

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session — Thirteenth Legislature**  
**15th Day**

**Wednesday, March 2, 1960**

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

On the Orders of the Day:

**WELCOME TO STUDENTS**

**Mr. Kim Thorson (Souris-Estevan):** — Mr. Speaker, before the Orders of the Day, I would like to draw the attention of the hon. members to a group of students from the town of Alameda, Sask. Alameda is one of the older communities of the province, having been settled in the early 1880s. These students today are accompanied here by two of their teachers, Mr. Byers and Mr. Cline, and one of their school bus-drivers. I am sure I express the feelings of all the members of the House in wishing them a hearty welcome, and best wishes for an informative afternoon in the Legislature.

**Hon. Walter J. Erb (Minister of Health):** — Mr. Speaker, before the Orders of the Day, I should like to draw the attention of the members to a young group of students in the front benches of the gallery who come from Kayville, in the south part of my constituency. They are accompanied this afternoon by their high school principal, Mr. Ledingham. I am sure all members join with me in welcoming these fine young boys and girls, and express the hope that the afternoon will prove both profitable and pleasurable to them.

**Mr. A.T. Stone (Saskatoon City):** — Mr. Speaker I, too, wish to welcome a group of public school children from the Prince Alexander School in Saskatoon, and their teacher, Mr. Kelly. I am sure the hon. members will join me in saying how happy we are to have them with us, and hope they will come back again. We hope their trip will be an enjoyable one.

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## BUDGET DEBATE

The Assembly resumed the adjourned debate from Tuesday, March 1, 1960, on the proposed motion of the Hon. Mr. Fines: That Mr. Speaker do now leave the Chair (The Assembly to go into the Committee of Supply).

**Hon. Walter J. Erb (Minister of Health):** — Mr. Speaker, at the beginning of my remarks last night, I expressed my sentiments to you which I am sure were the sentiments of my colleagues and all members of this House, upon your coming retirement, and likewise for the Provincial Treasurer, wishing you both well and such happiness in the years that lie ahead.

I should also like to take this opportunity, (and I was remiss yesterday), to express the same kind of sentiments which I am sure were those, also, of all members of the House, to wish those members who are retiring on this side of the House and on the other, that the years ahead may be filled with much happiness and the opportunity to follow those avocations which a busy life often denies.

Also, yesterday, I replied to some of the statements that had been made by the hon. member for Maple Creek (Mr. Cameron) with respect to the oil situation in Saskatchewan, and I read from the 'Monetary Times' magazine, pointing out, in fact, the statement that he made in respect to the oil position in Saskatchewan, that they were very much exaggerated. Also with respect to the mental hospital at Weyburn, that the funds there spent were ill-advised, and pointed out that as a result of spending those funds on a building that was structurally sound, that we did make an investment in the future, and that with the enhanced facilities, a much better program in mental care is being carried out.

I pointed out, too, that the main body of my address consisted in the development of programs to meet two of the very important problems that are facing our province today, and, indeed, facing all peoples of the civilized world. The first was the problem of aging and chronic illness; how we can devise programs, program development and how best to meet that situation for a condition which is growing in importance, and coming about very quickly. The other, how best, in the light of economic development, the development of medicine itself, how can we best provide the health care for our people through our prepaid medical care program; and it is on this theme, Mr. Speaker, that I should like to continue my remarks.

As I pointed out yesterday, there has been much discussion upon the medical care program, but the reasons why a comprehensive medical care program is desirable at this time — many people think that the

principle, or even the sole reason for the development of a medical care program such as the Government has proposed, is to relieve the public of current costs of medical care. They see it as merely a transfer of payment from the private person, Mr. Speaker, to the public purse. Many persons and families now find the cost of medical care a great strain on their resources. Unfortunately, the cost of sickness is quite expensive, and frequently puts an intolerable burden on the individual or the family. One of the worst features in these costs often come at a time when sickness also means loss of employment and income, which compounds the problem.

As a part of a program of social justice, the idea of meeting these costs in a manner which minimizes individual hardships sounds justifiable and commendable. The idea of making health services available to all, on an insurance basis, needs no further promotion by me, Mr. Speaker, because everywhere the virtue of providing care on an insured basis is recognised and accepted.

I should like to relate the present practices for payment to the future problems which I mentioned yesterday, and indicate two things: (a) where the present methods of providing health care fail, and (b) the advantage of universal prepaid systems. Currently we see several methods invoked for meeting the costs of medical care. The oldest and most traditional is where the individual makes the payment from his own resources, directly to the person providing the care. The method worked quite satisfactorily when the costs of health care were reasonable and within the financial means of the person to pay. However as technology and medical care and science advanced, the costs became greater. Many more things can be done now to treat disease and injury than heretofore. Hospitals have become very complex and, therefore, much more costly. The physicians and surgeons have developed much greater skill, which have been time-consuming to acquire and to apply. Specialists of various kinds have become common, with the result that the treatment of diseases which were formerly impossible now have become common-place, but all of them, at the same time, have become most costly.

As the result of the recognition of the inability of individuals to meet the cost of good care, two developments have taken place. First, society has taken over the responsibility for providing care and, secondly, insurance programs have developed as we went along. There has been a long tradition, Mr. Speaker, in this province, for society to provide health services. Perhaps the first of these was the development of a comprehensive program for the treatment of tuberculosis. Following this was the development of the municipal doctor plans and union hospital districts as well as the assumption of the responsibility by the province of the mentally ill. Then followed the development of our cancer program and the care of those who were indigent. There is no argument about these programs having been successful in providing care where costs would be an intolerable burden on the individual and his family. For

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example, the costs of sanatoria care in 1960 will run about \$13, whereas the cost, in our mental hospital institutions are about \$5 per day. It doesn't take a great deal of effort what the strain would be on the family purse, where they had a year of such care facing them.

The other development in recent times has been the application of the insurance principle to the provision of medical care. In this province we have seen three types of such program development. Programs under public auspices such as the hospital plan, the Swift Current medical care program, and the voluntary non-profit plan, such as Medical Services Incorporated, Group Medical Services, and the commercial insurance program actually operate for a profit. All of these, Mr. Speaker, have made significant and worthwhile contributions to the relief of rising medical care costs of the individual. One cannot help but recognize the very real assistance this has been to many persons who have been faced with the costs which, individually, they would have had very real trouble in meeting. All these measures have represented real social advances, making services available to all on an insured basis, or on a basis of need rather than on a basis of ability to pay.

Sometimes people talk very disparagingly about socialized medicine and infer that there is something inherently bad in it. Certainly the tuberculosis program in this province is about as distinct an example of socialized medicine as we can find anywhere. The results of that program in this province speaks for itself. I am quite sure that had we not tried to deal with the tuberculosis program, or I should say, had we tried to deal with the tuberculosis program in an unsocialized way, we would be able to claim the excellent record, or the best record in the world, insofar as tuberculosis is concerned.

The second comment I wish to make about the development of health programs is that the programs that are most successful in improving the health status of the people are these which provide a co-ordinated approach to meeting needs. In other words, the best kind of program for providing health care is one which is designed to do much more than merely meet the costs of care. But some people still say that there is ample care being given to anyone who needs it. As the hon. Premier pointed out in the Speech from the Throne Debate, there is no one who has ever been turned away from a physician's office who is in need. But I would remind the hon. members that most people do not wish to avail themselves of charity. Most people have a sense of self-respect which impels them to put off asking help for which they cannot pay.

I should like to look briefly at the information which is available about needs, and the fulfillment of that need. Perhaps the best study that has been conducted in Canada was the Canadian Sickness Survey, which was conducted in Canada in 1951. Various aspects of the results of this survey appeared in the Dominion Bureau of Statistics, and the Department of National Health and Welfare. I should like to quote from those findings:

"The investigations of the Canadian Sickness Survey would appear to bear out the contention that ill health amongst persons in the low-income group is more serious than amongst those in the medium and high income. This is evident, not so much from the number of times persons from various income groups are sick, as it is from the amount of disability reported. Estimates show 179,833 persons with disabilities per thousand persons for the low-income group, as against 11,042 for the medium income group, 9,600 for the high income group — of the lower portion of the high income group, and 11,384 for the higher income group (and that is the upper portion of the high-income group).

"The high income group (lower portion) reported the least disabling illness; only a little more than half the average reported by the low-income group; the medium-income group and the high-income group (upper reported a slightly higher average than the higher-income group of the lower.

"Children of all ages under 15 reported about the same average number of disability days; 10 per person per year, For the older group, however, the persons with low income generally reported a far higher average number of disability days than persons with medium or high income, the difference being particularly great among the males."

I should relate this same experience, Mr. Speaker, to physicians' visits by these different groups:

"While the low income group reported proportionately far more disabling illness than other income groups, they received much less physician's care. The low income group had a significantly lower number of persons reporting physician's care, and also a much lower average number of doctor's care and clinic visits than did the other income groups.

"In relation to the number of disability days reported, the low income group was much further behind yet,"

We might go further, Mr. Speaker:

"In the field of dental care, only 9.1 per cent of the low income group visited dentists during the year, compared with 19.3 per cent in the high income groups.

"Where we see particular and startling differences are in the age group under 15. The number of dental visits for low, medium and high income groups

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were 98,238 and 477 respectively. In short, about one-fifth as many dental visits in the low income group as in the high."

Unfortunately, there have been very few sociological studies in Canada as to why people do not get the needed health care. Such studies are necessary, Mr. Speaker, and I hope that the Advisory Planning Committee about which I am going to speak later, will consider such a study in Saskatchewan.

The fact that it is clearly evident that people who have the greatest amount of sickness and disability, and are the least able to meet the cost, is no reflection on the good intentions and devoted effort of those who provide health services. Doctors, dentists, nurses, pharmacists, and all others have tried meet this problem in the very best way they could. But, criticism for the failure to do anything about this problem must certainly rest with society, for failing to develop a comprehensive plan to meet this problem.

That is why the C.C.F. Party has, since before 1944, made one of the principal objectives the development of health services program, which would be based on the needs of people, rather than on their ability to pay. The rest of Canada has now recognized that we were right in 1947 when we started a comprehensive insurance program. We have now reached the period where we can, I believe, take the next right step in the provision of a medical care program. I predict that the rest of Canada will follow our lead, and admit, too, that we were right again.

I should like to say a word about the irresponsible talk that some people are making about the costs of medical care, or a medical care program. One would get the impression that we are spending nothing, at present, on medical care, and that when we adopt a province-wide comprehensive insurance program, we will be incurring some new expenditure. In addition to this, they say this will increase without reason. Well, let us look at what has happened: even if we look at what has happened over a short period of four years, from 1953 to 1957, we see very real changes taking place in Canada. In 1953, we spent about \$638 million in Canada for all health care. By 1957, four years later, this had risen to \$988 million, in total. This represented an increase of almost 53 per cent in a four-year period, Mr. Speaker.

I would remind hon. members that these figures are for Canada as a whole, and the increase could not be attributed to the effect of what some people call 'governmental interference'. If we look at the increase in terms of dollars during this period, we find there still has been a very real increase of 19 per cent in the demand for services. In other words, we cannot attribute these increases entirely to inflation. What has really happened, Mr. Speaker, is that as our productivity increases, and we have more disposable income available, we have a choice as to how society spends this money. We can spend it on bigger cars, finer homes, and more clothing, jewellery and entertainment, services,

and so on, or we can spend it on more health, educational facilities and social service. In Canada, and particularly in Saskatchewan, we have been spending more on health, education and social services, partly as a matter of personal choice, but also as a result of governmental leadership.

