

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session – Fourteenth Legislature
18th Day

Monday, March 6, 1961

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

On the Orders of the Day:

BUDGET DEBATE

The Assembly resumed from Friday, March 3, 1961, the adjourned debate on the proposed motion of the Hon. W.S. Lloyd.

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

Hon. Mr. Turnbull (Minister of Co-operation and Co-operative Development):

Mr. Speaker, in continuing the remarks that I was making on Friday last, I first of all would like to congratulate the Member for Turtleford in being here, and I know it will be with a great deal of satisfaction that he finds himself seated, although not on the Government side of the House, at least with the Opposition. We had hoped, of course, that Mr. Wooff would have been the successful candidate, but, of course, we are quite willing to accept the results as they are. I hope that in the next few years, while I am in the House, that our relations may be cordial, even though we have different points of view from time to time.

There are some points which I was establishing in my remarks with respect to the motion and amendment before you, and I wish to state at the outset that I cannot agree with the amendment, which in part refers to excessive administration costs. Certain Members have made suggestions for economizing, particularly with respect to the Department of Co-operation. I would like to show you, Mr. Speaker, that the role played by the Department of Co-operation cannot

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in any way be thought costly to the public. The Government makes no apology for its role in promoting co-operative activity and, if anything, I think we should increase some of our efforts in respect to bolstering and assisting co-operatives whenever and wherever they request it.

In considering this amendment and the position the Members of the Opposition are trying to establish for themselves, I would like to draw to your attention, Mr. Speaker, the fact that one of their main points is, I believe, that we should get back to the philosophy and process of private enterprise, and we should do away with what may be construed as economic planning. I humbly submit to you, Mr. Speaker, that the economy of Canada never has been a complete private enterprise economy, but has always had government assistance, and the Government has, both provincially and federally, been involved to various degrees and that is why this type of economy has had the best chance of survival.

I would like to draw to your attention, Mr. Speaker, the fact that in the years the Liberal Party was in power, it did nothing in particular to foster private enterprise as such, but continued in fostering the development of corporate enterprise. This, I think, is not a charge against them, Mr. Speaker, but rather reflects the trend of the times. Economic development is such that it is extremely difficult to maintain the position of perfect competition. Private enterprise will not, as is often claimed, bail us out of all our problems; and in fact we find ourselves drifting, as I mentioned Friday, more and more to corporate enterprise. This, therefore, necessitates the action of government in various ways, by which first of all corporate enterprise may be guided or planned or even checked, if need be, and on the other hand governments have been involved, both federally and provincially, and the Liberal Government, and now the Conservative Government, have been involved federally in the creation and establishment of Crown Corporations.

We have heard a good deal about Provincial Crown Corporations, and how if the Members of the opposite side came to power, many of these Crown Corporations would be eliminated. I have done a little research and I find that in Canada today in the federal field in 1960 we have Crown Corporations with

total assets of \$10,579,000,000. This is a substantial investment, Mr. Speaker, and it is invested in three main areas; agency types of corporations, such as atomic energy, and commercial corporations, such as arsenals related to defence, and others like such as arsenals related to defence, and others like Polymer, transportation and cement. I suggest to you that we are moving in this direction. I don't think there is any chance of moving out of this position, back into private enterprise. I also note that the total income of people employed by these Crown Corporations established in the federal field amount to \$46 million a month. This represents a substantial amount of wages paid by these industries. The reason I want to establish this position, if I can, Mr. Speaker, is to point out that this is the world in which we live, and any amount of wishful thinking to get back to a particular system, as was expounded by 19th century philosophers, I think is by and large a waste of time. There are some areas in which private enterprise, private capitalism, still continued to exist, and as I suggested to you on Friday last, these do exist in the farming business, and farmers, such as myself, may be termed as private capitalists. Other groups are in the small business stores. These types of people are the small business man, but we all know, Mr. Speaker, what the position of these people is. The corner grocer has to give very difficult time in standing up to corporate capitalism. The corporate capitalistic society is what we now have, and that is the problem with which we now must deal.

The question I submit to you, Mr. Speaker, is not whether we can get back to private capitalism. I think the question is, how can we best preserve our individual civil liberties; and what alternatives exist to a corporate capitalistic society.

There have been many statements made, and I have been amused by them, that during the war, the last World War, by some reason or other, mostly by accident, I think the inference was, that the C.C.F. has come into power. This is not correct. The C.C.F. is the present political form of a large movement of people, that goes back to the very time the province was formed. It goes back to the days of the Non-Partisan League; it goes back to the days of the Progressive and the Progressive parties worked it out for the particular purpose, Mr. Speaker, to

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achieve the particular result that I have been referring to, and that was that the individual finds it extremely difficult to stand up to the corporation. The Progressives had one idea and that was that as an individual we could help a little, but if we could group together within our various interests then we could somehow offer a balance against corporate could somehow offer a balance against corporate investment. It is for this reason that we see the development of those early pioneers in the direction of, first of all, the Grain Growers, the Saskatchewan Grain Growers Association, which I might say, Mr. Speaker, was very closely allied with the Liberal Party of that day. In fact many of the leaders who subsequently went into the Liberal Party came out of the Saskatchewan Grain Growers Association, and some of them are very well known.

The Grain Growers Association, the Non-Partisan League and finally the Progressive movement, which under the leadership of Henry Wisewood of Alberta, finally got established in a certain direction and in a certain role. This was to do certain things, in the main it was to break away from the traditional party politics and party power; it was to establish group government; it was to transcend, if possible to move past cabinet type of decision. This was met with various discussions and various opposition. It was branded as being Red; it was branded as being Bolshevik; it was branded as being secessionist, all because it presented a direct attack on the status quo of that day.

To some degree the Progressives were successful – they did establish one thing and that was that political parties of Western Canada must get back to the individuals who make them up. They established the principle that you must have local groups and within these groups, within these locals, policy must be made, and finally the executives of the progressive groups would only carry out policy as was determined by those individual groups. Originally the Progressive movement did not intend to go into politics. The intention was to exert sufficient economic power so that it could influence politics, but they found, Mr. Speaker, that they could not stay in this position. They found that ultimately they had to give in to political power because they found, as all other groups have found before and since, that political power follows economic power.

What were some of the things these Progressives were interested in? Incidentally, I note in reviewing this that many of the Liberals of that day thought that the Progressives were only Liberals in a hurry. The Progressives, on the other hand, did not think of themselves as being connected with any particular party, and I now notice in our present stage, that there are some Liberals who think that the C.C.F. are only Liberals in a hurry. The Conservatives don't agree with this, and the Social Credit take it a step further. They, I think, brand us all with the same type of philosophy. I have heard some Social Credit speakers put all Liberals, C.C.F.ers and Conservatives into one big barrel. Now, this is just straight partisan politics, Mr. Speaker. I really do believe that the group that sits on this side of the House is the group that is sincerely trying to reach out and preserve the traditions that the Progressive movement developed, and whether it be in a small town; whether it be in farm groups; whether it be in cities, preserve the idea that finance itself must come from these people that determine power. I think this group has finally made all other political groups swing to this point of view, with the result that in the last two years we find that all political parties now attempt with carrying degrees of success, to have membership sales, have individuals contributing on an individual basis, to have open conventions where policy can be discussed, and I want to compliment them for it, Mr. Speaker. This is a step in the right direction.

Government Members: - Hear! Hear!

Hon. Mr. Turnbull: - The idea has come from those early progressive people. They were able to drive their stakes in sufficiently hard, so that they made their points stick and when they found that by political action alone, they could not get what they wanted, they went into one other type of action, and that was into co-operative action.

There have been statements made here by various speakers, that the C.C.F. is trying to take over the co-operative movement. This is pure nonsense, Mr. Speaker. It is absolutely pure nonsense. It is more correct to say that the same

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people involved in the Progressive movement and in the formation of the Wheat Pool, and in the formation of the various co-operative enterprises that we now see on the western plains, were basically this same type of people who gravitated into the Progressive political party and subsequently into the C.C.F. group.

Government Members: - Hear! Hear!

Mr. Thatcher: - The Progressives now joined the Liberals.

Hon. Mr. Turnbull: - As a farmer, of course, I am interested in what the Opposition has to offer. I think, that one is able by listening to their attacks on government policy, which is their responsibility, and it is their responsibility to the electorate, that at all times, the policies of Government are held up so that they may be scrutinized closely and accurately, but as a farmer, when we look at these policies, we get some idea of what is going to be attempted and in the course of another election, what the alternative will be to the program of this Government. As a farmer, of course, I am interested in a number of statements that have been made. I was interested to notice as stated by Members of some of the Opposition, that the Department of Co-operation and Co-operative Development should be reduced, that it should become part of the Department of Agriculture, and co-operative movement now is no longer confined to the agricultural segment of our economy, Mr. Speaker. It moves into many areas. Originally, it is true, it was mostly involved in marketing and processing of agricultural goods, but the largest role and segment of the co-operative enterprise is not now in these areas whatsoever, Mr. Speaker, but it is more in the urban areas, particularly in credit unions, and the advancement of credit policies.

So I suggest to you, Mr. Speaker, in all honesty, that whoever made this suggestion in the Opposition should again take a look at the role that is now being played by co-operatives. It has a much broader scope than the agricultural connotation, and therefore, to put it back into the Department of Agriculture from whence it came, is to admit publicly that the man who made this statement does not really understand how broad the co-operative

movement is, or what it is attempting to do.

In the development of corporate society and corporate capitalism, which we are now doing, the co-operative movement stands as one group, where the individuals by working together can become a balance wheel against this type of development.

Let us see the size and nature of some of these corporations. The present tax structures of our society, Mr. Speaker, are admirably suited to the development of corporate society. The tax structures make it comparatively easy for a corporation to accumulate capital, and at present I don't think anybody here can offer any better suggestion for the development of some certain lines of consumer goods, where there is an opportunity for profit. Under our present corporate structure there is a chance to reap a quick gain, put all your profit back in, take out what the directors decide in the form of profits, and let the rest be re-invested in shares and to rapidly accumulate capital. The result of this is quite interesting.

Let's take a look at some of the retail outlets which handle farmer's goods, for instance, Dominion Stores. I find that from 1957 to 1959 their stock prices have risen from \$57 to \$92.50. This is a substantial rise. I notice that their capital stock is \$15.2 million. I notice that their net profit, after taxes, has gone up from \$5.7 million in 1957 to \$6.7 million in 1959. This is a pretty handsome increase. It is better than I can do farming, Mr. Speaker.

Let's take a look at another one – Simpson's. Oh, incidentally, there are few subsidiaries connected with some of these corporations. In this one, there are three. This is another feature, of course, of our corporate structure. As a farmer, I am interested in the cost of goods I must buy, particularly farm machinery. Farm machinery, as we all know, has been going up very substantially. The Steel Company of Canada is one corporation which will presumably turn out steel that will be used by the manufacturers of farm machinery, and I find here, since 1957 the prices of their stock has risen from \$73.25 to \$90.25 – a substantial increase. Here is

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something interesting – their capital stock stands at \$48 million; net profit after taxes was \$32.8 million. In other words, they just made three-quarters of their capital stock in profit every year, which is pretty good, Mr. Speaker. I cannot do this farming.

Let's take a look at another one – foodstuff. Foodstuff with George Weston & Co. Ltd. This is an interesting one. George Weston & Co. capitalized at \$24 million has net profit after taxes of 7.3 million. Stocks have risen from 27 ³/₄ in 1957 to 44 ¹/₂ in 1959, and we have 14 subsidiaries connected with them; Weston Bakeries, MacCormick's Limited, Dr. Jackson's food, Paulin Chambers, Western Grocers, William Neilson, Perrin Western Biscuits, American Superior Biscuits, Southern Biscuits, Willard's Chocolates, Marvin's Limited, J.D. Hamilton & Sons, and Sommerville Limited. This is the type of structure that we have built in respect to the processing of foodstuffs.

