. 16 — An Act to amend The Automobile Accident Insurance Act.

Moved by the Hon. Mr. Fines:

That Bill No, 16 be now read the third time.

The question being put on the said motion, it was agreed to, on the following recorded divisions:

YEAS — 32

Douglas (Weyburn)	Williams	McDonald
Brown (Bengough)	Erb	Batten (Mrs.)
Bentley	Johnson	McCarthy
Brockelbank	Thurston	Coderre
Fines	Stone	Barrie
Walker	Willis (Elrose)	Korchinski
Lloyd	Davies	Gardiner
Nollet	Meakes	McFarlane
Cooper (Mrs.)	Wood	Foley
Gibson	Thorson	Nicholson
Douglas (Rosetown)	Harrop	

NAYS — Nil.

The said Bill No. 16 was then passed.

SECOND READING

Bill No. 39 — An Act respecting Dental Technicians.

Mr. M.J. Willis (Elrose): — I move second reading of this Bill, and that it be referred to the Select Standing Committee on Law Amendments and Delegated Powers.

The question being put on the said motion, it was agreed to.

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