I should also like to return to what happened in the costs of health care in Canada in the years 1953-57. We find that in 1953 we spent 4.1 per cent of our total consumer expenditures on health care, and by 1957 we were spending 5 per cent of our expenditures on all goods and services on health care. The question is asked, 'What is a reasonable estimate of our cost in Saskatchewan at present?' The most reliable figures which can be arrived at are based on the 1957 income tax data — the last year for which figures are available, and in that year, the health bill in Saskatchewan has been estimated as follows:

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|--|--------------|
| Physicians' services   | \$15,500,000 |
| Prescribed drugs   | 6,000,000    |
| Optical services   | 2,200,000    |
| Dental services  | 3,850,000    |
| Preventive services  | 3,300,000    |
| General hospitals  | 29,000,000   |
| Special hospitals (T.B. sanatoria, mental hospitals and chronic) | 10,000,000   |
| Other services   | 2,000,000    |

On the basis of previous years and tentative figures based on available data, these health costs, Mr. Speaker, are increasing at about the same rate annually — something close to six per cent per year. Let us turn to the Saskatchewan picture, particularly, and concern ourselves with the cost of physicians' services alone, based on income data, which is the best source of information.

From 1954-57, the rate of increase of total income of reporting physicians has averaged around 9 per cent per year. The annual assessed income of physicians, (that is income net of gross earnings, after overhead in Saskatchewan, was the lowest of the prairie provinces in 1948, but by 1957 it was the highest. During those years in Saskatchewan, it rose from an average in 1946 from the figure of \$8,465 to \$15,330 in 1957. Added to this, the number of physicians had increased as well. In 1949, when a count was taken, we had 563 physicians active in the province; by 1959 we had 930. This, of course, has improved our ratio of physician population from one 1,479, to one to 970 population. It must be made abundantly clear that while we are going through the process of achieving the optimum ratio of physicians to population and, at the same time, being asked to pay more money for their services, it is that the total cost for physicians' services will continue to increase. These costs will increase whether we have a public insurance program, a private or voluntary insurance program, or no program at all.

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The only difference is that with a comprehensive province-wide medical care program, those persons who heretofore had difficulty meeting the increased cost will now be protected and will have services available to them.

Opponents of our proposed prepaid medical care program, in their efforts to frighten people of Saskatchewan, often make references the sky-rocketing costs of the British National Health Service, and imply that the same sort of sky-rocketing would take place in Saskatchewan were we to implement a prepaid medical care program here. What happened in Britain? In Britain they were concerned, like anywhere else, about their increasing costs, and, as a result, they set up a Committee, known as the Guillebaud Committee, to investigate what the situation was. When they brought in their findings and their report, everyone was astounded, because from the period 1949-50, the total cost of health services was 385.3 million pounds. By 1953-54, it had risen to 439.1 million pounds; but when this is compared with the ability of the people of England and Wales to finance a program, it is astounding to note that in 1945-50, the service cost was 3.8 per cent of the gross national product. By 1953-54 this had declined, and, I repeat, this had declined to 3.4 per cent of the gross national product. In other words, the people of England and Wales reduced their spending by 4/10ths of one per cent of the gross national product on health services from 1949 to 1954.

As the hon. Premier pointed out in the Speech from the Throne, no one in this Government has suggested we should transplant the British service to the Saskatchewan setting. There are many reasons why it would not work, but I suggest it does no credit to the people of this province to use the British service as a horrible example of what would happen were it transplanted here, and even less credit when irresponsible statements are made about the runaway costs which are not true. If we are going to have available for our people the optimum of health services that we afford, we must expect to pay for them. But we must pay for it in a way which will make the benefit of this improved health service available to everyone in the province, in a way which will maintain the dignity of us; maintain an improved policy of care, and be fair to those receiving the service.

I would be foolish, Mr. Speaker, to stand here and try to argue that a province-wide health service will be less costly than what we are presently spending. I have pointed out that many persons now are getting less medical care than others. If these persons are to get what they need, the service they require, we have to use the magic of the insurance principle, and it will be possible for all of us to afford this care without hurting anybody. We have used this same principle in spreading the costs among everyone in a wide variety of ways, and it is evident that we must now apply that same sort of reasoning to the provision of health services, and to make sure that everyone of us gets the care and attention he needs. Anything less would be a return to the law of the jungle.



May I say a few words on how we propose to institute a medical care program, and the reasons we have proceeded as we have. We have no doubt whatever about the advisability of using the insurance principle for spreading the cost of health services over all persons. We are convinced that health services of all kinds will become more complicated, more expensive, and that individuals will have greater and greater difficulty meeting the costs, unless they are insured. Added to this, we believe that a health program must be designed that will place the proper emphasis on prevention, treatment and rehabilitation. Built into any program must be efforts to constantly improve quality of care, and the facilities and arrangements by which that care can be carried out. Added to this, a health care program must make provision for continued education and research. Education must be made available to all health workers, and to the public as well. The latter must develop a better understanding of the values of health service, and particularly the things that they must do for themselves, to utilize the available sources and facilities, reasonably and efficiently.

All of these goals, Mr. Speaker, are equally important, and it is only by a reasoned study of these needs that we can achieve a program which will be in the best interests of the people of this province. The Government has, therefore, decided to ask the Committee to be known as 'The Advisory Planning Committee on Medical Care', to study the whole problem of providing health services on a comprehensive insured basis.

I should like at this moment, to correct a few misconceptions: the first misconception is, that the Government has already in mind a predetermined plan which will enforce on the people and the health profession. The farthest this Government has gone is to set down five basic principles which it feels are essential, and which should be considered by the Committee in its deliberations and they are that the program should be based on the prepayment principle with individual contributions forming at least a part of financing the program. But there should be universal coverage with the good risks as well as the bad being taken in to the program. There must be a high quality of service and this must be a sponsored program, administered by a public body responsible to the Legislature, but the program must be acceptable to those providing the services as well as those receiving it. Mr. Speaker, I would state here, in the strongest possible and most unequivocal terms, that beyond stating these general principles, which we believe are sound and consistent with our democratic form of government, we are not going to enforce any particular method of administration. We firmly believe that the advisory planning committee's term of reference should be broad and all-encompassing, so that we will be able to examine the needs and make recommendations which will provide a program which will be effective, efficient and in the best interests of all. We are confident that the Committee, with the advice and recommendations of people from all walks of life in Saskatchewan, will be able to come up with a program

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which will meet the needs of Saskatchewan. We are unwilling to accept the idea that the present voluntary plans are the final answer to the needs of an effective, integrated service, as is the Leader of the Liberal Party. We do accept the idea, Mr. Speaker, that the voluntary plans may have something to offer, and it is our expectation that the Advisory Committee will study them and see what uses can be made of their techniques, skills, procedures, in a program which must be broader in concept, principle and in coverage.

The common misconception, Mr. Speaker, is that the cost of a medical care program will increase. We are under no illusion about this, I pointed out earlier. The expenditures in Canada from 1953 to 1957, for all types of personal care, has increased almost 55 per cent. During the same period, payments from all sources for physicians' services increased by 50 per cent. As I also pointed out earlier, these costs will continue to increase as health care becomes more complicated and the nature of diseases change.

Much has been said that the original estimate for the hospital plan has been exceeded in the past 15 years. Certainly it has, but so has the cost of virtually everything else. This is true whether we are talking about the price of automobiles, combines, tractors, farm machinery or clothes. All these things have increased because of improvements, increased cost of raw materials, inflationary pressures, and so on. But to hear them talk, one would get the impression that only in Saskatchewan in this situation peculiar, of rising hospital costs.

Mr. Speaker, I would like to compare the hospital costs across Canada as compared to Saskatchewan. Total cost of public hospitals across Canada in 1947 amounted to \$106,792,000; ten years later, in 1957, it had increased to \$393,401,000, a cost increase of 3.6. Saskatchewan, 1947, \$8,181,000; ten years later, in 1957, \$28,996,000, and an increase of 13.5 per cent. It is true that eastern Canada may have a larger increase in population than Saskatchewan but this is offset in Saskatchewan where we provide 2,000 to 2,100 days per thousand population, whereas in Canada it is 1,600 days per thousand population.

Therefore we can see that this is a situation that is not peculiar to this province. The costs have increased all across the board and have increased almost in like proportion.

The third misconception is that the Government plans to regiment the people providing health services. To judge from some of the intemperate and, I would say, ill conceived outbursts in the press, it might be assumed that we have in mind some plan that would place physicians under some sort of concentration camp regime, which would dictate to them every phase of their lives in relationship with their patients. Nothing could be further from the truth. It would avail us nothing to institute a

program which would destroy the many excellent features which have had people in this province with a health care which is as high anywhere else. We recognize the professional relationship of the patient to his physician must be founded on mutual trust and respect. It would be ridiculous to do anything that would diminish this trust and respect. Anything that is done will be done with the idea of protecting and, if possible, enhancing and improving this trust and respect.

In other words, Mr. Speaker, we have no intention whatsoever to attempt to regiment anyone. Our sole interest is in providing a health program which will enhance the dignity of both the providers and the recipients of the services. We, therefore, are prepared to appoint to the Advisory Planning Committee, a group of informed people, representing the public, the medical profession, the Government and the medical school. We will supply this committee with adequate secretarial and research staffs and provide them with access to study whatever program they so desire, in whatever way they may desire. We have no intention of limiting their scope of enquiry. We are quite happy and, indeed, anxious to have their studies and recommendations made available to all, that we may plan the next step in providing a rational, effective health service for the people of Saskatchewan. Just as our Hospital Plan was a model for every other province, so we believe that a medical care program can be a model for the rest of Canada to follow. While C.C.F. Government can rightfully take a good share of the credit for success of the Hospital Plan, no small amount of the credit must go to hospital boards, the doctors and the people who have helped to make it a success. Similarly, I feel confident that the same kind of enlightened co-operation can make a medical care plan an equal success.

Despite the prophets of doom, the disciples of the status quo, and the protectors of vested interests, the genius of the people of this province has been their ability to pioneer new and progressive co-operative methods of meeting their needs. I am sure, Mr. Speaker, that shall be true to their previous example in meeting their health needs of the future.

I shall support the Motion.

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**Mr. Fred Neibrandt (Yorkton):** — Mr. Speaker, I would like to take this opportunity to associate myself with the very many fine sentiments expressed by previous speakers in this Debate, extended to yourself, Sir, as Speaker, a former Cabinet Minister, and a representative of your constituency, and join with them also in wishing to you continued health and happiness in your retirement.

I want to also say, Mr. Speaker, of those who, on this side of the House, are retiring from public life, that their dedicated public service will not soon be forgotten. Having kept faith with the people they serve, they have brought honour to themselves and to their provinces and I trust that they will enjoy health and happiness and the good-will of their fellow men in retirement as they have while they were in public office.

Mr. Speaker, I want to congratulate all those who have preceded me in this Debate and compliment the member for Maple Creek (Mr. Cameron) on his effort in his capacity as financial critic for the Official Opposition. He indeed had a most difficult assignment, as have all preceding financial critics ever since this government came to office. As usual, he took exception to many of the innovations that we have in our budget. With that, of course, we have no quarrel. However, Mr. Speaker, in perusing the buoyancy of our diversified economy as set out in the Budget Address, he was, as is to be expected, silent about the failure of both the Federal Liberal and Conservative agricultural policies to meet the needs of our agricultural people here in Saskatchewan. This, Mr. Speaker, is the only dark spot in an otherwise very bright picture as presented by our Provincial Treasurer.

I would like to take this opportunity, too, Mr. Speaker, to express my personal regret that the Provincial Treasurer has made the irrevocable decision to retire from public life. His last Budget, his biggest, was his sixteenth consecutive Budget which was balanced, a record of which we are very proud and we have every right to be proud of him, Mr. Speaker, for there was never a Provincial Treasurer anywhere that faced such a monumental challenge as he has. Inheriting from the Liberals a staggering public debt, a treasury that was nil, and a credit rating that was zero, his task was to find the wherewithal to provide for the new-deal, when this Government was elected, for the Saskatchewan people.