As a farmer I am interested in what I get for my livestock, and I have here a statement from Canada Packers. This one is the best of all because on a capital stock of one million four in 1959 they made a net profit after taxes of \$4 million seven. Four times their capitalization, practically, Mr. Speaker, in one year. This is pretty good. Incidentally they have a few subsidiaries, there are eleven of them, but I won't read them all to you, Mr. Speaker. The point I want to make is this; that as a farmer, as an individual, the things I must buy come from corporations, the things I sell go to corporations – only through the co-operative movement I can have a balance wheel to offset this cost difference.

Mr. Thatcher: - Mr. Speaker, I wonder if the hon. Member would permit a question?

Hon. Mr. Turnbull: - Sure.

Mr. Thatcher: - Thank you. Wouldn't the hon. Member like some of these companies to come into Saskatchewan and establish some branches, employ some men like Canada Packers?

Premier Douglas: - Co-operatives employ people too.

Hon. Mr. Turnbull: - Mr. Speaker, as a farmer I am interested in seeing companies come in to process foods. I am sure our labouring people would like to see companies come in to process food, but I am not interested in seeing a private company make a profit of \$4.7 million a capitalization of \$1.4 million. . .

Mr. Thatcher: - They did not.

Hon. Mr. Turnbull: - Well, this is taken from. . .

Mr. Thatcher: - The capitalization is many times more. . .

Mr. Speaker: - Order! Order!

Hon. Mr. Turnbull: - Well, Mr. Speaker, as a farmer, of course, I am interested in the opinions of the Opposition, and as a farmer I have always been interested in the reputation of Mr. Thatcher's bull. Someday I hope to get a picture of that bull, because I am a. . .

Government Members: - Hear! Hear!

Hon. Mr. Turnbull: - In respect to this particular point, it is for this reason, Mr. Speaker, of the types of profits that are made on the manufacture of farm goods, and the profits that are made in the handling of our farm products, that the people of western Canada have gone farther and farther into co-operatives, because if you had a co-operative handling and processing livestock products, this too would employ labour, and this too would provide industry to our province.

Now, let's take another look at this point. We are talking about having private companies come in and develop – I could remind the hon. Member, Mr. Speaker, that we have been through a good deal of this. If any one of these hon. gentlemen will take the trouble to trace the history of the establishment of the Saskatchewan Wheat Pool, and finally the Canadian Wheat Board, you will find there an indelible record speaking on behalf of the farmers, that they were willing and able to do battle against the private interests that were handling their commodities and established their own corporations.

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Government Members: - Hear! Hear!

Hon. Mr. Turnbull: - Now, let's take a look at something else. There is a claim made by some of the Members opposite that the C.C.F. is now trying to take the co-ops over.

Mr. Thatcher: - Hear! Hear!

Hon. Mr. Turnbull: - This is strictly nonsense, and there is another statement made that while we as a party are not interested in taking over any particular group, there is another statement that is a little more subtle, and that is that co-ops should not be involved in politics. Now, as far as partisan politics is concerned, Mr. Speaker, this is correct, but make no mistake about it, co-operative enterprise is in politics to the extent that they are going to attempt to change the direction that society is taking. That is exactly why they are in business.

Government Members: - Hear! Hear!

Hon. Mr. Turnbull: - This is not Liberal politics, this is not C.C.F. politics, this is not Conservative politics. The type of politics that this is, is the political economy as a whole and every time I buy a gallon of gasoline through my pump at the co-op station, this actually is a political action in terms of what Imperial Oil is attempting to do, and would you like to know what they are attempting to do? I have here a statement turned out by the President of the Imperial Oil called the "Philosophy of Realism". This is an interesting document. Its main point with respect to co-operatives is:

"What we need is a modernistic and up to date tax policy to put the co-operatives in their place."

This is straight political action and the point I wish to make, Mr. Speaker, is that private corporations have always been in politics, and I see nothing wrong with this. They have so established and maintained their position they can't leave anything to chance that they can possibly prevent, and I don't blame them on little bit. But I do blame ourselves, Mr. Speaker, that once we recognize this point, that

those of us who are not in this corporate position do not have enough good sense to use co-operative structure to offset this.

Here is another one from 'The Financial Post'. This is dated March 26, 1960, and it is entitled "What Can They Do About Taxing the Big Co-operatives?" The theory is, of course, that the co-operatives have an unfair tax position.

Once again, Mr. Speaker, I say this is pure nonsense. These types of cases have been up before the courts again and again, and the judgment is approximately this: Any corporation can do exactly the same thing as the co-op does, and that is instead of keeping these \$4.7 million that Canada Packers made on \$1.4 million, they can disburse this to their patrons in terms of patronage dividends.

Government Members: - Hear! Hear!

Hon. Mr. Turnbull: - To further substantiate my point that corporations are in politics, I have here a list taken from the 'Directory of Directors', published by the 'The Financial Post' in Canada, and I have taken twenty top directors. Five of these gentlemen work directly in politics, and two of them were indirectly involved in politics. One of them, for instance, is the former Member, Robert Henry Winters, a Liberal, first elected to the House of Commons in 1949. This gentleman sits on fifteen companies, with a total asset structure of 4 billion, 167 million dollars. Nobody can convince me that while this gentleman is fulfilling his political duties that he is not going to keep a weather eye open for Devon Palmer Oil, Preston Mines, Rio Algam Mines, and so on.

Let's take a look at another one of these gentlemen. This is a man I knew personally, who is now no longer living, The Rt. Hon. Clarence Howe, a man of some substance and some character. A man, Mr. Speaker, whom I admired. I did not agree with his point of view, but he was a man of tremendous capacity and ability. This gentleman served on sixteen companies with a total asset structure of 6 billion, 394 million dollars. I could read more and more. Mr. Asgelin from the Union Nationale, with ten companies, and the other seven – this sort of this – let's just thumb through

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them. The Hon. George D. Foster, Progressive Conservative, first elected to Quebec Legislature in 1946. This man has a modest list of twenty-eight corporations, with a total capitalization of 4 billion, 198 million dollars. These are substantial companies, Mr. Speaker, and as a farmer I recognize what these men are doing: they are protecting their own interest. The point I am trying to make to you, Mr. Speaker, is that as a farmer and an individual operating in the type of economy in which I do, where I must compete freely with my neighbours, and try to do a better job in producing than they; my only protection against corporate activity is such as the co-operative can offer me.

The hon. Member from Moosomin, and I see that he is not in his seat, nor is the Leader of the Opposition, have made some statements from time to time with respect to a modification of the private enterprise philosophy to the point that we should have some planning. They have said from time to time “We will not sell all the Crown Corporations – we will keep some”, and I am pleased to hear them say that, Mr. Speaker, but yet I can’t quite believe that this is so. If we follow through the history of the Liberal Government in Saskatchewan over the years in which it has been in power, once it lost its dynamic force, and this was during the time of the famous Lapointe resolution, when the Liberal Party split on this World War, the only way they were able to maintain power was to somehow tie in the Progressive group, which first held sixty-five seats in the West, and for a while held the balance of power. It is they, Mr. Speaker, not the Liberal Party, who were able to devise and support measures such as the Crow’s Nest Pass rates, and have them established as legislation; it was they who pressed for, and obtained, the Hudson Bay Railway; it was they who held the balance of power of twenty-eight seats and got the initial legislation on Old Age Pensions, and of course, this type of balance of power was unstable, and within a very short time there was another election. This was the way; this is the record; the way in which we people, we common people, must have a group to speak on their behalf. We dare not, and we cannot, trust those groups associated with large commercial interests. They do not speak the same language, and they do not have the same point of view. We need a grass-roots type of party, such as we have sitting on your right, Mr. Speaker, which is now the government of this

Province.

Government Members: - Hear! Hear!

Hon. Mr. Turnbull: - Now then, there is one other point that has to be established, and that is, if you could get back to private enterprise, and if you could get back to free competition between the various groups; due to one type of advantage or another, you would ultimately get to the same point where you would have two or three large groups dominating the industrial fields, dominating the processing fields, dominating the transportation fields, and then we would find ourselves in the position, I think, of introducing some government measures to stop the process and this has been demonstrated, Mr. Speaker.

I have before me here the 'Time Magazine' of February 17, 1961, and here is an interesting thing. This is an article entitled "Corporations", and this has to do with something of equal interest to you, Mr. Speaker, and the House. There was a case before District Judge I. Cullin Cainy which he terms "a shocking incident in a vast section of our economy". This is the administration of prices between a number of corporations involved in the manufacturing and selling of electrical commodities, generators and heavy electrical equipment, and the comment of the lawyer defending them is an interesting one, and at the same time ironic. He is quoted as saying on behalf of his clients:

"That these men (he pleaded) are not grasping, greedy, cut-throat competitors."

I find this difficult to reconcile with the philosophy of free competition and private enterprise in the world as it exists.

Now, I don't blame the corporations for taking whatever economic action they felt they needed to take to stabilize their prices, to guarantee their supplies, to level out the swings in the business cycles, to bring in research so that anything that was discovered, if at all possible, be developed within its own corporate structure. I don't blame them for this, but I am suggesting to you, Mr. Speaker, that sooner or later you are involved with bringing to bear some type of public planning in that the interests of the general public may be best served.

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Government Members: - Hear! Hear!

Hon. Mr. Turnbull: - Now the Member from Moosomin has said this. He has said there is a difference in the type of planning, however, between what the Opposition would plan for us, and what we would plan. My suggestion to you, Mr. Speaker, is that the group sitting on this side of the house is the group through whom the traditions that have been established by their forerunners in this province in the co-operative movement, and before that in the Non-Partisan League, and before that in the Progressives, are the inheritors of the particular philosophy and of a particular way of life. It is within our own jurisdiction, and it is up to us to make sure that all our local and all our individual representations are carefully maintained, so that representations are carefully maintained, so that policy can come up from the bottom to whatever levels pressure may be brought to bear. This is a democratic process through and through, but the Members on the opposite side of the House, Mr. Speaker, interpret it as a diabolical political machine, and nothing, once again, is father from the truth. This is the Progressive group, which had the idea of group government, the local structure, the individual ideas coming up by resolution through annual convention until it is finally made law.

Now, there are just two other points I would like to make, and that has to do with our idea that this Government is particularly interested in co-operatives. I have endeavoured to establish the points why. If I have not done them with particular skill, I must apologize, Mr. Speaker, as I am not yet acquainted with the methods of debate, nor the best way in which to put arguments forth, but I have endeavoured to establish these basic points:

1. The type of environment in which we as individuals operate is fundamentally a corporate type of structure.
2. Corporations have various devices by which they attempt to control the business cycles.
3. Corporations have been involved in politics in various ways and by various people.
4. Corporations do at all times, endeavour to achieve stability of their own operations and will go through any legal extension of methods

even though they may stretch the law a bit on points until we find ourselves in the situation as written up in the 'Time Magazine' where they are being sued because they established a monopoly position in order that they could give themselves absolute stability if it is at all possible.

Now I know, Mr. Speaker, they never have been able to establish perfect stability, but they made a concerted drive to do it.

Now then, the next point is, as production has risen, we now find ourselves in the position with a great abundance of goods, without a sufficient cash market to absorb it all. The next stage, Mr. Speaker, is some planned method of finance on behalf of the corporations, and this they have done to an admirable degree, and if I had time I would like to read some of the subsidiary companies of some of these major manufacturing companies, which in turn are finance companies, in order that they can move their goods. If you can't pay for them all now, you can pay a dollar down and a dollar a week, and this method has worked fairly well and particularly well in some fields of consumer goods, but there are many other areas, Mr. Speaker, where it does not work well at all. This is in, what is commonly known as the public interest, or what our Premier has referred to as investing in people.