This year's Budget, Mr. Speaker, tells in most eloquent terms the success story of the C.C.F.; and when the history of this period is recorded the name, Clarence Fines, will loom large as the architect and builder of Saskatchewan's finest hour. It takes much more than good government to make democracy work, it takes the combined efforts and good will and co-operation of all the people. This year's Budget is the Budget of a Government that is founded on good will and co-operation, and a Government giving precedence to human welfare and human values is, nevertheless, zealous in its efficiency, and guards the peoples' birth-right with diligence.

I am sure, Mr. Speaker, that all members thrilled, when the Provincial Treasurer proudly proclaimed the heights we have attained in our forward march in our balanced economy. Manufacturing was up 7 per cent to \$341 million with a forecast for 1960 of \$370 million. Mineral production \$214 million, and with a forecast for this year rising to \$227 million. Construction, \$486 million; retail sales up 5 per cent at \$950 million; personal income up 6 per cent at \$1,174,000,000. The net debt reduced in 16 years from \$155 1/4 million to \$18 1/2 million and, at the same time, providing more services for the people of Saskatchewan than any other province has provided.

Even the population figures, Mr. Speaker, are reassuring. Up 14,000 to 906,000 and an increase of 73,000 since 1946, compared to a drop of 99,000 in the previous 10 years during a period when the Liberals were in office most of the time.

Mr. Speaker, those are impressive figures and demonstrate that our economy is making good gains despite the depressed state of agriculture, No amount of criticism will alter that fact. I would be happier, of course, were the deficiency payments an actuality. As it is, I believe all hon. members are awaiting, with bated breath, the announcement this coming Friday of our Prime Minister to see whether we are actually getting deficiency payments.

However, with regard to our Budget, what pleased me most is not alone that this year's Budget is again balanced, in spite of an increased expected expenditure of \$148 1/2 million for more and better services, but I believe this is being accomplished without any addition in new taxes. Other speakers outlined what this means to their municipality in terms of municipal grants. In my own constituency, the municipalities lying wholly or partly in that constituency, in the last three years received \$385,000 in municipal grants. This is a record and compares, Mr. Speaker, with the \$500,000 which was made available under the Liberals in 1944, the last year when they were in office, for all municipalities, and that was an election year. I know they don't like us to go back to 1944, but sometimes it is necessary to do so.

I well remember, Mr. Speaker, in my first effort on the floor of this Legislature; I had acquainted the hon. members present with some of the problems with which our constituency of Yorkton was confronted. I expressed my conviction then that our chances for resolving these problems were better under the C.C.F. than they would be under any other government. How well this faith has been vindicated, Mr. Speaker, is there for all to behold. It is a matter of record. I did, at that time, have a great deal of assurance that our hopes of resolving these problems under this Government were good, and I have faith that the problems facing us now will be resolved under this Government. And because of this, Mr. Speaker, it seems only natural that the Yorkton constituency should have gained so much and should

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have so many hopes fulfilled. What I am about to detail is what has been accomplished within the last few years as the result of either Government policy or the result of increased grants which made those achievements possible.

Last year saw the inauguration of gas service to Yorkton. This efficient and clean fuel is brought to our city at a price that is competitive with every other centre. As a result of this policy, Yorkton has, as a city, gained more than any other city in Saskatchewan because we are located further from the source of supply. I have read some years ago where in the United States, as a result of private distribution, the price of gas varied from a low of 33 cents a thousand cubic feet of gas to a high of \$2.87. Mr. Speaker, the people of Yorkton appreciate this gas, and our policy of one price, the net cost. On their behalf, I want to express their thanks to the Hon. Russ Brown, Minister in charge of the Saskatchewan Power Corporation, for no other like event has been accepted with more enthusiasm and greater acclaim.

Last year I indicated to this House that our Premier and the Minister of Social Welfare had officiated at the opening of the Anderson Lodge, low cost housing accommodation for our senior citizens. A grant from this Government for these projects amounted to slightly over \$100,000, and this year's budget increases the maintenance grant to our low-cost senior citizen housing projects in Saskatchewan. No other Government, Mr. Speaker, can match the record in this field, launched by this Government; and I know how much all this is appreciated by the citizens, for they now live in congenial surroundings.

Increased grants for education and generous grants for capital construction costs make it possible to modernize our schools. Thus, Mr. Speaker, it was possible to build a 4-room high school at Theodore and a new 4-room public school is slated for this spring. An addition was built two years ago to Yorkton's public school, and last summer saw the opening of two brand new separate schools. Classes have been started for retarded children presently in temporary quarters, and this year will see a brand new building provided for them. A new high school for our rural pupils has been started in Yorkton by the Yorkton Larger School Unit with classes slated for this fall. Nineteen students from the Yorkton collegiate and from the Larger Unit have received \$500 scholarships this last summer and many of them have been helped with interest-free loans.

The microwave system has been extended to Yorkton and extensive improvements to our telephone exchange and long distance lines have been completed. We also had a T.V. station built two years ago, and, as a result of the microwave service, direct program from the C.B.C. have been possible since last fall.

A brand new factory, which is a credit to its owner and to the community, is ready for the production of snow-blowers and weeders, the Morris Rod weeder.

The Health Region came into being two years ago, bringing preventive health and sanitation services to a wide area. Again, Mr. Speaker, a start was made on a brand new 150-bed hospital, so a difficulty that has faced the community for longer than I care to remember has now been resolved. Suffice it to say, that our difficulty was that we had stemmed from too much recrimination and not enough co-operation. When we all finally decided to work together, it was amazing how all the bits and pieces fell together. The result was that a Union Hospital district was successfully organized and a start has been made in the construction of this new hospital. Increased grants from the Provincial and Federal Governments also helped to pay the way in resolving this difficulty.

This year's Budget, Mr. Speaker, sets aside \$500,000 for the world's first community mental hospital. I am particularly pleased that this new departure in mental treatment should be inaugurated at Yorkton. I was anxious that this should be started this year so that the various services can be integrated with those of the new general hospital, while it still was in the early stages of construction. This should result in annual over-all savings for general construction costs, and administration and maintenance costs, for both hospitals. What this mental hospital means to Yorkton in dollars and cents is probably more than it would be in other centres, in view of the fact that Yorkton is sensitive to the fluctuating welfare of the farmers. But, Mr. Speaker, the monetary value, so important, seem insignificant compared to all the other benefits in human values and human dignity that this new type of environment and treatment offers. Those suffering mental sickness will be able to receive treatment in family-like surroundings, visited by friends and relatives and by their family doctor. They will be able to preserve their identity and their dignity. Too often these unfortunate people tend to become nonentities, and live in bewilderment in larger institutions. I am sure we all look forward with interest and anticipation to this pilot project which marks yet another milestone in the march of the people of Saskatchewan to better health.

Saskatchewan, as the hon. members all know, has made tremendous strides in mental treatment and this new type of accommodation and approach is in keeping with this Government's fine record in the health and welfare of the people.

Mr. Speaker, I want to say how much I personally appreciate the sympathetic understanding and co-operation both from the Government and from the people at home. I want particularly to acknowledge the fine co-operation that I received from Mayor Fichtner and the City of Yorkton, the surrounding municipalities, the hospital board and various other groups and individuals in the community and compliment them on their forward-looking views in setting aside 50 acres for an over-all medical centre.

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It is here that the new general hospital and the new mental hospital will be located. There is ample room for private parking and in the over-all scheme, provision is made for a future geriatric centre, nurses' residence, and visitor accommodation. I want to take this opportunity to thank our Minister of Public Works (Hon. Mr. Willis) and his department for planning the general lay-out of this medical centre. They are doing a splendid job.

I hope to be the member for Yorkton when all these dreams are realized. Yorkton then will be a medical centre second only in importance to such centres as Saskatoon, where our University and Medical College and medical research centre, which play such outstanding roles, are located.

Add to this, Mr. Speaker, provision of a good prepaid medical plan as a reality, and no other like centre will have greater pride in their achievements toward better health facilities. Mr. Speaker, my faith that these hopes will be realized under the C.C.F. remains undimmed; and because this Budget makes provision for this, and for all the people of Saskatchewan. I take pleasure in supporting the Budget.



**Hon. C.C. Williams (Minister of Labour and Telephones):** — Mr. Speaker, I am sorry that time does not permit the usual messages of congratulation, so I will proceed with my speech.

During the past 16 years, three persons have had the honour of being the Minister of Telephones, myself in 1944 to 1948, you, Mr. Speaker, 1948 to 1952 and my desk mate, the member for Canora (Mr. Kuziak) for the next four years, and I have been minister since 1956. In my speech today, I plan to indicate the program of assistance we propose to put into effect for the benefit of rural companies, as I feel it will be of interest to everyone in this House.

I am going to take a moment to mention our microwave system. I think it is of great interest to everyone here because that is what carries our television programs. Last year we saw the completion of the television network by means of additional microwave facilities: Prince Albert, Moose Jaw and Yorkton television stations were added to our T.V. network. As a result, all six television stations in Saskatchewan are now connected to the national network. They all got the C.B.C., in other words. Primarily, however, the microwave network is a long distance service. The main network through Saskatchewan and to Saskatoon has been in operation for the past three years. It has helped greatly in providing extra circuits for the system's dialling network. This has resulted, of course, in faster and better long distance calls. Officially the television network, which uses the microwave facilities, went into operation coast to coast approximately three years ago.

Grants in lieu of taxes totalling more than \$200,000 were paid to municipalities where property is owned by Saskatchewan Government Telephones, during the year. For example, the City of Regina received \$85,299; Saskatoon, \$49,249; Moose Jaw, \$18,776 and down to smaller amounts in smaller communities. We feel there is every justification for the payment of these grants in lieu of taxes, which amount to exactly the same sum of money, and that is why we commenced these payments in 1957.

Now, I come to the part, I mentioned a few moments ago, the assistance we propose to provide rural companies. Last year I made reference to the study of the rural telephone system being made by a Mr. Reid. His report was made during the summer and contains a great deal of information which, of course, I can't go into fully here. He, on a number of occasions, was questioned by officials of rural telephone companies as to whether or not the Government planned on taking over and operating the 972 telephone companies. This, of course, was a matter for Government policy, but the report showed that if and when this ever was done it would be at the cost of at least \$30 million to the Government to rehabilitate the existing rural plants, and another \$13 million to extend service to the farmers without it. We just do not have that kind of money, Mr. Speaker. I do not think it will be done in your lifetime or mine. It was also determined that if and when the rural companies were

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taken over, a standard of service would be required such as would cost the subscriber in the neighbourhood of \$8 a month. It is extremely doubtful if any rural families would wish to pay this amount, almost \$100 a year.

Many rural telephone companies have good equipment, give good service to their subscribers and have efficient boards of directors, are getting along wonderfully and we need not be concerned with their welfare. On the other hand, there are a number of companies where the plant and equipment are run down, usually in drought areas, and the subscribers get poor service. We are concerned with them and propose the following assistance to all rural companies:

1. One-third the cost of telephone poles will be paid to those companies purchasing or installing them, effective January 1, 1960.
2. A grant of \$2.50 per telephone will be paid to companies who maintain their plants up to approved standards required by Saskatchewan Government Telephones.
3. The Rural Branch will be strengthened and advice on problems freely given, along with engineering assistance and amalgamation of rural companies encouraged.

In other words, our Rural Branch will be strengthened and is at the service of rural companies.