This has to do with education, this has to do with better housing this has to do with better types of roads, it has to do with all these types of investments which represent public interests, and it is in this area that private capitalism has not moved at all. The reason is obvious. It is the area of investment where no single corporation can extract a quick and ready profit. Once again, I say to you that it is in this area as well that you are going to need planning by government, programming by government. It may be totally within government enterprise in the form of a Crown Corporation. It may be a shared thing between a government agency and a number of corporations, but this area exists, and I can assure you, Mr. Speaker, that for my part I firmly believe that as we move forward in the future, governments regardless of who forms them, are going to move farther and farther in this direction. There is no escaping this, Mr. Speaker, and therefore, I suggest to you that any group that may come and suggest, "Let us go back to the good old days of perfect competition, let us get back to the days of free enterprise," must qualify and they must qualify

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as to leave these other segments out, because private enterprise cannot fill these gaps. It is in this area where government in one form or another must move. There is another area where the co-operative society must move. This is to affect a balance wheel between the corporation structure and in the manufacturing of consumer goods, in the field of credit, in the field of processing and in the fields of manufacturing.

In our province alone, Mr. Speaker, last year the co-operatives disbursed almost \$18 million worth of dividends. This is money that otherwise would have accrued to private corporations as profit. It is for these reasons, Mr. Speaker, that I do not feel that I can support the amendment, and that I can support the motion.

Mr. Thatcher: - Mr. Speaker, would the hon. Member permit a question?

Government Members: - Hear! Hear!

Mr. Speaker: - Order! Order! The hon. Member has the opportunity to ask a question.

Mr. Thatcher: - He said he would permit a question.

Mr. Speaker: - He has not accepted that.

Mr. Thatcher: - He would.

Hon. Mr. Turnbull: - Of course I will answer a question.

Mr. Thatcher: - The Minister said the Canada Packers – He said –

Premier Douglas: - Mr. Speaker, this is not a question, this is a debate, and the hon. Member has plenty of chance to take part in the debate and say anything that he has got to say. He has plenty of chance to take part.

Mr. Speaker: - Alright, Order.

Premier Douglas: - This is not a question, Mr. Speaker, and I object.

Mr. Speaker: - Pardon me, Pardon me. If the hon. Member does have a

point of order, he must state this correctly and come quickly to the point.

Mr. Thatcher: - Alright. Does the hon. Minister know that he has exaggerated the profit picture of Canada Packers by fifty times, according to this statement that I have on my desk.

Mr. Speaker: - Your question has been put.

Hon. Mr. Turnbull: - Mr. Speaker, I don't think I have, but I won't go into it further because I don't want to take time away from my friend, the next speaker.

Hon. Mr. Kuziak (Minister of Natural Resources): - Mr. Speaker, in taking part in this debate, I want to congratulate you on your elevation to your high office. You have already over the past few days displayed your ability in discharging responsibility with dignity and may I say with fairness to all concerned. I want to take this opportunity too, Mr. Speaker, to thank the people of the Canora Constituency for the fine support and the confidence they gave me in the June election last year. I want to say that I was opposed by two very fine opponents, one a very popular doctor but I was able in the June election to come out with a better majority than I did in 1956.

May I take this opportunity, too, Mr. Speaker, of congratulating the Provincial Treasurer. I know that his task has been a little more difficult than the task of the Provincial Treasurer over the past few years. The Canadian economy we know has slowed down. The revenues, I believe, of all Provincial Governments, are levelling off while the costs are still rising. I am sure that every Provincial Government in Canada has this difficulty and I am going to again refer to the cost-price squeeze or similar to the cost-price squeeze which the farmers have been going through over the past twelve years; of the levelling off or falling of revenues and the rising costs.

I want to say, Mr. Provincial Treasurer, that you have brought down a budget that I believe is fair to all people. You have curtailed some of the expenditures in the budget that we believe will least hurt the people of the Province of Saskatchewan, and have further expanded programs where the need is greatest. I believe that the most important resource, Mr. Speaker, of the

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country is its 'people'. I am pleased that this budget has been so tailored, as to provide as adequately as economically possible, to look after the general welfare of the people of Saskatchewan. For example, providing and expanding greater educational opportunities to our young people, and expanding further health and welfare programs to safeguard the health and welfare of our people.

The next most important phase I believe of any budget should be to promote and stimulate economic growth and development within the Province and within the country. And this I want to say, we have been doing in our past number of budgets and are again providing substantially in our ordinary budget and very greatly so in our capital budget. I want to say that I believe that this is one of the reasons why, today in Saskatchewan, our of the total labour force we have more people gainfully employed in Saskatchewan than in any other province of the Dominion of Canada. I have had the opportunity Mr. Speaker, of checking the unemployment figures for January of 1961 and the latest figures show that in Canada there were some 683,000 people unemployed or approximately 10.8% of the labour force of Canada. In the Atlantic provinces we have two Liberal provinces, the provinces of Newfoundland and New Brunswick. There, the figure shows that there are 84,000 unemployed or approximately 14.9% of the labour force. In the Province of Quebec, another Liberal province, there are some 249,000 people or approximately 13.9% of the labour force unemployed, but in Saskatchewan we have 21,000 or approximately 7.1% of the labour force unemployed. Mr. Speaker, when the Opposition talks about the seriousness of the unemployed, and I agree too that it is serious, but why don't they mention that in Saskatchewan it is only half as serious as any other Liberal province in the Dominion of Canada. Therefore, there must be some credit given to the kind of administration realize that had these figures been reversed we would have heard these figures quoted over and over again from the Opposition when they talked about the number of people that are unemployed.

The financial critic, Mr. Speaker, the other day, the hon. Member for Moosomin, was very critical of the increase in the gas tax and he pointed out that the gas tax had gone up from 7 cents in 1944 to 14 cents now, and I agree it had doubled. I do not agree that it is a good thing, but I am going to say this, that we also did not agree back in 1946 when the Liberals lifted price control in Ottawa, and therefore allowed all costs and prices of all commodities to skyrocket, to double and

triple, and through the doubling and tripling of commodities and prices they are increasing all taxes throughout the whole of the Dominion of Canada and not only in Saskatchewan. Yes, I hear them criticizing the increase in gas tax to provide better roads but I have not heard the Opposition criticize their friends – monopolistic capitalism – for increasing the automobile prices from \$1,100 to \$4,000 – not double but three or four times the increase. I do not hear the Members of the Opposition criticizing – again their private enterprise friends – for increasing the farmers' combines from \$2,400 in 1944 to approximately \$7,500 today – a threefold increase, not two. I do not hear them at any time criticize that, for example, the road equipment, the caterpillar tractors that must be bought by the Department or by the municipalities, that some of these caterpillar tractors have gone up from \$5,000 to \$16,000 – threefold increase. No, they wouldn't criticize those boys because they are their friends! It was the Liberal Federal Government who gave them the right to skyrocketing prices, of skyrocketing commodities and therefore increasing all taxes throughout the Province and throughout the Dominion. Mr. Speaker, I would like to point out that British Columbia only a few days ago, increased their gasoline tax not by 2 cents but by 3 cents. The Province of Alberta, a very rich province from petroleum resources, on Friday brought down the budget and they increased their gasoline tax by 2 cents. Now when I look at some of the other provinces I see, for example, Newfoundland, a Liberal Province, charges 19 cents per gallon. In fact, if we are high at 14 cents what about the Liberal Province in Newfoundland.

The hon. Member for Moosomin referred to the Government Members as 'pickpockets' the other day. Yes, plain thieves. I am just wondering, Mr. Speaker, how low some Members can get in their debates. Does this kind of cheap name-calling befit an hon. Member? Is it not actually a reflection upon himself? If we are pickpockets, Mr. Speaker, at 14 cents, then what is Smallwood and the Liberal Government of Newfoundland at 19 cents?

I was surprised too, Mr. Speaker, that the hon. Member for Moosomin in order to arrive at a figure the other day which would be to his advantage, gave some population figures for the first time in this House, and he gave it as 836,000 people prior to 1944 and 912,000 now, an increase. For the first time the Opposition has admitted that during the C.C.F. period the population of Saskatchewan has increased.

Yes, now I want to go on to the hon. Member for Pelly because followed immediately after an again

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he tried to build up a story that the population was dropping down – contradicting his own financial critic! In fact, I'm going to tell you, Mr. Speaker, no wonder they believe that the duty of the Opposition is to oppose everything and propose nothing. They believe – use any means unto an end – use any means to oppose even if you have to contradict your own colleague and at times make yourself completely ridiculous.

The hon. Member for Pelly was very critical and opposed the borrowing of large sums of money for the expansion of power, gas, telephone, therefore, it would seem to me that the hon. Member must be against the expansion of power to the farmer, to his own people in the Pelly Constituency. He must be opposed to providing an integrated power system, providing sufficient energy which is the basic requirement for any individual development with any country and with this Province. They must therefore be against cheap fuel in the form of gas to the people of our towns and cities. In fact, I am going to tell you Mr. Speaker, I had the opportunity of sitting on the same platform with the hon. member for Pelly only a year ago, opening up or cutting in the gas in the towns of Canora and Kamsack. Yes, and I heard him speak to the people. In fact, I did nudge the chairman and said “My, I wish I could have a tape recorder right now”, because he was complimenting the progressive people of each town, complimenting them on their new composite schools, new automatic dial telephone exchanges, black top highways into each town, sewer and water installations and now the provision of this cheap and clean fuel, the gas utility. But in his speech in this House, he is going to oppose the providing of funds to bring that cheap natural gas to other cities or I mean, other towns and villages within the Province. Well, if he does not do it then he believes that these utilities should be provided for by monopolistic capitalists – their friends. He knows, that if monopolistic capitalism was to provide power, gas or telephone, that they would one bring it in to areas where it is profitable.

I cannot forget when I was Minister of Telephones, and checked the history of Saskatchewan Government Telephones, I found that in 1909 a Liberal Administration, which I believe was far more progressive than these boys are, and far more progressive than their Leader, found out, that the private companies, who owned a small telephone system in the City of Regina and one in Saskatoon, that they could not get them to expand anywhere else. They said it is impossible, it is unprofitable, we cannot go out of the city.

The Liberal Government of that day had to socialize

them and take them over and expand telephones. I want to congratulate the Liberal Party of that particular day, but the Liberal Party of today has fallen under the complete domination of their capitalist friends.

Government Members: - Hear! Hear!

Hon. Mr. Kuziak: - Then he went on and talked about fees and cost of power. I would like to read for the submission of the Province of Saskatchewan, presented to the special Committee in the House of Commons on Re-construction and Re-establishment, on April 19, 1944. This report was given by Mr. Patterson, who used to be Premier at that time, and here is what he had to say about rural electrification in the Province of Saskatchewan. He stated:

“With the rural population being so widely scattered, it is estimated, that it would cost approximately a thousand dollars per customer, to provide electrical service to the far. This could only be done by the use of no-interest money for construction and distribution and with the subsidy for the operation.”

Now, Mr. Speaker, the Premier of that day, in 1944, stated that if he would bring rural power to the farmers of Saskatchewan, it would cost a thousand dollars to the average farmer. If it would cost a thousand dollars in 1944, when things were cheap, no doubt today it would cost \$2,000 per far, but Mr. Speaker, we are only charging the farmers approximately \$500 to bring power to the farmers and the balance is paid by the Power Corporation.

The hon. Member for Pelly as well as their financial critic, made this statement – “That this Government has mortgaged our Province and the future citizens to expand power, gas, and telephones to the interest coupon clippers of Canada and the United States.”

I am going to say that to some extent this is true, but let us intelligently look at what alternatives we have and I believe we have three alternatives.

First: Not to borrow money and not to build or expand power, gas and telephones. The second one is the one we chose. Borrow money over a period of years, build and expand, provide employment, provide the basic requirements for industrial expansion and in general develop the province; pay the lowest possible interest with the backing of the province; set up

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sinking fund to pay off the loans over a period of 30 years and at the end of 30 years, Mr. Speaker, the people of Saskatchewan will own and control the assets and the resources that develop or provide power or gas.

The third alternative, I believe is that of the Liberal principle – return everything to monopolistic capitalism. . .

Mr. Thatcher: - Mr. Speaker, we never suggested that.

Mr. Speaker: - Order! Order!