The cost of these three proposals is estimated to be \$140,000 for the year 1960, and will come from the Provincial Treasury. It should be mentioned here that our dividend is paid to the Treasury as an expense which enables us to get a greater share of revenue from, the trans-Canada companies, and will amount to, in the neighbourhood of \$1,600,000 this year. Private companies such as Bell in Ontario and Quebec, the Maritime Telephone and Telegraph Company in the Maritimes, the B. C. Electric Company in British Columbia, pay their dividends to shareholders, we pay it to the Provincial Treasurer. You will recall, Mr. Speaker, that I explained this procedure in detail last year.

Now there is the matter of small telephone numbers. From time to time, the matter of a small, easily remembered number for fire and police comes up, and everyone agrees it would be a splendid arrangement. Due to changes in telephone mechanism, mainly through the continent-wide scheme of distance dialling, the old three-figure numbers have had to be abandoned. To have continued their use would have tied up thousands of numbers. For example, we had to discontinue the number '100' because it is being used as the national test code for balance and transmissions tests under the long distance dialling scheme. The Winnipeg number '999' is sometimes used as an example, but few people understand that a single switchboard handles all calls for the services, which is financed and

operated by an outside agency, not by the Manitoba Department of Telephones. To change or to continue indefinitely to use three numbers would be very expensive and almost impossible from a technological standpoint, although our people realize the desirability, and have not given up in this regard. In the meantime, Mr. Speaker, an emergency can be very easily handled by merely dialling zero and calls can immediately be connected to hospitals, police or fire department. Our operators are trained to expect and give priority to such calls.

I am pleased to report, Mr. Speaker, that 24-hour telephone service now exists in all agencies and exchanges in the province with over 200 telephones. Twenty-four hour service has also been extended to 29 towns with less than 200 telephones, but with doctor and hospital services, to provide safety and protection to residents in the surrounding area. At the end of 1959, 167,209 local telephone stations were enjoying the convenience and protection that 24-hour service brings. This represents 97 per cent of the total number of local stations in the province. In addition, rural subscribers on rural companies lines which connect into our exchanges including 41,921 rural phones, are now receiving continuous service which brings the total number of 24-hour telephone stations in our province to 209,130. The figures show that wherever 24-hour service was introduced, new telephones were usually added to the service.

I am pleased to report, Mr. Speaker, that the year 1959 was another record year for additional telephone installations in our province. During this period, S.G.T. had 13,214 new telephones, to bring the total number up to 172,769. This increase shows that there is a continued demand for telephone service in the province, a demand which can be expected to continue with the conversion of several more exchanges to automatic dial service this year and early next year. The exchange at La Ronge was changed over to automatic dial service last year and a new unattended dial office was established at the site of the South Saskatchewan River Dam. Canora will be converted to dial service in April, Meadow Lake, Outlook, Battleford, Wilkie, and Unity are all expected to be cut over to automatic, dialling late in December of this year or early next year. I wish you would make special note of that, Mr. Speaker, four of those, Outlook, Wilkie, Meadow Lake, Unity are all Liberal seats — we play no favourites at all. These towns, plus North Battleford, Yorkton, Humboldt, and Kindersley will be connected to the toll dialling network. A small dial office is also planned for the Squaw Rapids Power Development Project. I might mention, just before I leave the subject of telephones, there is still a big demand for colored instruments. At the end of 1959 there 17,000 color sets in use, an increase of about 6,500 over the previous year. That all I'll say about telephones for minute. I'll come back to them a little later on.

Now, I will got into the Department of Labour. The Department of Labour, as a whole, will spend a total of \$1,350,000 on our various inspection and training programs during the forthcoming fiscal year, an

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increase of about \$100,000 over last year. At the same time, we expect to take in \$845,000 in revenue. As in the past, we intend to maintain contact with the Department of Labour in Ottawa with a view to bringing about an expansion in the municipal winter works program which was started last year. It is also our intention to participate in any joint measures of the Federal and Provincial Governments which may be taken with a view improving the unemployment situation in general.

We are receiving an increasing number of requests for information on industrial employment, labour statistics, data, and economic development from business firms, labour groups, and private individuals. Some of these requests involved considerable amounts of research work. In 1957 the number of such requests was 80; in 1958 it was 112; last year it was approximately 200. That number is expected to increase during the coming year.

I will briefly mention now, minimum wages, Mr. Speaker. For the first time in Canada, uniform minimum wage rates have been introduced into Saskatchewan on a province-wide basis applying to practically all employees of both sexes. In addition to this, the rates have been adjusted to take into account the increased cost of living. The new minimum, effective April 4, 1960, will be \$32 a week, and calculated on an hourly basis, the increase amounts to a minimum of five cents.

Now, I have something here on labour standards, Mr. Speaker. During the year 1958-59, inspectors of our Labour Standards Branch made 4,772, inspections under the existing Labour Standards legislation. Wage collections under this legislation were made totalling \$171,373, including \$4,312 ordered by the courts under prosecutions. These collections were made on behalf of approximately 3,200 employees from 806 employers. We are planning to step up the level of inspections in the forthcoming year and may be able to go up from the present number to approximately 6,000. It is planned to add two inspectors to the staff this year, one at Swift Current and the other at Weyburn or Estevan.

Now I will leave the labour standards and get into the subject known as 'featherbedding'. I am sure we have all read about that in the press from time to time. Railway employees, particularly, are accused of 'featherbedding', a nasty term coined a few years ago by enemies of railway labour, which has had the affect of holding these wage earners up to ridicule. Such charges are, as usual, either groundless or wildly exaggerated, but have had an effect as indicated by some citizens tending to believe this propaganda. Certainly, railway employees, most of them, receive good wages: their unions see to that and more power to them. These wages are spent in the various communities where they live, to the financial advantage of the business people. They are among the best customers. I am sure that merchants understand that high wages mean more money in the cash register. Insofar as this practice of 'featherbedding' is concerned, we know nothing of it in Canada. If it occurs very much in the United States, and I doubt very much if it does, that is their business

and the propaganda emanating from that country should not be accepted here. Racketeering in high places in certain unions seems to be an established fact in the United States. These individuals have brought labour into disrepute, and some people are suspicious enough or cynical enough to think it exists in labour unions generally. I keep, Mr. Speaker, in fairly close touch with matters pertaining to labour, and know of nothing in this country to substantiate this alleged racketeering in labour circles in Canada. That is all I will say in connection with racketeering.

I turn now to the Theatres Branch which comes under the Fire Commissioner in our province. This branch inspected a total of 1,426 theatres and public halls during the past year. Improvements for safety were found to be necessary in 76 theatres and 186 in the public halls. Hazards in these places where the public gather are kept to a minimum, with the result that fires are few and far between. During the year April 1, 1958 to March 31, 1959, our censors reviewed 361 films. Out of this number three were rejected entirely, 49 passed after deletions were made and 309 passed without any cuts. One hundred and sixty-six were classified as adult and 192 as general.

I am really disappointed, Mr. Speaker, in many of the parents in this city. They do not seem to care what picture shows their children see. Just go to any theatre in Regina on Saturday afternoon, showing an adult film, and you will find the place filled with children and young people from the age of five up. One manager told me a few weeks ago that they were just 'babysitters' on a Saturday afternoon and so apparently it has become a handy place to park the youngsters for two or three hours.

The Theatres Branch, Mr. Speaker, does everything it can to protect children and young persons from the influence of these 'rough and tough' pictures. They are all viewed by our censors and classified in three groups: first, general or family pictures; second, adult, which means it is not of interest or should not be seen by children, usually a picture contains suggestive scenes or scenes of violence. This is a picture that the children can see on Saturday afternoon if the parents allow them. Third, restricted adult: strictly for adults and children are not admitted, but, obviously, these pictures are extremely of the sex variety and some are so objectionable that censors in various provinces have rejected some of them as being unfit for public entertainment. One such picture was rejected here in Saskatchewan, and while this same picture was being shown in a California Theatre, the parents made such an objection that the manager stopped it half way through and put on another film. Well, three cheers for those parents!

Television has reduced the income of the motion picture industry, (and I refer to the producers and distributors, I don't refer to our local people), to such an extent that they are trying desperately to get patrons to the theatres by making the type of picture that they would never have

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tried to introduce a year ago. Such pictures are excused by trade-descriptive words such as 'realism' or 'discussing adult problems honestly'. Bunk! Most producers are interested primarily in making money and the industry has little or no regard for the harm they may do young people. Many parents do not know the kind of film classified as 'adult' that children go to see or are careless and indifferent. We go to considerable trouble and expense, Mr. Speaker, to sift out the bad from the good. We do not censor these pictures for fun but for the express purpose of classification for the guidance of the parents. Perhaps the Parents Teachers Association should take the matter up, and forcibly bring it to the attention of parents.

I had not intended to mention censorship at all, Mr. Speaker, until yesterday when someone handed me a copy of the February edition of 'Life' magazine, which contains an article entitled, 'The Bold and Risky World of Adult Movies'. Time does not permit me to go into the article in detail except to say that an adult type of picture is now being made concerning an older man and a 12-year-old girl touring the country, staying together in motels. There are other films of a similar nature being made, the subject of which I cannot mention on the air, but many of our young people will see them unless parents pay some attention. I will just read one paragraph from this article in 'Life' magazine. After describing the contents of some recent movies, here is what it says:

"The result of these and other candid movies has been a cry of alarm heard around the land. One Protestant leader deplors Hollywood's emphasis on 'sex for sex's sake', and a Roman Catholic Monsignor chided the film industry for going on a 'sex binge'. Citizens assailed the film capital with many letters. Trade newspapers have printed over the problem at great length, and quite a few State legislatures, for their part, are pondering film censorship laws. But the reaction takes no simple organized form. It consists instead of a general awareness that American movies have become more 'adult' or 'dirty'. The public morality may suffer or be in danger and perhaps something should be done about it. But if the populace is aroused now . . .

Here is the part I would like you to pay particular attention to, Mr. Speaker:

" . . . it hasn't seen anything yet. The production scheduled for the months ahead bodes a full diet of films that would not have been permitted even a year ago."

I will refer to more in the article after we are off the radio, Mr. Speaker. I like to keep the air as clean as possible.

I am going to say a few words now in connection with older workers. I am glad to see that the Hon. Mr. Starr, the Federal Minister of Labour, has been advocating through the press and over the radio that middle-aged and older persons not be discriminated against by employers looking for work. You may recall, Mr. Speaker, that I advocated exactly the same principle in this Legislature on several occasions in the past 10 years, and I am glad to see that the Federal Government is following suit. Further, in this connection, I would like to read a news release which appeared in the Regina "Leader-Post", August 7, 1959, by-line Toronto:

"The Fraternal Order of Eagles convention heard Thursday how its battle with job discrimination against workers over 40 is gaining ground in the United States. Five States have adopted Eagle-sponsored anti-discrimination bills and two others are being placed before the United States Senate, Judge Robert Hanson of Milwaukee told the 61st international convention.

"Our objective is anti-discrimination bills in every State of the Union, he said. He said that more than 560,000 voters have already sent a petition to the Senate protesting age limitation on jobs as unfair labour practice.

"Judge Hanson said the Eagles' campaign began five years ago when they noticed there was an increasing number of employers were limiting jobs to people under 40."

Mr. Speaker, I ask that the employers in this province give the middle-aged and older people a break and do not insist on employing young persons at all times. The skill, abilities and experience of older workers should not be lost to our country as they are, in most cases, able to compete with younger persons, and are more steady and reliable. This Government has been very good in expanding employment after the age of 65 to persons who have requested it and are able to continue.