Hon. Mr. Kuziak: - The other day in the debate he made this suggestion, Mr. Speaker, he will have an opportunity to speak, just keep your pants on.

Mr. Speaker: - Order! Order!

Hon. Mr. Kuziak: - Mr. Speaker, what does capitalism do?

Mr. Thatcher: - Will you ask. . .

Mr. Speaker: - Order! Order!

Hon. Mr. Kuziak: - People will borrow money the same way as the Government has borrowed the money. People will pay a higher rate of interest to the coupon clipper – these coupon clippers that these capitalists will borrow from, they will want more than the interest. Some of these coupon clippers want dividends. They will only build and expand in the areas where it is profitable. They will always point out it is unprofitable to expand into sparsely settled areas and those bondholders too would be across the line.

But what would we have done? We would have turned over to the American bondholder, not only the interest over a period of 30 years, but we would have turned over lock, stock and barrel, the whole Power Corporation and all its assets, the resources that develop power or provide gas – we would not be paying the investment holders only the interest rates over a period of 30 years, but they would be clipping dividends for all times and owning and controlling the very life and destiny of our people.

Mr. Thatcher: - Will the hon. Member permit a question?

Hon. Mr. Kuziak: - Just sit down, I told you that before.

Mr. Thatcher: - I don't believe that. . .

Hon. Mr. Kuziak: - Take your seat!

Mr. Speaker: - Order! Order!

Premier Douglas: - . . . don't worry!

Mr. Speaker: - Order! Order!

Hon. Mr. Kuziak: - Mr. Speaker, the same thing applies to the proposed power building in the City of Regina. They are opposing it, but may I say at the present time that the Power Corporation is renting some twelve different places and paying rent and therefore, due to the fact that their employees are scattered over twelve different centres, there must be some inefficiency that is being created by the dislocation of staff.

Mr. Speaker: - Order! Order!

Hon. Mr. Kuziak: - We are prepared to borrow money to build a building in the City of Regina, to provide more employment, because there is a certain amount of unemployment. I believe that by paying the rents that they are paying today to mortgage companies scattered all over the city, that if we pay the same rental towards this building, they would pay it off over a period of twenty-six or thirty years, and therefore, the people of Saskatchewan would not only control these public utilities, but also would be masters of their own destinies.

Now, I want to go on to the example, that the hon. Member for Pelly gave, by quoting a particular farmer in Saskatchewan who used 400 KW hours and who paid \$12.92 a month for power; that in Manitoba the rates are cheaper, and I know that they are cheaper.

Mr. Thatcher: - Let's go to Moose Haw, it is very nice. . .

Hon. Mr. Kuziak: - He has given these figures year after year in this House. But why doesn't he tell this House and tell the people of Saskatchewan, that prior to 1944 and before the Saskatchewan Power Commission took over the utilities in the Province that rates were many times higher. I can

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give my example of Canora. In Canora, prior to the Saskatchewan Power Commission taking over the utilities there, we were paying 18 cents per KW hour and there was one farmer tied into the power and if he used 400 KW hours he would have paid \$72.00 a month at 18 cents a KW hour straight. Why don't they tell this to the people? Here is another one Prior to 1944, the Saskatchewan Power Commission even under the Liberal Government, took over the utility in Canora. The moment they took over, and it is true, the rates dropped. They dropped from the 18 cents that I quoted a while ago to 15 cents maximum and 4 cents minimum. But why don't they admit that ever since the Liberals operated the Saskatchewan Power Commission all costs have risen, but we have reduced the rates from a maximum of 15 cents to 8 cents and a minimum of 4 cents to 1 ½ cents.

Mr. Thatcher: - You are still way higher than. . .

Hon. Mr. Kuziak: - So why doesn't the hon. Member from Pelly say that if this farmer had the power under the Liberals in 1944 he would have paid twice as much as he is paying today under the C.C.F.

So I say, that if they criticize that the power rates are high today, they are only half as high as they were under the Liberal Administration in 1944. . .

Mr. Thatcher: - Smile, when you say that.

Hon. Mr. Kuziak: - Yes. . .

Mr. Thatcher: - It took the hon. Minister quite a while.

Hon. Mr. Kuziak: - The hon. Member for Pelly said that the gas rates were high, but he is not prepared to compare the gas rates of Saskatchewan with those of Manitoba. No, he jumps over into another direction. He knows full well that the Power rates in Manitoba are cheap. Why? Because the Manitoba Government in the early 1920's was developing hydro-power in Manitoba, while our Saskatchewan Liberal Government was sleeping here. Manitoba developed these utilities when the costs were low. Today there they are able to provide cheaper service in Manitoba than we can in Saskatchewan, because we have to provide these power utilities when the casts are high. It could have been done, but you boys didn't do it.

Mr. Thatcher: - Smile, I like it!

Hon. Mr. Kuziak: - Now, going on with gas – natural gas in comparison with Manitoba. For example the gas rate in the City of Regina for 1,000 cubic feet, domestic rate 73 cents; in Winnipeg it is 90 cents. Why? They were very fortunate. . .

Mr. Thatcher: - Would you consider. . .

Hon. Mr. Kuziak: - . . .that the Saskatchewan Power Corporation commenced the transmission of gas in Saskatchewan. I remember when the pipeline went in to Manitoba and when the private corporation there set the rate, it was over \$1.00 and the Mayor of the City of Winnipeg then called for a Royal Commission to investigate the high cost of power in Winnipeg, when it was so low in Regina. Then, when the monopolistic capitalists feared the Royal Commission, they dropped down to the 90 cents.

Mr. Thatcher: - I don't suppose the Minister would permit a question.

Hon. Mr. Kuziak: - Sit down! You will have all the time to. . .

Mr. Thatcher: - I don't blame you, I don't blame you, it is pretty weak.

Mr. Speaker: - Order! Order!

Hon. Mr. Kuziak: - Now, the hon. Member for Pelly finally ended off with saying well, there is no hope for cost going down. I am going to say, Mr. Speaker, he should know the capitalistic policies better than I – he knows that the Liberals lifted price controls in 1946 and that the cost has been going up and up and up, and even with the change of Government and the re-election of a new private enterprise party, they are not going to tackle the big boys either, therefore it looks as if things are going to keep on skyrocketing, due to the policies of the Liberal and Conservative Governments.

I am going to go on to the next speaker in the budget debate, the hon. Member for Notukeu-Willowbunch and here, Mr. Speaker, I just had to laugh. He made this statement, and I quote him:

“Provincial revenues in the 15 years prior to the C.C.F. taking office, amounted to \$19 million, compared with the average revenues for the 15 years after C.C.F.

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taking office of \$88,400,00. This was 4 ½ times what the Liberals had.”

This is true. Then he stated:

“Can any municipality say that they received 4 ½ times now the grants over that of 1944?”

Well, I am going to give him a few facts. I am going to tell him, Mr. Speaker, here, that the big trouble with these newly-elected Members is that they have been brainwashed by their old colleagues.

Government Members: - Hear! Hear! What brains?

Mr. Speaker: - Order! Order!

Hon. Mr. Kuziak: - They listen, Mr. Speaker, to such nonsense from their older Members that they actually get convinced, that maybe the Liberals really did something for the municipalities in the time they were in power. But I would advise the young Members not to pay any attention to their older colleagues but to do a little homework, do a little research. Check the figures and then speak, or you make a fool of yourself.

Mr. Thatcher: - . . .you were doing it.

Mr. Speaker: - Order! Order!

Hon. Mr. Kuziak: - So, Mr. Speaker, I want to give the figures now as to the amounts the municipalities of Notukeu-Willowbunch received. These are municipalities wholly or partially within the Notukeu-Willowbunch Constituency. I take a 5-year average to see whether we do give more than 4 ½ times. I want to be fair. . . Yes, I do. He was right, when the hon. member for Notukeu-Willowbunch stated, that the average of the revenues under their administration compared to ours, our revenue was 4 ½ times greater. Therefore, he though when the Liberals gave a dollar we should now give 4 ½ dollars, that would be very fair, but he doubted whether we did it. Well, figures show that the Liberal Administration prior to 1944 paid out to all the municipalities of the Notukeu-Willowbunch over 5 years, the total sum of \$10,821.89. Put that down. In the last 5 years of the C.C.F. Administration, we gave the municipalities of Notukeu-Willowbunch \$552,974.20 – 4 ½ times, Mr. Speaker, no, over 50 times, what the Liberals gave!

Government Members: - Hear! Hear!

Hon. Mr. Kuziak: - Therefore, I would advise the Opposition Members, particularly the young ones – be careful what you say, because we could make you look ridiculous.

Now we go on to the bridges and here is the statement he made on bridges. “Why”, he said, “under the Liberal Administration we paid for all the bridges. You people only pay a certain percentage.” So I went ahead in checking of Notukeu-Willowbunch Constituency, and I found out that under the Liberal Administration over a period of 5 years, they paid to the municipalities for the total reconstruction of the bridge, \$26,634.00. You know we came in after 1944 and we agreed that we would only pay the partial reconstruction of the bridges and in the next 5 years under the C.C.F. Administration and under partial reconstruction, we paid the municipalities of Notukeu-Willowbunch \$108,611.00, or four times as much. We didn’t do too badly on bridges. The only thing you have got to laugh at, is that they were rebuilding all the bridges at provincial cost.

I’ll never forget when I was Secretary-Treasurer of the Rural Municipality of Keys at Canora. We had a bridge requiring reconstruction. We had delegations go down over 10 or 15 years. The Deputy Minister or the Minister would show us a map of Saskatchewan. That map was solidly pinned down with red pins and he said “Now look, Mr. Kuziak, it is just impossible. All these pins represent the bridges that should be reconstructed. We just can’t do that.”

Mr. Speaker, they took the responsibility of building the bridges, but they did not provide funds to fulfil this responsibility.

Again, if we take a look at aid to schools – we are today contributing 10 or 11 times as much in School Grants in Notukeu-Willowbunch and not 4 ½ times.

Then he went on and complained about no gas in his Constituency, but as he was sitting down he said: “I am going to vote for the amendment to see that no gas does come to any Constituency!”

Government Members: - Hear! Hear!

Hon. Mr. Kuziak: - I want to say something here about gas – that there was natural gas in the Province of Saskatchewan long before the C.C.F. took power.

Liberal Member: - You were here.

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Hon. Mr. Kuziak: - Yes, and long before the Liberals. In fact, if you read some of the stories about the Indians of western Canada, even the Indians used the burning air that they located in western Canada, but did the Liberals do it? No! No! They wouldn't touch it. They sat on it!

Government Members: - Hear! Hear!

Premier Douglas: - . . .in their stomach.

Hon. Mr. Kuziak: - Although the hon. Member for Notukeu-Willowbunch complained that he did not get natural gas in his Constituency, I would like to point out that Pelly has it, the Constituency of Yorkton has it, Melville, Qu'Appelle-Wolseley, Moosomin, Souris-Estevan, Maple creek, even the Leader of the Opposition's seat is served with gas. I am wondering why they are pressing for an amendment not to allow further funds to provide gas for the other parts of the Province.

Mr. Thatcher: - We are suggesting. . .

Mr. Speaker: - Order! Order! The hon. Member will have an opportunity to make his remarks later on, when he has the floor.

An Hon. Member: - It is about time you realized that.

Hon. Mr. Kuziak: - Last Saturday I had a visit from one of the businessmen from Kamsack. We chatted and he referred to the speech of the hon. Member for Pelly about natural gas and he said: "Well, Mr. Barrie is complaining about loans. Do you know, Mr. Kuziak, that last winter, after we got gas in, that in my business establishment I used to pay \$140 a monthly for fuel. With the natural gas coming in, it only costs me \$70.00." He said, "I know that this \$70.00 includes the maintenance of the pipeline, the paying off on the pipelines and the natural gas utility over a period of 30 years and also the interest charges on the debt." But he said "I am only paying half the cost of what it used to cost me in the past."

Now, Mr. Speaker, before I go on to my Departmental programs, I want to sum up what an hon. Member must stand for if he votes for the amendment and refuses to provide capital money for the Power Corporation program, for the telephone program and the Industrial Development Office. I believe if any Member votes for the amendment,

which is refusing the granting of capital monies for these Corporations, then he must stand for:

1. The immediate curtailment of the South Saskatchewan River Dam development;
2. He is going to vote for the immediate curtailment and stoppage of the Squaw Rapids hydro power development; and
3. He is going to vote for the curtailment and the stoppage of the construction of the head office for the Power Corporation;

Mr. Thatcher: - Hear! Hear!

Hon. Mr. Kuziak: -

4. He is going to vote for the curtailment of further rural electrification in the Province;
5. He is going to vote for the curtailment and stoppage of gas going to other towns of the Province of Saskatchewan
6. He is going to vote for the curtailment of the Industrial Development Office in Saskatchewan, by refusing industrial development loans and refusing to provide the basic needs for industrial development by providing more power and more gas for the development of industry. In fact, they want, Mr. Speaker, stagnation in the Province.

Mr. Thatcher: - We have got it.

Hon. Mr. Kuziak: -

7. They are going to vote for the curtailment of telephone expansions; and
8. They are going to vote for creating more unemployment by curtailing these projects.

In fact, they are asking for more unemployment, more people walking the streets of Regina or Saskatoon and of Canada. I suppose they want that so that they could complain and criticize the Government more effectively.

Now, Mr. Speaker, I want to take the opportunity of reviewing some of the important programs of my Department, as well as making some references to the

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Crown Corporations under my control.

My Department, Mr. Speaker, is responsible for the management or the wise use of the renewable resources of this Province, such as forest, wildlife and fur, fish, recreational land use and tourism.

Under Forest, I would like to report to the House that in 1960-61 4,000 square miles of forest were re-photographed to bring up to date our inventories for forest resources in the Province. The new forest nursery is under construction and will be completed in this coming year. The new forest nursery is going to provide far more stock than can the present nursery for the purpose of more reforestation in the north and aforesation in the south, mainly in the recreational areas of the southern part of Saskatchewan.

I would like to point out that under forestry last year we took out approximately 22 million of spruce saw timber, removed them from the Squaw Rapid Dam Reservoir, to clean the reservoir out before the water comes in. I want to say that in this area we gave free permits to any interested party to take out saw timber and approximately 8 million board feet were taken out. I want to say again as I have stated before that in 1949-60 we have upped the production of saw timber in order to create more work for the people of the Province, due to the crops of the farmers in the fringe area being under the snow. We have during this year again continued saw timber production at a high level in order to give more employment to our people of Saskatchewan, and I believe, Mr. Speaker, that it is programs like these that have held down the percentage of unemployed as low in Saskatchewan as it has been, the lowest in Canada.

I would like here too, to reply to some of the irresponsible statements used by the Opposition: For example, one of the statements that I know they have used out on the hustings is that we are only producing 10% of the potential timber production. I want to point out Mr. Speaker, that in 1959-60 we produced almost 67,000,000 board feet of spruce lumber. If we are only producing 10%, then the experts to the left of you, Mr. Speaker, say that we should be producing 670,000,000 board feet a year. But that isn't all! My hon. friend from Pelly, on the fringe area, says, "Why if we ever take over power in Saskatchewan, we will allow permits to the farmers like we used to in the olden days." Well, if they do, they will need approximately 10,000 board feet for each farmer; certainly no farmer is going to go into the bush for less than that; and if 5%

of the some 100,000 farmers take advantage in picking up a permit, we would have to produce a further 50,000,000 board feet; 50,000,000 and 670,000,000 makes 720,000,000 board feet. Now, here I'd like to read again from the report that has given by the Liberal Premier back in 1944, and I am going to tell you he knew a little more about the potential forest resources than my friends know at the present time; and here is what he had to report back in 1944. In 1944 he made this statement to the committee in the House of Commons in Ottawa and I quote:

“Depletion of the Saskatchewan Forest Resources have been rapid, particularly in the last 10 years and it is now estimated that almost 25% of the accessible forest area has been lopped off or burned over in the past year. On these areas the residual stand and reproduction of valuable tree species is insufficient to provide a future stand of merchantable timber within a reasonable time. If our present rate of consumption continues our virgin and mature stand of white spruce suitable for saw timber will be exhausted in 10 years.”

Mr. Speaker, they were producing then at the rate of 125,000 board feet a year. Their one time Minister of Natural Resources, at that time Premier, stated that if they cut ten times that, the resources would be depleted. The hon. Member for Pelly and some of the Opposition say increase your cut from 10% to 100% and cut almost as much in one year as would deplete the complete timber resources of Saskatchewan. This, Mr. Speaker, I say, when the Opposition makes such speeches on the hustings, I say they are completely ignorant of the potential forest resources, or they are deliberately misleading the public for cheap political advantage.

Continuing on, Mr. Speaker, with forest programs – during 1960-61, tree planting programs were carried out by our Big River Nursery. During the year, we transplanted some 400,000 trees; approximately 300,000 of these were transplanted into the forest areas of the north, and approximately 100,000 into the southern Provincial Parks. Some were supplied for farm woodlot and some for Christmas tree planting on the fringe area.

I want to report too, Mr. Speaker, that we, pretty well in common with the other areas of Canada, experienced a fairly severe forest fire season in 1960. We has some 236 fires, most of those in the remote areas of the Province. I want to say that we were very fortunate

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when two years ago we went into the program of engaging a helicopter, or leasing a helicopter to be use particularly during the high hazard season. With the helicopter and the new water bombing program that we have had over the past few years, the smokejumpers and with the natives too, that we have trained over the past nine years, natives throughout the north in firefighting, I want to say that we kept our fires down to a minimum and our damage to one of the smallest in the Dominion of Canada. I want to give credit here to my employees and the staff, and particularly the natives of northern Saskatchewan for the co-operation that they gave us on these fires. During 1961-62, or in this coming year, very similar programs will be carried out. We are expecting to carry out again reforestation in the north and afforestation in some of the areas of southern Saskatchewan. We are going to commence for the first time this year, picnic and the camping sites of the southern part of Saskatchewan. In the Squaw Rapids area, again we are going to keep timber production up to the maximum and will allow free permits to the people of the area, to clear-cut the area.

Now in the Wildlife and Fur Management branch I want to report to the House, Mr. Speaker, that we have had a very successful water fowl and big game season in the Province. I want to say that the interest and demand on our wildlife resources for recreational purposes by the citizens of Saskatchewan is still increasing. I want to point out too, that revenues from game showed a very considerable increase over that of 1959-60. In connection with the Wildlife Insurance scheme I want to report that 264 farmers participated in this scheme. We paid out in 1959-60 some \$135,000 in claims to the farmers of the Province.

I would like to report too, that even during this year, we have had a considerable amount of damage, particularly by game birds. The greatest damage to crops in the southern part of Saskatchewan, was done along the Long Lade, where Sandhill Cranes are doing considerable depredation of the crops. Sandhill Cranes, may I report, Mr. Speaker, are protected under the terms of the Migratory Birds Convention Act, which is an International Treaty between our Dominion Government and the United States of America. They have insisted since 1917 in completely and totally protecting the Sandhill Cranes. They give us the reason, and I believe they have a good reason too, that particularly, the rare Whooping Crane follows the same migration route through Saskatchewan on to the south and therefore, there is danger in killing some of these birds. But I want to say that I have sent some of my people to the Wildlife Conferences at both Ottawa and even in Washington, to impress upon the officials in Canada and

and in Washington the depredation damage that these birds have created and we have been successful in having the Canadian and American Governments agree to open the season in Texas and Mexico, where the Sandhill Cranes feed, and where the Whooping Crane is not present in that particular area. I want to say that my Wildlife Branch also has been very active in planning and pressing for the re-establishment of an International Waterfowl Commission. The function of such an organization, Mr. Speaker, would be to channel funds across the international boundary to areas where we feed the birds and they have the opportunity of shooting them when the birds are migrating down to the south. I believe that the time is coming when there will be a contribution made to providing game bird habitat in areas where they feed and therefore giving some protection to the farmer who has heavy losses when these birds come in.

I want to report too, that last year under the compensation for livestock, we paid out some \$5,556 for livestock shot by hunters during the hunting season, to the farmers of the Province, and I see that this year, the estimate is going to run a little higher, somewhere in the vicinity of eight and one-half thousand dollars.

I want to say something about the fur program in the north. Fur production in northern Saskatchewan, Mr. Speaker, reached an all-time high during 1956. I want to say that through good management, good field organization and close co-operation with the trappers, those in the northern conservation crop areas alone, and in the northern areas received last year \$1,300,000 for their wild fur pelts. I want to say that our staff has been working with the trappers, for example, in the Cumberland House area, where they have organized the trappers, these trappers are now taking over the Hudson Bay lease, to some extent subsidized by the Government, paying for all the buildings and assts that the Hudson Bay Company had upon that land, and from now on, they are going to operate the whole lease themselves. I want to say that this again is another encouragement in making a livelihood for themselves.

Under Fisheries, I want to say that the research divisions of the Fisheries Branch again has been assessing lakes and so on, particularly assessing quantity and quality of the fish in many of the lakes in Saskatchewan. This must be done in order to set lake limits on the commercial lakes and then again, investigating southern lakes for stocking of fish fry and fingerling.

If anyone takes the opportunity of looking over the Annual Report, the production and the market value

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of our commercial fisheries, you will find our production as well as market value has been increasing very steadily, slowly upwards, instead of the ups and downs that I know have been experienced in some of the other provinces of Canada. We have stood very closely by the sustained yield and therefore have brought about stability in the commercial fisheries. I want to say that the hatchery at Fort Qu'Appelle was operated to full capacity the last year. Many more streams of southern Saskatchewan were stocked with fry and fingerlings, bringing more lakes in southern Saskatchewan, where the people have experienced, may I say, excellent angling. In the 1961 season, we are expecting to stock approximately 50 million pickerel, in 50 different waters of Saskatchewan. We are going to stock 3,000,000 jackfish in 12 water areas of Saskatchewan; some half million lake trout in White Swan Lake; 100,000 brook trout in the springs of the Hudson Bay region; 750,000 rainbow trout in the springs and the reservoirs of southern Saskatchewan, and we are going to bring a new species of fish called the Kokanee. It is a land rock salmon species, and 200,000 of these will be stocked into Madge Lake in the Pelly Constituency.

Now I want to report on the parks and recreational program or the Outdoor Recreational Development program. I would like to report, Mr. Speaker, that the projects I announced in the 1960 budget debate are mostly completed and the balance of them will be completed by the end of the fiscal year. The major parks that we carried development out in the past year were Pike Lake, Madge Lake, Kenosee Lake, Jackfish Lake, Rowan's Ravine, and the Cypress Hills Provincial Parks.

The following are some of the capital development projects that will be carried out in this coming year: For example, we are going to have \$240,000 for the acquisition of recreational lands in the Province. In other words purchase of more recreational areas to add to the established provincial parks, and may I say that of this \$240,000, \$100,000 of it will be spent on the acquisition of recreational land around the South Saskatchewan Dam and Development Area. Some of this money will be spent on acquiring campsites and picnic sites along the Trans-Canada Highway, under the Federal-Provincial recreational campsite scheme along the No. 1 highway. Further roadside picnic site areas will be purchased on some of the other highways of the Province.

Now, recreational construction, I have broken this up into regions: For example, in the Prince Albert region, we intend in the coming year, to build another camp and trailer site at Murray Point, in the Emma Lake-Christopher chain of lakes. This will provide for approximately 12

trailers and some 24 campsites. We are sure that upon completion of the pumping system in the Emma-Christopher Lake area, that there will be greater pressure upon that recreational area in the coming year. We are also going to provide a public camp site on Christopher Lake. In the Hudson Bay area, in the Greenwater Provincial Park, we are going to provide a public toilet, a new flush toilet, in the congested area of the park development, and we are going to build a dam to keep up the water level of Greenwater lake. In the Meadow Lake area, we are planning to build two bath houses and the one for Howe's Lake Provincial Park. In addition further improvements in the Meadow Lake Provincial Park will be made to docks, to picnic sites, and providing facilities such as camp kitchens, tables and so on.