I now wish to mention for a moment the so-called 'new party'. Our Liberal friends seem greatly concerned about this merger or amalgamation, between the C.C.F. and labour. 'A wedding' some of them call it. I can't say I like that description, but it has been called that. They do not hesitate in voicing their criticisms. Well, if it is going to be to the disadvantage of the C. C.F. for such a thing to happen, it must be good for the Liberals so I don't see why they continue to complain. In their own interests they should not be giving us this kind of advice. Personally, I do not see much difference in these proposals. It is almost 27 years since the C.C.F. came into being as a party — a farmer-labour party — and during that time farmer members have been greatly in the majority, whether it has been at our yearly convention, council meetings,

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caucus, Cabinet, or in the Legislature. Over the years I have been pleased with the support given me by the members in bringing in the most progressive labour legislation in Canada or in the United States, for that matter, and I want them to know that I have appreciated it.

I see in this so-called merger (and it should be understood that there is nothing compulsory about it, the unions may affiliate if and when they wish), in a continuation of what we have had for the past 27 years with perhaps a 'shot in the arm'. It is doubtful if there will be any change for at least a year. It may not even change the name. It has been said that if and when there is some kind of a merger, labour will dominate. From a common sense point of view, Mr. Speaker, labour would be foolish to attempt to take over, because it would have the effect of driving farmers away and tend to destroy the party. As I have said for years, Mr. Speaker, the farmer has had greater representation in government without harmful results. Neither group should dominate at all, and if at some future time labour does assume control and dominates in a dictatorial fashion, I will resign my seat in the Legislature forthwith.

In 1944 the number of organized workers outside of agriculture was 16,557 or 14 per cent of the entire non-agricultural labour force. In 1958 labour union membership had risen to 46,171 or nearly 30 per cent of the non-agricultural labour force. In 1958 there were, in all, 10 strikes in Saskatchewan, involving a total of 523 workers and resulting in a time loss of 3,939 man days. The year before, 5,780 man days had been lost as the result of strikes. The situation in Saskatchewan with respect to strikes is even more favourable than is reflected in the above figures inasmuch as these figures include four strikes under federal jurisdiction, involving 333 workers, resulting in a time loss of approximately 1,528 days. As a matter of fact, strike losses in our province has been considerably lower than Canada as a whole, since 1944.

I have a few words here, Mr. Speaker, on apprenticeship. I am sorry I wasn't able to get all this on the air because I know it is of great interest to many people. But in connection with apprenticeship training, it should be pointed out that the number of trainees with benefit from Government assistance has exceeded 1,100. We have increased the living allowances which the Government pays to indentured trainees with a view to encouraging them to attend courses at the school and expect to see a higher enrolment at the trade school which now forms part of the Saskatchewan Technical Institute in Moose Jaw. Examination activity during the fiscal year, 1959-60 reflects 25 per cent increase in the number of tradesman wishing to be established in the various trades. From April, 1959, to February 1960, close to 2,000 tradesmen took examinations for their trade. In the early part of 1959 the Department of Labour initiated a training program for apprentices in the radio and television electronics trade. We shall continue to take an active part in any initiative tending to provide broader training



facilities for these employed workers as well as the unemployed. The majority of apprentices this year are taking their training at the Canadian Vocational School at Saskatoon; autobody, welding, radio and T.V. apprentices are taking their training at Moose Jaw. Since mid-September, 1959, when the current, apprenticeship school began, 568 apprentices in 9 trades have enrolled at the above centres. Enrolment in further classes to be held this year may be expected to increase, particularly in the motor vehicle trade. We have appointed an apprenticeship examining officer to review and prepare the necessary trade examinations, in accordance with the requirements arising the development of various trades.

I would like to say a word now, Mr. Speaker, in connection with the promotion of safety in industry and in the home. During the previous fiscal year, the Department of Labour spent \$677,000 on promotion of safety in industry and in the home. At the end of the current fiscal year, we expect to spend close to \$700,000 for this purpose. On fire prevention alone, we expect to spend \$105,000 as against \$93,000 a year ago. It is our intention to give continuous attention to the promotion of safety in all its aspects. When I say that we spend \$700,000 annually, Mr. Speaker, this does not mean that the total amount comes out of revenue. We recuperate everything we spend on electrical and gas inspections and on inspections of boilers and pressure vessels. The amount of the Fire Commissioner's Office is covered by revenue collected through insurance companies.

I have a few notes on the Fire Commissioner's Office. There was a substantial increase in the number of plans received in the Office of the Fire Commissioner, of new buildings and old ones which are being remodelled. From April 1, 1959 to February 29, 1960, 454 sets of such plans were received as against 380 for the previous year. Last year the inspection program of the Fire Commissioner's Office was limited to all public buildings. In commercial areas, inspections were carried out only where existing regulations applied. For the year 1960-61, the Fire Commissioner's Office has started an inspection program which will cover all commercial buildings and all public buildings in every department and in every village, town and hamlet throughout Saskatchewan. It is intended to carry out this complete inspection program once every three years. During the fiscal year, 1958-59, complete inspections by provincial fire inspectors were carried out in 61 towns, 197 villages and 230 hamlets. The total number of inspections made by the Department of oil burner Inspections was 6,767. Of this number, 375 were special inspections made at the request of an insurance company, or a local fire chief or a town councillor. Another 381 were re-inspections to ascertain that orders had been complied with. Throughout the year the Office of the Fire Commissioner continued to render assistance to the fire departments in the towns by surveying their fire equipment

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and offering technical advice. A total of 292 surveys were made. The number of volunteer firefighters training schools held during 1958-59 was 29; a total of 427 volunteer firefighters received 12 hours instructions.

Just a word now about the Boiler. Pressure Vessel and Elevator Branch. In 1958-59 there were 92,203 inspections made in one particular branch . . . approximately 5,550 of which were inspections of pressure vessels. Elevators, subject to the Freight Elevator Act, are inspected annually to ensure compliance with existing provisions relating to the construction, installation, operation and maintenance. During the same year, 1958-59, inspections of this branch made a total of 935 grain elevators inspected. Operations and improvements were ordered in cases where hazardous conditions were found to exist on the premises. There has not been a fatal accident insofar as elevators and hoists are concerned since 1952 when they had the accident in the University.

There is something here on electrical inspection. An educational program of preventative safety measures in the use of electricity was initiated by the Electrical Inspection Branch, using television interviews and publicity material. It is the intention to broaden this program so as to include measures of protection for residential, as well as institutional and commercial buildings. The growing electrification of Saskatchewan at the expense of the gas pipeline network has further increased their responsibility in the Department of Labour. This is so because of the fact that the Department administers legislation providing for the protection of life and property, and for the enforcement of uniform legislation governing electrical installation and equipment for consumers. I am happy to be able to report that there have been no fatal accidents in connection with the installation of electrical equipment or gas equipment. During the fiscal year 1958-59 close to 80,000 inspections were made as well as close to 52,000 gas inspections.

Apparently the non-agricultural industries increased for the third successive year and the employment index in 1958 reached 126.5 compared with ten years earlier. Average weekly earnings advance by 4.4 per cent, \$67.90 as compared to \$64.04 a year earlier, All the major non-agricultural industries shared in the upward wage movement, except construction. The largest increases were recorded in manufacturing, 5.8 per cent, and in finance — 4.8 per cent. The average number of weekly hours worked was 40.9 in 1958, against 44.4 in 1957. Mining employees worked an average of 1.5 fewer hours per week in 1958 than they did in 1957. Persons employed in the manufacturing industry worked an average of 39.3 hours per week in 1958, against 39.8 a year earlier. Employees on the highways, bridges and street construction sector worked a weekly average of 39.1 hours compared with 40.7 in 1957. I will leave this part of my speech now.

There are some things I had left as far as telephones are concerned, but which I feel will be of considerable interest to the Members of this House.

I refer, first, to finance in the Saskatchewan Government Telephones. There was a large gain in local and long distance revenue in 1959 which resulted in an increase of \$435,357.00 in the net income over 1958. Major factors contributing to increased revenues are the greater number of local telephones now in use, and the increasing volume of long distance calls made possible by the major extensions of long distance facilities installed over the past few years. I will go into that in detail when I speak of the microwave system. Operational expenses also increased in 1959, higher depreciation charges and increasing wage and material costs coupled with the increase in volume of local and long distance services accounted for the major portion of this increase.

I make some reference to the Budget. Once again, 1960 is expected to be a year of expansion within the system with the addition of dial equipment at 16 points, the establishment of six new automatic exchanges and the extension of operator distance dialling to 10 Saskatchewan exchanges. This year we expect to spend about \$10 million on local and long distance service, new buildings, special services, vehicles, and equipment. The budget for expansion of long distance service has been reduced to \$2 1/2 million this year from \$3 1/3 million in 1958. However, the amount allocated for local telephone service in the province has been increased to over \$2 million last year. We expect to spend about \$4 1/2 million to install local telephones in the province and improve the service. I might say, Mr. Speaker, that in spite of tremendous expansion in the telephone field in this province, the number of employees remains almost the same, 3,002 last year and 1,993 this year, a decrease of nine.

I have something of interest here which has only come up in the last few weeks. It is called 'All Number Calling', which simply means that eventually there will be no more of the 'LA' or the 'JO' or anything of that kind. It will be all numbers. In addition to Lakeside there is Oxford, Cherry, and so on, in Saskatoon. The new plan, known as the 'All Number Calling' abbreviated A.N.C. will substitute figures for letters now used to designate exchanges. For example, a number such as Lakeside 2-3456 would become 523456. We'll go into the background of these exchanges, Mr. Speaker, for just a moment. It is quite interesting.

It is the use of exchange names which goes back for many years. Some were names of important families, others of important streets or thoroughfares and still others of college or universities situated in a community. There were traditions which persisted and spread until the number of telephones carrying exchange names far outnumbered those

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that didn't. However, the growth of the telephone industry has far exceeded our expectations, and it has been found that we would run out of usable letter combinations. It was mainly because of this that we have decided to substitute numbers for letters.

First of all, our first use of 'All Number Calling' is scheduled to be in Canora, slated for conversion to automatic dial service on the 24th of April. Yorkton will adopt 'All Number Calling' on August 7th, and all future conversions to automatic dials will incorporate 'All Number Calling'. The Bell Telephone Company of Canada and several Ontario and Quebec communities will adopt the 'All Number Calling' system this year. Several exchanges in the United States will also adopt the system. It has been used in Wichita Falls, Texas, for some two years with good results both from customer and company standpoint. There are also other advantages of this 'All Number Calling'. It has been found that calls can be dialled faster and more accurately using numerals only. It prevents misspelling and misinterpretation of office names and letter codes. Of great significance, where more than one language is spoken, it eliminates the confusion between the figure naught and the letter 'O', and between the figure one and the letter 'T'. With more usable combinations for exchange names 'All Number Calling' will provide greater flexibility.

An improvement in telephone service.

I have something here in connection with special services which affect some of the other departments of this Government . . . probably the Department of Highways.

Special services offered by the Saskatchewan Government Telephones continue to increase. Revenues from private lines, teletype and mobile radio amounting to \$600,000, which is an increase of 20 per cent over 1958. Revenue from teletype business alone in 1959 amounted to approximately \$321,000. During 1959, private mobile radio service was extended to a contractor at the South Saskatchewan Dam Project at Outlook and a trucking firm in the southern part of the province. Department of Highways has been equipped with a private mobile system since 1958 from base stations at Regina, Weyburn, and Carlyle. The Department of Highways can supervise road maintenance and use the mobile service to serve individual operators of mobile telephone service. Here our customers within a 25-mile radius of Oxbow can place or receive local or long distance calls from their vehicles. Revenue from this source increased substantially in 1959. Direct dispatch mobile service is in operation at Saskatoon and Regina. Saskatchewan Government Telephones is prepared to extend special service as the occasion arises.

Now, to refer to a local situation. An improvement in 1959 was the completion of the Regina Telephone Warehouse which includes working space for a warehouse, repair shop, city work centre and a provincial

training centre. This large, sprawling building, I think most of you have seen It, is located on First Avenue between Broad and Albert streets, in Regina's north end. The building was a 1958-59 winter works project and supplied considerable off-season employment. The previous warehouse and shop facilities were housed in an old building used by the system since 1909. As time passed it became increasingly more obvious that more space was required and for this reason we undertook to have a new building erected. It was my pleasure to officially open this building on the 11th of August.

Just a word now and I am through as far as telephones are concerned. I want to say something about long distance. The long distance facilities were expanded in 1959 to provide for operator dialling at Weyburn to connect Calgary, Edmonton, and Vancouver to the Regina regional office. Included also was large circuit expansion to the United States telephone network. The available long distance circuits mileage in the province was increased by approximately one-third over that in service at December 31, 1958.

Here are some interesting figures, Mr. Speaker: A record 9,730,000 long distance messages were handled by our operators last year, an increase of 855,000 or 9.2 per cent over 1958. The number of long distance calls originating in Saskatchewan has increased two-fold in the last decade with a steady increase being reported in the last five years. Over 900,000 long distance messages originating in Saskatchewan were terminated outside the province in 1959. Of this number close to 1,200 went to points overseas. That's a matter of interest, I think, Mr. Speaker: over 1,200 from Saskatchewan to points in Europe.

The increased volume of long distance messages is primarily due to improved economic conditions prevailing generally during 1959. The increased number of local telephones in use and additional long distance facilities which provide faster service have improved the quality of transmission.

That is all I have to say on telephones. Mr. Speaker.

I didn't finish what I had to say on 'featherbedding'. I feel quite strongly on that matter, as most of it is propaganda. In fact I have a statement here in the 'Trainmen's News' for February 29th and this is the title of it: "Blasts Featherbed Charges as Pure Propaganda Bubble", and I will take just a moment to read part of it.

"The statement was made at the Rochester Business Institute Forum recently by S.C. Phillips, Assistant President of the Trainmen's Organization. Railroad labour, Mr. Phillips said, has always believed in co-operating with management in all ways possible for the good of the industry.

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"There is a clear parallel, he said, in the railroads featherbed charges and those recently made by the steel industry, but just a little over a month ago a bubble burst in Rochester, as the featherbedding of the steel magnates turned out to be vulnerable to the sharp eyes of public opinion. And when it burst no one could produce a list of featherbedding by employees. As a matter of fact, there wasn't anything in it but, hot air.

"The railroads' featherbedding is made of the same material and contains the same ingredient. Madison Avenue hot air!"

Seeing there was some reference made there to the steel strike, I have another article here which also appeared in the 'Railroad Trainman' publication last October. It's just a few sentences, and I'll read it: it is headed, 'Who is to Blame for Inflation?':

"What causes inflation? High prices. What causes high prices? High wages say the steel barons. So they say it is our patriotic duty to keep steel workers' wages down. But the companies' own figures for the first half of 1959 shows they could have given the steel workers a package of 20 cents plus an hour, and still end up with one billion dollars in profits for the year.

"These extensive profits brought about by the industry's practice of raising prices, \$3 for every extra \$1 paid to the workers are the real cause of inflation in steel."

That is something, I think, Mr. Speaker, that we have always suspected, but here we have it in black and white. If the increase in wages justified a \$1 per ton increase in steel prices, they increased the prices \$3.

I did want to get back to this magazine, Mr. Speaker, but there are so many young people in the gallery I don't like to do it, so if anyone is interested in looking up the article I referred to, 'Life' magazine, February 29th, the most recent issue, and this article is on page 79.

Now, Mr. Speaker, I will draw my remarks to a close and before I do take my seat, I do want to express, along with those who have preceded me, my regret that you are going to leave this Chamber as Speaker. We all realize you have done a splendid job and have been most impartial. You haven't been looking for various little things to jump on the members about if they might have invaded the rules of procedure. Your political career has been a splendid one. You were a private member for four years, a Cabinet Minister for eight years and have now rounded out a very splendid career by finishing four years as Speaker.

I want to say, too, to the Provincial Treasurer and the others, both on this side of the House and the other side of the House, how much I have appreciated working with them over the years, almost 16 now. I am sorry to see all of them go but, of course, time marches on. I can't say I blame the Provincial Treasurer for stepping out. He is still a man with a large portion of his life still ahead of him. He has served this province very well and I have just one more suggestion to make before I take my seat: that he divulge the secret of going down east and bringing back tremendous sums of money to whomever his successor may be. With that, Mr. Speaker, I will support the Motion.

**Mr. J.J. Harrop (Athabaska):** — Mr. Speaker, I would like to, at this time, associate myself with the others who have gone before and say how much I regret the decision of the Provincial Treasurer to make this his last Budget presentation. Besides setting a record in length of service as Provincial Treasurer in this province, he has also set a record in the estimation of at least most of the people in the province, as to his ability and integrity, and I wish him well.

I also want to add my compliments to you, Mr. Speaker, along with the rest, and I think everyone in this House must agree that you have been most fair and unbiased in the conduct of your high office. I also wish you many more years of health and happiness.

The Budget Speech, presented by the Provincial Treasurer, has now been dealt with in most of its aspects by those who have preceded me. To my mind it is one of the most comprehensive presentations of a program for progress that has been presented in this Legislature since it has been my privilege to sit here as a member. All the programs enunciated in the Budget address will put Saskatchewan still further ahead in the fields of health, social welfare and most other fields.

I want at this time just to mention briefly some of those items in the Speech which affect the constituency which I represent. I am very pleased to see that there is to be an increase in the amount to be expended in Northern and access roads and that a bridge over the Churchill River will be completed this year. Another important item is the program to step up exploration of mineral wealth by way of an increase in the number of geological surveys to be taken in the field. The Provincial Government is increasing expenditure in northern development while the Federal Government is curtailing any further progress in this regard. The highly touted vision for the North of the Federal Conservative Government is seriously bogged down. When we see that the bridge at Prince Albert is to be considered as an expenditure as part of these northern roads, it can only be the decision of a very confused mind when you realize that this road where the bridge is, is 160 miles south of the jumping off point for the northern road.

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The program for research into the fishing Industry is certainly timely. The main source of income for our native people is fishing and trapping and I want to compliment the Government on their action in promoting any program which will help to improve the living standard and which will hasten the integration of the native people. The granting of the vote to the Indian is a step toward that desire. True, it is a very small step toward it. This progress of integration may well be a long one and we must have patience and understanding. It must be realized, in the first place, that the northern Indians' past history and environment developed a history and a culture much different from our own. Before the advent of the white man the early Indian lived in what may be termed a sharing society, though this has been altered by acceptance of some of the white men's ways. Some have not yet fully grasped our idea of the use of money as a token in trading. In a society of this kind the measurement of value means nothing to some even yet. Money is something extra and is not actually associated with the primary means of livelihood. Even yet, money is accepted as something extra to be spent in taxis or liquor or something of that sort. The prime necessities of life are, of course, obtained by hunting, fishing and trapping, and it is therefore difficult in some cases to convince the northern Indian to give up this means of livelihood and accept a money job.

There are many other differences between our cultures and this must be understood and appreciated before a great deal of progress can be made towards complete integration. I think it is most important that those people employed to work with the Indian and Metis people in the North, such as teachers, nurses and conservation officers, etc., have a patient understanding of the basic differences between our ways of life. Without a friendly understanding and tolerance on the part of these employees there will be frustration on the one side and resentment on the other. I would, therefore, like to strongly recommend to the Government that before any employee is sent in to assist in any program, that that employee should be screened in an attempt to disclose whether or not there is any racial discrimination apparent. This type of screening, Mr. Speaker, might be handled by the Centre for Community Studies at the University of Saskatchewan. I think this is very important at the moment and would press for a method of selecting northern employees, something along this idea.

While on the subject of the Northern Indian, I would like also to strongly press for a broadcast in the Cree language. Many of these people do not speak or understand English and they are often anxious to obtain news of their friends and relatives in the hospitals and sanatoria. I think this gesture on the part of the Government would be greatly appreciated.

Housing is another item that is urgently needed in the North. Poor housing in settlements is standard among the Indian and Metis people. I am pleased to note that loans have been made available for housing. This will assist in many cases and is certainly worthwhile and will be greatly



appreciated. I do not believe we should become paternalistic as is the Federal Government and give houses to our people. I do think, though, that because of the low income amongst them that any large degree of housing will have to be subsidized in some manner or other. I believe they could be subsidized, possibly by reducing the interest rate and making monthly and annual payments very low over a long period of time. The idea of a building supervisor, and of the people themselves assisting the construction and obtaining some of the materials is good. Contributing in the building and laying out of their own homes will, I am sure, make our people respect these properties more than if they were just handed out indiscriminately. I should not say indiscriminately here, because at the present time the Conservative Government, in handing out these homes, are fairly discriminate at the present time.

In my own home area of Uranium City, at the present time, there is a great deal of insecurity and there has already been some reduction in the working force. The stretch-out of the uranium contract until 1966 has confused the local situation. Four mines, employing some 250 men are presently delivering ore to Loredo Mill. I understand Loredo's contract is now open for bid. The reason for this, of course, is that some of the larger mines, with more economical operations, can offer an amount per pound of contract which will allow both Loredo and themselves to come out ahead. If Loredo sells the balance of their contract, the mines will have no mill to which they can deliver their ore and will be out of business, of course. Along with the mines and the shutdown of the mill operations, some one thousand, or more, men and their dependents will be affected. It will also, of course, seriously affect the local businessmen and may, in some cases, put them right out of business.

To keep Uranium City going to any degree, it is absolutely essential that Eldorado Mining and Refining are kept in operation. Eldorado, as you are all aware, is a Federal Crown Corporation and pressure is now being applied to prevent this Crown Corporation from bidding on contracts in competition with private firms. On January 18th before the Orders of the Day, the Hon. Lester B. Pearson, Leader of the Liberals in Canada, asked the Minister of Trade and Commerce whether Eldorado Mining and Refining is to continue to compete with private companies in the production of uranium in the changed circumstances that now face the industry. Later on, to be exact, on January 23, when speaking in the House, he was speaking on the prospects of the uranium industry in Canada and he said in his speech, and I quote:

"There is another aspect of this question which should be mentioned in terms of what could be done to help the situation. We now have a Government Crown Corporation, Eldorado, a very efficient company, well run, well administered, which has played a very helpful part in Canada in the past.

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"It is a Crown company. It is an agency for marketing all uranium produced in Canada. All uranium from private corporations has to be marketed through this Crown company. Therefore, it is the sole marketing agency. It is, at the same time, a producer in an industry where the private companies are not going to be able to survive."

"It is obvious now because some have already been incorporated into others. I ask the Minister whether he thinks, in these special circumstances, it is a desirable thing to keep the Crown company in production at the expense of private companies going out of production. Perhaps he will be able to indicate the views of the Government on that score."

And, later on:

"Surely the Minister knows that we are trying to save a community (speaking about Blind River) "and all the people involved in that community. It is more important to save a large community than a smaller one. (The smaller one is Uranium City). Everybody has sympathy for the people of Uranium City, who are going to suffer from this situation."

I am sure that the people of Uranium City will appreciate this sympathy. A large part of the uranium mining industry in Canada is controlled by Rio-Tinto. This mining corporation is, in turn, principally owned and controlled by British interests, and it is interesting to note that the former Liberal Minister of Works, Mr. Winter, is a vice-president of this company, president, I am sorry. It is to be hoped that the Federal Government will not succumb to the pressure and deny Eldorado Mining and Refining the right to bid and operate in the mining industry. But here is the Leader of the Liberal Party in Canada, and a member of the Cabinet, when the Eldorado Mining and Refining was set up in the Beaver Lodge area, prepared to sacrifice millions of dollars of the money of the taxpayers of Canada invested in that Crown Corporation, to protect the mines in eastern Canada.