In the southern region, Moose Mountain Provincial Park, last year we provided the main access road into the area and may I here point out the importance of Moose Mountain Provincial Park. I am sure that this will be a surprise to some of the Members in the Legislature. We had a traffic count in most of the provincial parks last year and we had one on the entrance to Waskesiu, and may I report that at Kenosee last year, in the 2-month period during the summer, we had some 69,500 automobiles come into the Park. Now, how does that compare with Waskesiu, supposed to be our greatest National Park, the Prince Albert National Park? In the Prince Albert National Park last year we found out that there were only 43,000 automobiles; in other words, the provincial parks in the southeast area of the Province draw considerably more people and more automobiles than does the National Park in the North. In 1961 a new parking lot will be created to accommodate some 400 automobiles. I am sure that this will considerably relieve the confusion and congestion, particularly in the heavy utilized beach area of that Park. In addition, the main resort area is going to be levelled; there is going to be some top soil brought in, and the whole area re-grassed to provide better facilities for the picnickers.

Adjacent to the main beach, the cottagers of Sandy Bay division were in not too long ago to see the Premier and myself and they had at that time pretty well consented to remove some of the boathouses, particularly on the beach area. We intend in the next year to remove these, improve the beach area and actually expand the beach area to practically double its present capacity. At the same time, we have provided funds for the fencing off of the cottage area in order to keep people off the

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cottage lots and therefore co-operates to some extent with the cottage owners of that area.

Further west, in Moose Mountain Provincial Park on Arcola Bay, the camping and picnic site recently established will be further elaborated, in order to relieve the pressure of the main area. Toilets, water facilities will be provided and further brush cutting and clearing of the area. At this point too, we intend to establish a boat marina or a dock or a pier to tie the boats to, and particularly try and keep the boats off the main resort area, where so many people go in bathing.

In connection with the water supply we will be building a 50,000 gallon reservoir to be constructed in and the coming year, pumping equipment will be purchased and underground lines to provide water to service the public facility area of the park.

In Duck Mountain or at Madge Lake Provincial Park, in the Ministik subdivision, a new parking area will be further elaborated. In fact, we started that last year and will be competed to accommodate approximately 500 automobiles. We will also be installing 4 wells, one in the Kamsack subdivision, the Jubilee subdivision, Pickerel Point campgrounds, and one adjacent to the Kamsack subdivision. Improvements to the lagoon at Ministik subdivision will be continued to grade off the slope, provide gravel on some of the access roads coming in. This lagoon is for the purpose of boat launching and mooring of boats. We have last year come up with a mooring program of taking off as many of the dilapidated boathouses from the shores in the provincial parks as it is possible to get out, and therefore provide other alternatives for the mooring of boats. Improvements to tent and trailer sites will be continued at Pickerel Point; tables, fireplaces, and so on, will be provided generally throughout the parks.

Going on to Good Spirit Provincial Park, we intend there to build a pier to accommodate some 40 to 50 boats and again, some provision for a better water supply than they have at the present time.

In Cypress Hills we intend to improve generally the grounds around the Chalet, including grassing and levelling; continuing of a water survey for the park area. May I say that we have had extreme difficulty in locating a suitable water supply in the Cypress Hills area.

In the new Echo-Pasqua Provincial Park in the

Qu'Appelle Valley, we are going to improve a beach area of approximately 5,000 feet in length; we will be cleaning up the beach area and providing a veneer of sand wherever it is required; and then again elaborate further the picnic grounds, including brushing, providing of tables, fireplaces, and so on.

Engineering studies for a water distribution system will be carried out this year and I want to say that we have been very fortunate in this area; last year, we provided a well that was producing at the rate of 600 gallons per minutes, therefore, the water problem is pretty well solved in this particular area. Boat launching sites will be installed and again a parking area for approximately 50 boat trailers will be provided in this Provincial Park. Two more campgrounds will be provided to accommodate approximately another 50 tent areas. Some 20 acres of this new Provincial Park between the two lakes will be levelled off, topsoil brought in, grass and planting of trees and shrubs. A parking lot area to provide approximately 1,000 cars will be constructed during the coming year.

Going on to Pike Lake, further installations that will go in are the elaboration of a parking lot designed to accommodate some 650 automobiles; modernization of two more toilets on the campground area. The ground improvement around the main core area, will include levelling, topsoiling, grassing and the installation of a sprinkler system, in order to water the new grass that will be sown during the year. There is also a small provision of a road for the Lakeview subdivision in the Pike Lake area.

In the Battleford area, we intend to install two new public comfort stations; the installation of a fenced area to accommodate approximately 24 tent areas; the elaboration and improvement of the present picnic grounds; to do more brushing and clearing, and the installation of more tables and fireplaces; the provision of a water supply for the Battleford Provincial Park, and the construction of a small storage building and park office.

On the South Saskatchewan River Dam site, we will further elaborate the picnic grounds that we have already provided on the east side of the dam site, and then again on the west side, we will be commencing the construction a new picnic area to provide camp kitchens, fireplaces, toilets, and so on.

In the Katepwa Lake area for the Provincial Park, the completion of the flush toilet facilities, the

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installation of a boat launching path, and the completion of a 165-car parking lot area.

In the Valley Centre we intend to tear down the old clubhouse and rebuild a new one. We also intend to elaborate on the Trans-Canada site. We intend in the coming year to build up one of the sites near McLean, including a toilet and shower building, a water system, accommodations for approximately seventeen tents and a dozen trailers, bring in power, build a small administration building, and provide other facilities such as fireplaces, campground area. These are the Trans-Canada sites we are building in co-operation with the Federal Government. The second one will be started at Mortlach, and very similar provisions will be carried out. In our third area, the Moosomin site, which is going to be built approximately one mile north of No. 1 Highway on No. 8 Highway, and the preparation of a plan will go forward this year. Further roadside sites will be provided for in the other parts of the Province.

In connection with Historical Sites, we have the master plan now completed for the historic site in Touchwood. The installation of the marker will be completed this year, and since this site is near a highway, we intend to also make it a picnic and camping ground, and we will be installing a well and toilet facilities and tables and so on. We intend during this coming year to provide a marker at Fort Carleton Historic site. We are again in this budget providing \$40,000 to provide a program in the form of grants, under the Recreational Parks Act.

I want to say a word or two on the roads of the Province, on the roads that we are going to construct in 1961-62. We have in the budget approximately \$1 million, under the main northern Road Resource program that we have an agreement with the Dominion Government, and in which we participate fifty-fifty. I believe that the Otosquen Road, from Hudson Bay to The Pas, will be completed in 1961. The Hanson Lake road from Smeaton north which follows through the Nipawin Provincial Park and Deschambault Bay and on to Flin Flon. We have built approximately 160 miles from the west side, and have gravelled 117 miles of that road. From the east end we are also building from Creighton, Saskatchewan – we have built approximately 35 miles. This stretch will have to be clayed and gravelled. In between the two projects there are still some 35 miles of complete building. I believe that this project will be completed finally sometime in 1962.

I am very pleased to report that this year we have had the Federal Government come in with us on the Forest Access Road Program, building short forest roads in the northern areas of the Province, and this program is taking up some \$418,000 of the Department of Natural Resources' budget. The roads that will be improved under this budget are going to be the Dore Lake road, some 20 miles; the Candle Lade road some 14 miles; the Canoe Lake road some 48 miles. In addition too, we are going to continue the building of some of the new forest roads in northern Saskatchewan – a road around the easterly side of Christopher Lake some 8 miles will be built in this coming year. We are going to extend further to the main road in the Meadow Lake Provincial Park, which will go westward another 10 miles, plus the construction of a new bridge across the Waterhen River, just west of Lac des Isles. Another new road that we intend to build this year is the Hans Lake road, which is going to come off the Hanson Lake road, and we will tap the Deschambault – Pelican Narrows area, and we will give direct access to the Churchill River system in the northern part of Saskatchewan on the eastern side. We are going to continue the building northward of the La Loche road from Buffalo Narrows, and we will be constructing a new bridge across the Cowan River at the south end of the Buffalo Narrows road. In addition, some work will be done in providing access to the newly created subdivisions at Kimbel Lake which is in the Meadow Lake Provincial Park. In the Parr Hill Lake area, which is in the Porcupine Provincial Forest in the Hudson Bay area, street improvement will be made at Ile a la Crosse. In the Jumbo Lake subdivision near Loon Lake, access and other small roads will be carried out and improved on in the Moose Mountain Provincial Park, the Duck Mountain Provincial Park, the Battlefords Provincial Park and the proposed new location of the Echo-Pasqua in the Valley.

With that, Mr. Speaker, I am sure you realize I am going to support the motion and vote against the amendment.

Mr. David Boldt (Rosthern): - Mr. Speaker, there has been reference made in this House, on numerous occasions in regard to the unemployment in Saskatchewan. The speaker who has just sat down, I believe made a statement when he said that there were 21,000 unemployed in Saskatchewan. We have been informed on previous occasions that the number of unemployed is 28,000.

Premier Douglas: - At what date?

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Mr. Boldt: - On February 9th. Now, let's look at the increase in population of these three prairie provinces, which have often been referred to. I have figures from the D.B.S. Weekly Bulletin, of February 17th, 1961, that the increase in population in Manitoba as of January 1st, 1960, to January 1st, 1961, was 14,000. In Alberta for the same period has 41,000, and for Saskatchewan only a 6,000 increase. This, I believe, is a truer picture of the assessment of unemployed. Our unemployed have moved out of the province. Alberta's unemployed is about as large as the increase in population for the year 1960, but in Saskatchewan our unemployment is five times the amount of the increase in population, and this is nothing I believe for this socialist Government to be proud of. The result of this increase that we have, as it would appear to me is that this province is fast becoming a state for the old aged and the retired, and what is remaining in the province would be the farmers, the social aid patients, and if the babies had feet to walk they'd leave this province too.

Premier Douglas: - There's nothing keeping you here.

Mr. Boldt: - For the Premier's information I'm a farmer. Now, Mr. Speaker, reference has been made on numerous occasions, come to an agreement as to who they consider is the best government federally. We remember that during the signing of the South Saskatchewan River Dam Agreement, mention was made that had there been a Liberal Government in Ottawa, the terms with the present Government re the dam would have been more favourable to us than under the Conservative Government. The other day, it was mentioned in the House here that they thought that the Conservatives would have been a better Government than the Liberals and perhaps the increases in taxation wouldn't have been as high as the Finance Minister of Natural Resources, who has just left the House. Now he has a different appraisal of the Tory situation. In Paradise Hill, Mr. Kuziak, is reported as saying in the 'Star Phoenix', on February 20th, he inferred that he would pick the present Tory Government at Ottawa if the choice had to be made between it and the previous Liberal Administration. We on this side of the House would appreciate very much if a decision on the other side would be made as to who they would prefer to have in Ottawa.

Premier Douglas: - Neither.

Mr. Boldt: - If it is a matter of wooing Conservative votes, they say the Conservatives are better, and if there hadn't been a Liberal candidate in Turtleford, they perhaps would have been trying to woo the Liberal votes, and said that we would have been better off if we had a Liberal Government in Ottawa.

Now, while I have this clipping in my hand, I was amazed at this statement that the Minister made: Mr. Kuziak warned the voters of the Turtleford Constituency to send a C.C.F. Member to the Legislature, if they wanted the best consideration to be given to any requests for a road improvement, or a similar project in their area, for the next four years.