It is unfortunate, Mr. Speaker, that the Federal Government has not seen fit to go along with the Provincial Government on the construction of a road to Gunnar Mines. This is probably so because the management of the mine does not want a road and prefers to keep its employees isolated. Although the majority of the employees have signified their desire for such a road, the Federal Government refuses to acknowledge that such a road is a development road, and cannot be included in the northern roads program. I believe that this road would be of great help in maintaining

the community of Uranium City. It will also permit the Gunnar employees freedom of movement and would also consolidate the municipality. It is unusual, and probably unheard of, where large sections of one municipality are only accessible by air in the winter or by air and water in summer. I would, therefore, urge the Government to continue to press the Federal Government to include this road to Gunnar in the northern roads program. Forgoing this, I think it would even be in the interests of the Provincial Government, if necessary, to construct this road by itself.

The Provincial Government has invested a considerable sum in the bonds of this municipal corporation and if Uranium City must fold, there is the possibility of this Government losing some of that investment.

We have heard several lectures in this Session on the Liberal philosophy and, in my opinion, this philosophy at one time might have been appropriate, but except for the very rare Liberal, there may be a few, the Liberal party has long lost any resemblance to this avowed philosophy. The leadership and control of this once great party has now fallen into the hands of extreme reactionaries and it has even replaced the Conservative party as the upholder of the status quo at any price. The people of Saskatchewan have always been progressive and will again, I am sure, demonstrate that a lack of platform and a negative approach to progress will not be accepted. Because this Budget demonstrates that the Government is interested in the welfare and development of our province, I will support the Motion.

**Mr. A. Loptson (Saltcoats):** — Mr. Speaker, in rising to take part in this debate, I want to say first that I feel I am going to have to cut down on some of my remarks, as I got squeezed between the last speaker on the other side, and the next speaker tomorrow. However, I must say I enjoyed very much the Budget Speech from the Provincial Treasurer, and I want to congratulate him on a real good comprehensive speech. I also want to congratulate the hon. member for Maple Creek (Mr. Cameron) on his masterpiece in tearing it to pieces. I think, Mr. Speaker, that it is safe to say that few, if any, Provincial Treasurers have enjoyed the fortunes of continuing in that office for 16 years of prosperity. I think this is a record, and I want to say that the Provincial Treasurer, as far as I know, made a good job of it. He forecasts prosperity in the future. He has sailed the ship now for 16 years in the high seas, and the fishing has been pretty prosperous, particularly insofar as the Federal Treasury was concerned, while the Liberal Government was in power at Ottawa. He has been in friendly waters for all these years, and now he is leaving the ship and as a skipper, I presume he knows that he may be heading into troubled waters ahead.

Surely when we realize that we have some \$388 million debt on ourselves now, and we realize we are committed to some \$90 million to borrow in the near future to finance the South Saskatchewan River Dam; when we have another \$50 million commitment for the Squaw Rapids project,

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and the possibility of having to raise another \$35 million a year to take care of our medical services, if that should go through, that the future is not too bright. There might be a good reason why the Provincial Treasurer thought it a good time to get out.

Not only that, but on the other side we are told that our revenues are diminishing, particularly insofar as mineral revenues are concerned. Yes, I can say right here that the Provincial Treasurer, when he came in he was lucky, and he might be lucky when he went out! Now that he is going, I want to wish him well, and I hope will have all the luck, and be prosperous in his new endeavours.

Now, \$148 million Budget, in view of the revenue that we are expected to receive, may seem pretty high, but it can easily be said that it is \$100 million or thereabouts less than it should have been, had the people of Saskatchewan not seen fit to elect a socialist Government in this province in 1944 . . .

**Opposition Members:** — Hear! Hear!

**Mr. Loptson:** — . . . which resulted in the loss of sharing in the prosperity which Canada enjoyed as a whole, from 1944 until at least 1950 — when this socialist Government was flirting with its socialist undertakings and then finally decided that they could not develop our natural resources themselves, and they brought in or invited private enterprise to do it. I will say from there on we have probably shared in the prosperity and in the development of the provinces of Canada. But, in the meantime, this six years, and I may say eight years, because there was no real development until 1954, people had to flock out of Saskatchewan. They went into Manitoba; they went into Alberta and I may say Saskatchewan's misfortune was Alberta's fortune, because the drills that were taken out of Saskatchewan were moved into Alberta, and in 1947 the first real oil well was discovered at Leduc, and I happened to be there just about that time.

Now. Mr. Speaker, they talk about prosperity since, and they try to tell you there is no grounds for this crying of the Opposition that we have lost our place in the prosperity of Canada. Let me quote something to prove that, and particularly insofar as the development of our oil is concerned. Yes, I would say I have accused this Government of having chased out the oil companies in 1945-46, and I was hooted down, because they said there was no foundation for it. Up until then, from 1940-45 Imperial had been drilling throughout this province, particularly in the southern part, without success. They spent \$5 or \$6 million drilling, and then when this Government came into power, of course, they had to have their permits renewed. Here is what one man says about the renewal of the permit:

"The Imperial Oil was frightened out of Saskatchewan in 1945 by the C.C.F.", said Dr. T.A. Link, President and Managing Director of Cree Oil Company, Calgary, in an

interview Tuesday. Dr. Link is President of the American Petroleum Geologist Association.

"Imperial Oil obtained large reservations from the Liberal Government, but they were cancelled legally, because the C.C.F. made requirements so stiff that Imperial Oil was forced to pull out.

"The Managing Director of the Imperial Oil found it impossible to negotiate reasonably with the C.C.F."

Now, that is further proven by a copy of the agreement that Imperial was asked to sign. There was no objection to the agreement itself, except for one clause which was put in it, Clause (19):

"Notwithstanding anything herein contained, the Minister may, at any time, during a period of 30 days immediately preceding the expiration of each period of 12 months of the term mentioned in article (1) thereof, give the Company written notice of his intention to terminate this agreement, and on receipt by the company of such notice, this agreement shall be void and of no effect provided that the Minister shall compensate the Company for the loss occasioned by such termination to the extent of such loss being terminated by arbitration, to which the provision of the Arbitration Act of the Province of Saskatchewan shall apply."

**Hon. Mr. Brockelbank:** — Mr. Speaker, I wonder if the hon. member would tell what he is quoting from?

**Mr. Loptson:** — I am quoting from a copy of the Agreement that was prepared for Imperial Oil to sign. I tabled that in the House here, and this is a copy of it.

**Hon. Mr. Brockelbank:** — You tabled it?

**Mr. Loptson:** — I tabled it, yes, and this is a copy of the original.

Mr. Speaker, further, I want to say there is evidence why we held back . . .

**Hon. Mr. J.T. Douglas:** — Mr. Speaker, I'm sorry. I am sorry I missed the date that the Imperial Oil received an agreement from the Government. You might repeat it for me

**Mr. Loptson:** — The date of that?

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**Hon. J.T. Douglas:** — The date of that Imperial Oil agreement they received from the Federal Government. I understand you said they received an agreement from the Federal Government.

**Mr. Lopton:** — From the Federal Government? Imperial Oil had no agreement here with the Federal Government, so far as I know.

**Hon. J.T. Douglas:** — You said the Federal Government

**Mr. Lopton:** — This is an agreement — a copy of the agreement by the Liberal Government, which this Government was ready to endorse, except for this provision, this one clause. Otherwise it is the same agreement.

Now then, there is other evidence that this Government has kept out industries, and that is reflected in a statement from no less a person than Mr. D. Harry Young, Manager of the Western Section of the Canadian Manufacturers' Association, when he stated:

" . . . that the unfavourable industrial climate resulting in restrictive provincial legislation, and not lack of capital keeps industry out of Saskatchewan.

"Appearing before the Saskatchewan Royal Commission on Agriculture and Rural Life, he referred Monday night to the Hours of Work Act, Trades Union Act, Minimum Wage Act, as among those giving the impression that Saskatchewan did not want outside industries, and sought to restrict industry by law."

These are men who are holding important position in the development of industry and natural resources of the different provinces.

Since my time is scarce, I think I will have to leave this where it is, and perhaps come back at it tomorrow, and go now to a subject that is very much alive in this province, not only that, it is very much alive all over the North American continent. I want to refer, Mr. Speaker, to the part of my speech here last Session that had to do with labour unions. As a matter of fact, it didn't have to do much with the workers; it had particularly to do with some of the leaders of the Unions, and particularly the foreign leaders. I thought I gave a very exemplified explanation of what I meant at that time, and I want to say here, as far as I am concerned, I have no quarrel with any labour leader, management or others. I'm not an employee; I'm not an employer, and all my immediate family are wage earners, and some of them belong to unions. It is their future that I am concerned about, when I am criticizing some of the racketeer leadership of labour. This the concern, and should be the concern of every good

citizen here and across the border, to see that the racket is cleaned out of our labour unions.

What did I say? I was chastised not only in this House, but I have been very much chastised out in the country and through the press. I rather enjoy it, but there are some coming from fair ladies, and I don't like to ignore the ladies. I am going to recognize here, and what she says.

She writes from Moose Jaw, and that is where my hon. friend, the member for Moose Jaw who is sitting in this House comes from. Sometimes I thought that maybe he had written it for her, but there are lots of clever ladies. But she refers to me as making some statements in this House that weren't true. You know, Mr. Speaker, I don't say anything here that I can't prove. I never have; never will. They should know that. So I'm going to set her at rest on that score. She goes on to say that I am ignorant. Well I'm not going to debate that with her. I don't suppose I am any smarter than the average. She claims that labour costs have nothing to do with cost of services and, of course, that is a long song. In order to prove that my statements were not so shallow, and to prove that I think the young lady is just an honest, innocent soul who has been brain-washed by the hierarchy of the association which she belongs to — I thought I might have some effect on her by my statements of last year, but evidently it didn't do her any good, so I am going to apply some proof. In the first place, I am going to endeavour to give this House some collaboration of what I said about some of these union leaders last session . . .

**Hon. Mr. Fines:** — Who is this lady?

**Mr. Loptson:** — Do you know her?

**Hon. Mr. Fines:** — I don't know.

**Mr. Loptson:** — Another reason why I am recognizing this, is that her letter is in 'The Commonwealth', and it never says anything that is wrong. The letter is all right. I think the hon. member for Moose Jaw (Mr. Davies) might have it!

In the first place, I am going to quote from a speech that was made in Vancouver to the Kiwanis Club by a member of the Steamship Yard Union, Vancouver so it ought to bear some authority. I am going to read part of it — not all, because it is quite lengthy:

"There are few phrases in the old English language which are more pernicious and harmful to the fundamental interests of working men, than the phrase, 'friend of labour'. So far as we have been able to learn, there are no records of the origin of the expression, but closed-shop executives use it for

"all it is worth on Dominion Day, Labour Day, and similar occasions. It is fairly certain that its originator was either an eager-beaver politician, out after the labour vote, or an ambitious closed-shop executive, out to round up and rope in the all labour vote for the politician.

"This probability seems all the more logical if we recall Sam Gompers, the first President of the A.F. of L, own dictum: 'We must Reward Oar Friends and Punish our Enemies'.

"Of course, it goes without saying that when Gompers said 'our friends' he really meant only his personal political friends, the friends of his private proprietary interest in the closed shop and not the friends of the collective job-interest of the workers.

"Labour Day is not something that workers won for themselves. On the contrary, it was handed to us by the State on a silver platter. Having obtained it thus, free, gratis and for nothing, we have traditionally attached historical significance to it, or knew what to do with it; except perhaps rely on stale beer to avoid being bored to death by even staler speakers!

"But the would-be 'friends of labour' aren't so handicapped. They know how to exploit a Labour Day to their private advantage. They tell the manual workers — a large percentage of whom are broke, up to their ears in debt and got jumping jitters at the mere mention of 'strike' or 'lay-off' and this despite wage increases and current favorable employment conditions — the closed-shop executives use Labor Day to tell the workers of all the wonderful things that 'unions' are supposed to be doing for them. It's always that way. The closed-shop bosses always talk about what the 'unions' are supposed to be doing for the workers, but they never mention so much as a word about what the closed shop forces the workers to be doing for the workers, or these 'friends of labor'. There is never a mention of how check-off dues and other monies build marble palaces for these labor-moguls to work in. Dave Beck of the 'Teamsters' doesn't tell of the \$50 million union treasury which he controls, nor does Dave Dubinsky tell of the \$33 million international joint-board treasuries and \$236 million in welfare funds which he controls and which give these self-styled, 'friends of labor' far more than ordinary capitalist status in our society. Not a word of any of this on Labor Day. Nor or what great 'business enterprises' and other rackets all this money enables these interlopers to manipulate.



And we say rackets advisedly, for there is no other more charitable way of describing this wholesale closed-shop robbery of workers. Anyone who dares to expose this artless exploitation, the 'friends of labor' arrange to have blinding acid thrown in their eyes, as was recently done to Victor Riesel, the newspaper columnist and correspondent."

Another one, Mr. Speaker. I want to quote here:

"In this way we exploit the myth that the closed shop, by showing that the moment a Union executive clamps off on Union security over the given local, that moment the local ceases to be a Union and becomes a straight vested interest. The job trust and its executive cease to be labour leaders, and become labour dictators. This job trust sets the closed shop, and proves to the hilt that every form of check-off and union security was wrong in principle, and socially dangerous because it created a new society of devised interest, a new ruling, a new elite worker, moral enemy No. 1.

"We also show that apart from the fact that A.F. of L., CCL and CIO jointly stand convicted as charged, job trustees are serious political implications, inasmuch as it offers a means of infiltration by pro-Soviet Stalin elements in the back door of the C.C.F.

"The shady half-brother of the greater concentration of help and political power at the top, in the hands of a dictator of bureaucrats which is behaving with ever greater contempt towards the rank and file whom they regard as their private non-transferrable property."

This comes from a labour man — a union man. I present it here because I think it is worth knowing.

**Premier Douglas:** — Mr. Speaker, may I ask the hon. member what he is quoting from?

**Mr. Lopton:** — I am quoting from that speech by Myron Kuzyck, given on August 30, 1956. I have another one I am going to quote to you, and that is from a very important document. This is the 'Labour Review' issued by the Canadian Federation of Labour, and let us see what they say about this monopoly labour:

"Fifty years ago when it was fashionable for trade union orators to garnish their sermons with a bit of revolutionary jargon warmed over from Karl Marx, to wit: 'The working class and the employing class have nothing in common', it was

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worth recollecting that while everybody agreed with the assertion that there was 'nothing in common' nobody questioned the existence of an 'employing class'.

"Certainly in those days the employers were regarded as forming a class of society, a class apart. Deep-dyed trade unionists often varied the term to the 'exploiting class', as meaning the same thing. In more moderate opinion, employers were always guided in their actions and attitudes by their class interests.

"Whatever truth there may have been in the old class-war dogma, it is clear that there is none in it today. Only the Communists and their hangers-on still living in a century that is past and done, talk of an employing class. As these antiquities die off, the expression is bound to lapse, for it is already obsolete."

I wonder how often my hon. friends have tried to build up this employing class. I'll go on a little further:

"According to a spokesman for one of the American Labour trusts in Canada, employers have recruited for the trade unions most of the present union membership. Mr. George W. Brooks of the A.F.L. said at a college gabfest on industrial relations in Montreal: 'It is safe to say that probably 84 per cent of the total membership of the American labour movement have never been talked to about joining a union by anybody except the employer. Furthermore, the employer has, even in a great many cases, taken over the very difficult job of collecting dues'.

"Of course, this recruitment of union members by conscription at the hiring point could not have been brought without the wholesale connivance of the, employers. Every employer professes to be against compulsory unionization, in principle, yet most employers, after going through the act of registering horror at the suggestion, submit to becoming agents and herdsmen for compulsory unionization in practice. They declare, apologetically, that they had to yield to the threat of a shut-down for lack of labour supply. What they actually do is to make a cheaper deal with the union than they could have made if the closed-shop clause had been omitted from the agreement. Their solicitude for their employees' freedom of choice goes out the window when they find it will cost them money. In short, the employees are sold out every time a closed-shop agreement is signed; the union gains a tied membership, the employer saves a little expense, and the workers lose."

"There are some, notable and honourable exceptions among employers, some to whom the workers' freedom of choice and their own long-range interests are matters of real concern, who will not light-heartedly follow the lead of their scuttling compeers. Nobody wishes to see the stratification of our democracy, but one cannot help but wonder whether a forthright 'employing class' might not be a lesser evil than an irresponsible aggregation of bosses undertaking the very difficult job of collecting dues' from unwilling contributors, to hold both their employees and themselves in perpetual bondage."

This comes from the union's own publication. There is another one that I might quote:

"The goal of compulsory union membership is labour monopoly. Roughly, that is the acquisition of the power by one or several persons to dictate the terms of hiring in some broad field of industrial activity. Putting it another way, the controllers of a labour monopoly seek to set the selling price of labour."

And it goes on to show they perform, selling labour as though it were goods in a store. Here is another one, with the heading 'Comrades in the C.C.F.' I am not going to read it all, but it infers that at least half of the C.C.F. is composed of comrades in British Columbia, and I can tell them quite truthfully that I know of quite a few comrades right here in Saskatchewan. I don't know just how many, but I don't think it would be hard to say — maybe 10 per cent. Now, so much from this one.

Now I'm going to give you something from an individual, a quotation from no less an authority than Rev. Dr. Emlyn Davies, Minister of Toronto's Yorkminster Baptist Church who is also not in agreement with monopoly labour leadership:

"Trade unionism on this continent has ceased to be a democratic movement, he said, in a recent sermon. Paying tribute to the accomplishments of trade unions in bringing about improved working conditions, Dr. Davies said, it was a cause for sorrow now to see working men exploited by new feudal barons — the racketeers and bosses who have gained control by means of the closed shops.

"Dr. Davies, president of the Canadian Council of Churches, was a pastor in the hardest-hit mining community in South Wales during the depression.

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"Legislation that had put an end to miseries such as the miners suffered a generation ago had been cause for rejoicing, he said. But today in trade unionism, one saw tyranny because the basic concern was not with persons as persons. The earliest crusaders in the labour movement had sought to establish justice in the industrial order, he said. They were men of faith and piety and in the British tradition, they were inspired by Christian insights.

"But for some leaders today the approach was different, Dr. Davies suggested. Having secured the right to strike they now deny the right to work. Having ceased to be a bargaining council, they now hold the whole of society to ransom on technical issues on which compulsory arbitration would demand a solution, he said.

"The movement once committed to justice is now the handmaiden and the agent of a new form of unjust slavery, he contended. He read a letter on file with the Christian Labour Association in which a maintenance electrician told of losing his job on a lake vessel because he did not belong to the Seafarers International Union."

So much for him.

Here is another quotation: 'Gangster-dominated Unions Modern Dragon'. These are the people that Liberalism opposed. These are the people that the Liberal party cannot condone. Liberalism has always served the worker in the best interest, of the worker, as such, and always will continue to do so. The Liberal party is accused of being anti-labour because we cannot condone gangsterism, so I say we are not being properly presented. Here is an article appearing in the 'Leader-Post' quoting the Rt. Rev, Michael Coleman, bishop of Qu'Appelle, in an interview Tuesday morning:

"He preached Sunday night in St. Paul's Pro-cathedral at a service attended by members of the Royal Society of St. George, and spoke on similar lines.

"One of the dragons, said Dr. Coleman, is the misuse of an unwarranted power by labour unions in the United States, and this becomes a dragon nearer home through the obvious machinations in this country of the Teamsters' Union under Mr. Hoffa.

"Of his own definite labour sympathies, the bishop said: 'In England, I not only voted for labour under Ramsay McDonald, but I was a member of a labour union when I worked on the railway. Later in British Columbia, I worked very closely with the Trades and Labor Council, and was once asked to address a Trades and Labour Congress presided over by Percy Bengough.'

"When the big IWA strike was on in British Columbia in the late 1940s (the bishop was then Diocesan Missioner for the Diocese of British Columbia, which consists of Vancouver Island) the union bosses came from San Francisco. In a town on the island, a meeting was held. The next day several who attended it came to me with the reports of what had happened. They were taking a strike vote for 400 members, but first the bosses said: 'If anyone here wants to vote against the bosses, put your hands up!' Though a number of the men did not want a strike, they were afraid to hold up their hands and oppose the bosses."

That is a statement from Rev. Michael Coleman. Then I have an article from no less an authority than 'The Northern Miner':

"The constant climb of unearned wages is serious enough, but the growing spectacle of union leadership's lawlessness and downright wickedness is a sorry one, indeed."

I could go on, but I am not going to continue. I have one here from a C.C.F.er, Colin Cameron, where he says:

"Labour unions are largely responsible for their own 'precarious' condition today, says Colin Cameron, former CCF member of Parliament.

"As long as the union movement concentrates on spiralling wages, it leaves itself open to further restrictions, Mr. Cameron told a Stanley Park CCF open forum on Sunday."

I have another here from Harold Winch, whom you have all read about, since he made a visionary trip throughout the British Empire, where he came back and told our union leaders in the C.C.F. just what was happening to them by this spiralled cost of production — that we were facing an economic disaster within two years. I take off my hat to Mr. Winch. I considered him one of the Red C.C.F.ers in the party, and now he realizes the thing that we had been telling him. He has endorsed everything that Ross Thatcher has been telling him, and the next thing that we want is to see him do the very same thing that Ross Thatcher did — and that is, leave the party that has been backing up these racketeers, and now is going to marry them. As a matter of fact, they have been married to them ever since 1945.

**Hon. Mr. Brockelbank:** — Mr. Speaker, would the hon. member permit a question?

**Mr. Loptson:** — What do you want to know? I thought you know everything!

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**Mr. Speaker:** — Order! Order! I would like to draw the hon. member's attention to this, there in just one minute left now.

**Mr. Loptson:** — Well, here is another one, from H.J. Clawson, director of Industrial Relations, Steel Co. of Canada, and by Edward Benson, special duties administrator, Consolidated Mining and Smelting Co. of Canada, in which they state that since 1946, wages had increased twice as fast as productivity and that is in contrast with what some of our C.C.F. people think. It says:

"Thus economists are not talking through their hats when they call this a wage inflation. We must examine critically the role of organized labour with its traditional slogan of 'more and more for less and less'. Slowdowns or controlled production are a common union device which can seriously impair the rate of output.

"The adverse effects upon productive efficiency of such union policies as make-work rules, rigid seniority, systems, prohibitions against contracting out and featherbedding are well known to most of us."

Mr. Speaker, just for a moment I want to say that I made a 6,000 mile trip throughout the southern States and I talked to hundreds of people who might be classed as clerks, service men, truck-drivers and small merchants, and I asked them what they thought of the labour situation and many of these people were labour men. I can say that nine out of ten feared the labour leaders in the United States. Union men feared mostly that they might be called out on strike, and the other shop men feared that they might be bribed, because they said it was not uncommon for the leaders to hold the contractors and hirers of labour for ransom, as high as one per cent of their contract. One told me that a labour leader had got \$1 million in one payment in bribes, in order to keep labor peace while the contract was operating.

Mr. Speaker, seeing as it is 5:30 o'clock, I would like to adjourn the debate.

(Debate adjourned).

The Assembly then adjourned at 5:30 o'clock p.m.