Mr. Speaker, we in Rosthern have long realized, that if we had some under the same consideration as in C.C.F. held Constituencies, there would be no poverty in the Constituency of Rosthern. It was also mentioned by the Minister that we were opposed to bringing in electricity and natural gas. Now, what we are opposed to on this side of the House is the expenditures of between \$6 and \$9 million for the head office here in Regina. We are also opposed to the net expenditures of \$6 ½ million for natural light at Moose Jaw. What about Weyburn? There was \$2 ½ million spent there. The gas fields in Alberta, another \$15 million. We are not opposed to giving areas natural gas, and if this Government is going to be defeated in 1964, which I hope it will, and we will prove it, the first area that will receive natural gas will be the area from Arma to Duck Lake, in my Constituency.

Premier Douglas: - It's a little early to start the promises.

Mr. Boldt: - Mr. Speaker, on November 21st, and at this time again, I would like to refer to my good friend Mr. McAskill of Saskatoon. He stated that the four Cabinet Ministers, who are members of the committee, attended only a few meetings, and then only in an advisory capacity. On February 16th, the 'Leader Post' reports that the Government Members were not asked to sign the report, and he said that they had played a small part in the work of the committee, and had actually attended only a few meetings.

Now on February 27th, the question was asked, and it reads this way:

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“How many of the eight full committee meetings, and the thirty-two sub-committee meetings of the Local Government Continuing Committee, listed in the Progress Report, of the said committee of March 1960, were attended to by each of the following Members, and the said committee; Premier Douglas, Hon. W.S. Lloyd, Hon. L.F. McIntosh, and Hon. C.M. Fines.”

The answer:

“Premier Douglas attended twelve meetings; the Hon. W.S. Lloyd attended fifteen meetings; the Hon. L.F. McIntosh attended nineteen meetings and the Hon. C.M. Fines attended fourteen meetings.”

And they would let us believe that they do not know what was in the report.

I hope the time has come when Mr. McAskill will stop fooling the people of Saskatchewan. These Cabinet Ministers have known right along what has been in the report which the Opposition has been trying to tell them.

Now, Mr. Speaker, I believe one of the greatest problems facing this Government today, and the concern of all Governments, is the social aid cost. This Government seems to be more concerned about feeding the unemployed and the employables, than it is to try and create jobs for them. In many instances social aid is absolutely necessary, where the bread earner is unable, due to ill health, to provide for his family, or where he has passed on. The state's responsibilities are such that they must be provided for. The Liberal Party believe that it is the Government's first responsibility to create jobs for the employable, and secondly, the applicant must have proven beyond a doubt that he was not able to find employment. This great province of ours should be able to stand on its own feet, and be able to provide employment for men that re able. The municipal governments, welfare societies, and church organizations are concerned about the costs of the numbers of families receiving social aid. In many instances they are amazed at how easy it is for some to obtain it.

First I would like to congratulate the Department of Social Welfare, for the excellent personnel they have obtained in administering social aid. I have visited numerous municipal welfare officials, and regional offices, and realized the tremendous task before them. Their job is to administer the Act, and

I have received valuable information from them, Mr. Speaker, let's look at the social record for some of our cities. As early as September 26, 1960, the city of Saskatoon estimated social aid costs at nearly \$1 million. On November 14, 1960, the 'Saskatoon Star Phoenix' reported that social aid rose to a fifteen year peak; 2,699 persons were on relief on that date, of which 265 were single men and 261 single women. In January 1961, 823 people of North Battleford were on social aid. This represents 7 ½% of the total population. There is every reason to believe that before the winter has passed the final figures of the cost and the number will both have increased considerably. In the fiscal year ending March 31st, 1960, the total social aid spent by the Federal and Provincial Governments and the Municipal Governments in Saskatchewan, amounted to \$4,100,000. This does not include the other welfare departments which cost the Government another \$10,700,000. I am referring to social aid only.

Mr. Speaker, unemployment insurance was designed to take care of the majority of the seasonal unemployed. Today many unemployed are receiving unemployment insurance, plus social aid benefits. When we realize the large amount of money spent on direct relief and the number of persons receiving it, we cannot help but feel that something is wrong with the Social Aid Act. I am confident that the majority of the social aid recipients are entitled to this aid, but there are a number of citizens who have taken advantage of the Act, and are making a racket out of it, and it is the responsibility of the Government to see that public funds are not being abused. I believe the National Employment Service and the Social Welfare Department could have a closer relationship in placing the unemployed. A business man in Saskatoon was unable to get domestic help for his family for almost two years, in spite of the fact that he had been in contact continually with the unemployment insurance office and the social welfare. I have been informed by the social aid officials of what is happening in some areas, and they are very concerned about it, but are seemingly unable to prevent applicants from receiving social aid, which they believe are not entitled to it. For example, I was told by one welfare official, that a labour man having a seasonal job earned \$4,500. He squandered his earnings, and when he was laid off, he applied for social aid. He had dependents to qualify for the maximum amount of \$200.00 per month. He is receiving unemployment insurance. The difference between unemployment insurance and the \$200.00 maximum allowance of income is made up by social aid. This man is not asked to sign a note. Next spring he will be back

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at his job and earning \$4,500. Social aid in Saskatchewan is absolutely free. If you are eligible, you come in and apply for it; it's free. I think the farmers, the businessmen, the school teachers, would also welcome legislation to provide that when money was required to carry out a business or profession they would be able to apply for assistance from some Government Agency free of cost, instead of going to a loan board or bank and signing a note and giving them first mortgage on the property.

Premier Douglas: - Is that Liberal Policy?

Mr. Boldt: - Not only does he not sign a note, but the Act also states and I quote:

“Where a person owns his home, an allowance shall be paid which is sufficient to cover taxes, when they are in arrears for one year, the interest and mortgage, fire insurance and other assessments, provided the total allowance for these items is not in excess of the rental allowance for a simpler home.”

It does not specify the valuation of the home, so it is possible that a recipient could have his home paid off, and also his taxes, through social aid. Social aid will also take care of the following and I quote:

“(a) Allowances shall be provided for instalment payments of essential household equipment, only if they have been contracted for before the application was made;

(b) They have been made by another member of the family, who because of a change of circumstances is no longer able to continue making payments;

(c) Before making such an allowance an effort is to be made to defer, cancel or reduce such payments;

(d) The municipality is satisfied at the cost of replacement of essential household equipment which exceed the cost of the remaining payments, before granting an allowance;”

In other words, the essentials in cities could include gas stoves, fridges, deep freezers and perhaps electric washing machines. In the rural areas these might not be classified as essentials. No one knows it better than the social aid recipients and, hence we

have a great migration of social aid recipients, moving into the larger centres, where benefits are more generous. Rural and urban municipalities are concerned about the hospital and medical costs for social aid recipients. A number of social aid recipients are also aware of the fact that the Saskatchewan hospitalization coverage is the responsibility of the municipality. In many cases I have been told by municipal secretaries, that social aid recipients were not worried about their hospital cards until they were eligible for social aid, and then they demand coverage immediately. Hospitalization cards and medical bills cost some municipalities thousands of dollars of taxpayers' money. The city of Saskatoon estimated medical and hospital levies would be in the neighbourhood of \$90,000.

As surely as we recognize the state's responsibility to society as an individual, the individual must also realize its responsibility to the state. Handouts seem to weaken a nation. If the individuals' responsibility is recognized, it is his greatest asset. The Government should do everything in its power to safeguard that responsibility. An opportunity should be given to an individual to earn more when employed than the state is willing to give to him when unemployed.

I think that the words of Abraham Lincoln, would be very fitting in this day and age, when he said:

“You cannot bring prosperity by discouraging thrift;
You cannot strengthen the weak by weakening the strong;
You cannot help the wage-earner by pulling down the wage-payer;
You cannot further the brotherhood of man by encouraging class hatred;
You cannot help the poor by destroying the rich;
You cannot establish sound security on borrowed money;
You cannot keep out of trouble by spending more than you earn;
You cannot build character and courage by taking away man's initiative and independence;
You cannot help man permanently by doing for them, what they could and should do for themselves;”

Premier Douglas: - Mr. Lincoln didn't say it.

Mr. Boldt: - Mr. Speaker, I will support the amendment and not the motion.

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Mr. Hans A. Broten (Watrous): - Mr. Speaker, this is my first opportunity and I would like to congratulate you on your appointment to your important post and I think it is indeed a happy one, since both sides of the House seem to be pleased with the way you have handled the proceedings. The Members have set a high standard and I am sure these standards will continue.

Mr. Speaker, I come to this Assembly with a mandate from the good people of the Watrous Constituency. At this time, I would like to thank them for the enthusiasm and help at the election time and also for their wonderful co-operation since that day.

As I have travelled the Constituency, I realized even more the fine qualities of the gentleman I follow in this place of trust, the former Government Member and Speaker of the Legislative Assembly, the Hon. Mr. James Darling. I would like to state here and now, that I have found large sections of our population belonging to various political persuasions acclaim his integrity and resolute action, which encouraged me to accept this place of trust and responsibility, which I have found both in Mr. Darling and the Party which he served. May I also add, Mr. Speaker, I am sure we wish him health and happiness in his retirement.

I also would like to take this opportunity on behalf of the Watrous Constituency to thank the Executive Council and our leader the Premier, for the resolute and humane policies which have been adopted, policies which have affected every segment of our population, emphasizing social and economic justice for all as far as money and jurisdiction would allow. Also this concept of social and economic justice makes demands on our economic structure, that we must progressively move forward. This part, that we are discussing, definitely needs a buoyant and expanding economy.

Let us not forget, Mr. Speaker, that this concept of social and economic justice is not new. Most nations in the free world today, Great Britain, the Scandinavian countries, France, Belgium, Holland, New Zealand, Australia to name a few, have Parties like ours in power or they are the chief opposition party. That is what has kept them free and tolerant and able to fight off totalitarian forces. They, by a resolute action in the social and economic sphere, bettered the lot of the common man so the forces of atheism and dictatorship never got a foothold.

Now to mention a case in point, Mr. Speaker, all citizens from time to time have tremendous times of stress, because of sickness, business failure, unemployment etc. I am proud to belong to a Party that realizes that all segments of our population have to have someone to turn to in these times of stress and adversity because of sickness, unemployment etc. Hence the program which stress medical facilities for all, hospitalization for all etc. This type of thinking is fundamental in building a free and democratic society that will stand the tests of adversity. I am proud to say that the people that have led the C.C.F. have led in proposing these programs which disperse fear and want because of adversities which are common to a great section of a population from time to time.

It is true we have not elected a majority in the federal field, but our success at election time at decisive periods have brought about old age pensions, family allowances, unemployment insurance, hospitalization and last but not least the tremendous interest in a medical care program. The last one is due to our success at the polls last June in spite of the formidable opposition, also the success of the New Party in Peterborough. These successes at the polls have Diefenbaker mumbling in his beard about medical care and a royal commission, and Mike Pearson at the Liberal National Convention talking about a mixed economy with private co-operatives and government segments. I would like our Leader of the Opposition to talk on this sincerely one day.

We have heard our Premier talk of this type of a mixed economy dozens of times and mean it. Hence our Department of Co-operation, our Crown Corporations and our industrial loans to private enterprise.

Mr. Speaker, I think we all appreciate forthrightness in both word and deed.

I mentioned at the beginning I represented the rural Constituency of Watrous, the heart of our farmland. Mr. Speaker, if you fold a map of Saskatchewan down the centre it dissects the Watrous Constituency and folds along the international No. 2 Highway. If our Minister of Highways sees fit to improve No. 2 Highway it will make our friends in the International No. 2 Highway Association jump with glee, since this is a necessary link in a road which reaches from the southern states to the northern part of our province.

Watrous Constituency is a rural Constituency, Mr. Speaker, with the town of Watrous and the popular Manitou Beach area in the south; the aggressive town of

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Cudworth in the north; and the towns of Bruno, Breman, Dana, Meacham, Viscount, Colonsay, Plunkett, Zelma, Young, Renown and Venn serving the area in between.

Indications are that Watrous will receive a new industry this summer. Investigations carried out by the Fisheries Branch during the past several years indicate brine shrimp exist in Little Manitou Lake in sufficient quantity to make harvesting of the resource an economic possibility. Apparently the artemia species of brine shrimp are excellent fish food and algae found in the lake are also suitable in the fresh frozen form as food for fingerlings. One of the problems is the hatching of artemia eggs and this has been given some study by persons interested in the possibility of establishing an industry. It has been estimated that an industry of this kind might employ approximately eighteen people during the year and possibly an additional twenty-five people during the summer months. Practically all of the employees could be drawn from the local community near Little Manitou Lake. Some buildings such as quick freezing plants, a hot air drying plant and vacuum packing equipment would probably be required at the site. The immediate products of such an industry will consist of brine shrimp eggs, frozen brine shrimp and dried shrimp.

A contract has been entered into with Wardley Products to engage in the brine shrimp industry at Little Manitou Lake. It is anticipated that the production will begin this summer. Watrous will be happy to learn of this.

I would like to add, Mr. Speaker, that I was present when the contract was drawn up and it was a happy occasion for both sides.

We are also starting a bid for our park area at Manitou Beach, whereby the Department of Natural Resources and the municipalities of Manitou Beach and Watrous town will get assistance from the province to do so. I hope the Bruno area and people involved may work out the difficulties and retain the plant in that area. Also I would like to say we are working for the enlargement and rebuilding of the hospital at Cudworth.

One can see the area is dependent on agriculture except for the tourist trade and the aforementioned industries.

Since all this area is dependent on agriculture, as is the rest of Saskatchewan and the prairies as a whole to a very large degree, hence the purchasing power of cereal grains and especially wheat, let us look at

what has happened to the purchasing power of a bushel of wheat in the last decade or so.

(I have some of these pamphlets to pass around, I wonder if a page boy would put one on every desk.) I have laid on the Members' desks a pamphlet which shows the rise and the fall of a bushel of wheat. This pamphlet was put out by the Saskatchewan Wheat Pool in telling their story of the plight of the farmer, and was used in their bid for the emergency program by our farm organizations in their request for deficiency payments. You will see under the heading "Vanishing Purchasing Power", what has happened since the year 1914. You will notice the purchasing power of the bushel of wheat has been lower only three years in the last forty-six years. Those years were 1930-31 and 1932. In 1957 the purchasing power was the same as it was in 1933, Mr. Speaker, the depth of the depression years.

Is it any wonder the farmer is asking for consideration and a fair share? One can easily see why, between 1941 and 1956, the prairies lost 42,484 farm units. Saskatchewan alone lost 35,322. This loss has taken place when the rest of the economy has had the best returns in its history.

To understand this picture better, let's look at the picture of what happened to the commodities the farmer buys to produce this grain and what has happened to the price of what. According the D.B.S. figures in the last sixteen years the goods the farmer buys to produce this wheat have gone up 59%, while the wheat he sells has gone down 20%.

One can see by these figures that wheat would have to go up about 80% or well over a dollar a bushel to compensate for the reduction of 20% in price since 1947 and 59% increase in the cost of the things the farmer buys to produce that wheat.

Let us examine, Mr. Speaker, what parity prices would really mean in today's context. According to the latest D.B.S. release on the farmer's cost of production, it now costs prairie farmers \$2.56 to buy what one dollar would buy in 1935-39. This means, therefore, that the \$1.40 initial wheat payment is worth only 55 cents in 1935-39 value of money or at the average country elevator price it was worth approximately 47.4 cents a bushel. In the United States today the present full parity for wheat means a price of \$2.90 a bushel. In Canada there is not too much agreement as to what should be suitable base period.

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However, the Select Special Committee on Marketing and Farm Income in 1956 used 1945 as a base period. Since that time the general index of farm prices has increased in Saskatchewan by 10.7%, while at the same time, farm costs in Western Canada have increased by 81.5%, that is from 138.6 to 251.6.

Thus to preserve the same purchasing power per unit of production as existed in 1945, the price of No. 1 Northern at the Lakehead would have to go up from \$1.60 in 1945 to \$2.96 today.

With these figures, Mr. Speaker, fresh in mind, you can see why some of us think that what has happened on the federal scene today is not being very serious about our serious problem.

Let us look at what has happened, or has taken place on the federal scene. I have here, Mr. Speaker, the copy of a clipping from the "Star Phoenix", from January sometime, which says agriculture gets the biggest trimmings. This is from the budget that was \$205 million last year this year it was cut down to \$172 million and some thousand dollars. So you can see, Mr. Speaker, that our present Federal Government, the Government that was created when we gave John a chance to help us out, have not thought very seriously of our agricultural problems today, and I don't think you can have a buoyant economy within any country when such a large section of the economy is agricultural, and we find agriculture at such a low ebb.

I would like also to mention, Mr. Speaker, I have here a clipping from the Saskatoon "Star Phoenix", of November 10, 1960. Our friend, Mr. Nollet attended the Federal-Provincial Agricultural Conference and this is what it says:

"Saskatchewan Agricultural Minister I.C. Nollet re-iterated his Government's traditional argument for solving the farmers' problem by price adjustment, but he stood practically alone."

Mr. Speaker, I would like to emphasize that "stood alone", and we need more people like Mr. Nollet in the C.C.F. in order to solve our problems by co-operative methods and also by price adjustment by Governments. Here I would also like to mention what the Labour Paper says on this. I have here the "Journal of the Canadian Labour Congress", and here is what it says regarding the co-operative movement.

“The association between the co-operative movement and the labour movement in Canada has been very close. The labour unions encouraged the development of early co-operatives, particularly in the Maritimes, as well as the extension of credit unions. As a result of the policy statement and resolution, adopted at the convention of the Congress, a national labour co-operative committee was established jointly with the Co-operative Union of Canada.”

One can see, Mr. Speaker, that the labour movement has thought of two ways, one by political action and the other by co-operative action. These are effective ways the labour movement has suggested in order to solve our problems.

I would also like to mention, Mr. Speaker, a joint submission of the Interprovincial Farm Union Council and the Union Labour Congress to the Government of Canada, which I have here. This was in 1956, and this is what I read on the first page:

“We are appearing before you together, because our two organizations think that our problems are exactly the same and have a direct bearing on the welfare of both urban and rural citizens.”

Mr. Speaker, the reason I brought so many of these agricultural problems here before you is perhaps that, and I have to repeat, that we cannot have an economy in Canada that would be wide enough to provide a good standard of living and look after all the ills of every segment of economy, both in the social field and in the economic field, without having all segments of the economy buoyant.

I think we in the C.C.F. and the New Party, when it gets on its way, will find it necessary to have all segments of our economy buoyant – that is the economic field and social spheres.

We cannot have an economy in Canada that has such a weak segment in it as agriculture has at the present time, because agriculture is such a large part in the total economy, the weakness in this segment will affect the whole economy of Canada.

I am sure, Mr. Speaker, that the C.C.F. Government of this province has shown by the social legislation, such as hospitalization, on the statute books that we are concerned that all people are protected; and we intend to look after the economic segment of our economy as well as the social segment.

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Mr. Speaker, we feel that the activity on the federal scene whereby it will be possible for the agricultural people to get just treatment will not receive the proper attention that is needed until the New Party comes into power, and thereby institutes a program of both social and economic justice to all segments of our economy. I also believe, Mr. Speaker, that this economic justice on the federal scene is necessary so that Saskatchewan can receive a fair share of the national income both as Government and as private citizens.

Mr. Speaker, with these few words, I will say that I vote against the amendment and support the motion.

The debate was on the motion of the Hon. Mr. Brockelbank, adjourned.

SECOND READINGS

Bill No. 27 – An Act to amend The School Act

Hon. Mr. Blakeney: - Mr. Speaker, this is an Act to amend The School Act and it contains very few matters of principle. It contains in a number of sections, changes made necessary by the fact that judicial districts have been eliminated and judicial centres have been substituted. It makes such small changes as permitting school debentures to be signed by facsimile signatures and it makes some small changes in the method whereby school hours can be varied. These changes are quite minor and concern detail, and I feel, Mr. Speaker, that they could be best discussed in Committee. With that explanation, I would move that the Bill be now read a second time.

The question being put, it was agreed to.

Bill No. 28 – An Act to amend The Teacher Tenure Act

Hon. Mr. Blakeney: - Mr. Speaker, this is a Bill to amend the Teacher Tenure Act and it contains a very minor amendment of section 4 of the Act.

Section 4 of the Act, as presently constituted, requires that where a notice of termination is given,

the notice must set out the reasons for the board's action in terminating the employment of the teacher and must state that the teacher is not suitable for the teaching service.

Mr. Speaker, the purpose of this amendment is to change in some small measure the nature of the notice required, so it will not have to state that the teacher is unsuitable for teaching. Some difficulties have arisen with the wording as it is presently constituted. It puts, in some sense, the Board in an embarrassing position, to have to say that the teacher is unsuitable for teaching, when in fact the real objection is that he is unsuitable for teaching in the position which he holds. This amendment is therefore being proposed. With that explanation, Mr. Speaker, I would move that the Bill now be read a second time.

Mr. Foley: - Mr. Speaker, I beg leave to adjourn the debate.

The debate was on the motion of Mr. Foley, adjourned.

Bill No. 31 – An Act to amend The Legislative Assembly Act

Premier Douglas: - Mr. Speaker, this is an Act to amend the Legislative Assembly Act. As most Members know, the Legislative Assembly Act states very categorically that no Member of the Legislative Assembly can enter into any contract with the Government or receive any remuneration from the Government, except of course his or her indemnity or expenses which may be provided.

From time to time, certain exceptions to this have to be made, in order that Members of the Legislature may not be denied the ordinary rights and privileges that every other citizen is permitted.

The purpose of the Act is to see that Members of the Legislative Assembly don't enter into business connections with the Government, like highway contracts or building contracts or some other special privilege. But it was never intended that the Act should prevent some Member from entering into ordinary contractual relations with the Government, which every other citizen may do. From time to time we ran across the problem as new programs were introduced, and we are therefore

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suggesting some amendments. These provide that a Member of the Legislative Assembly who is a farmer will not be prevented, or not be unseated, because he takes Crop Insurance benefits, under the Crop Insurance Act.

We are also providing, that a Member of the House who is a teacher in the northern part of Saskatchewan and who is hired of the Northern Education Committee, but who is paid by the Government, will not thereby be unseated. He cannot only be unseated, but I believe, under the Act he can be fined \$100 for every day he sat in the House, if someone cares to lay a charge. I think the person, laying the charge, also collects \$50.00 a day, so it is quite an incentive for somebody to be very active.

It was never intended that a person teaching in Northern Saskatchewan should be excluded from being a Member of the Legislative Assembly. I certainly have no desire to see my hon. friend from Athabasca either unseated or paying a fine, and so in order to be absolutely sure the law is followed, this amendment should be made.

The same is true with reference to the Family Farm Act. A Member who is a farmer may joint a group of farms under the family farm improvement plan. That Member who is a farmer of course is entitled to the same type of services which are available to everybody else. But as the Act now stands, there will be some question about whether or not it is acceptable as to both services and contracts with the Government.

There are a number of other things, that have come up, since we drafted this Act and I will introduce some suggestions in the Committee of the Whole. Some other things have turned up, as different Members have looked at this Act and have brought matters of particular interest to my attention.

Another part of the Act has to do with the Leader of the Opposition. We have never had either a Leader of the Opposition Act in our House, as some Legislatures do, or any specific provision for the Leader of the Opposition. It has always been provided in the estimates that the Leader of the Opposition would be given a certain salary besides his indemnity as a Member. But no other provision exists. As the hon. Members know, by agreement last fall, in lieu of giving the Leader of the Opposition a secretary, and to take care of his office expenses, so that it would be much clearer for everybody concerned, and save a great

deal of bookkeeping and keeping of records and checking of records, we pay him \$3,500 a month, for which he could hire such a secretary and from which he could pay such office expenses, as he might choose. But the law again raises questions to whether or not he can accept these payments and not being in contravention of the Legislative Assembly Act. Therefore, we are suggesting this amendment in the Act so that it is stated more clearly, that the Leader of the Opposition is entitled to accept this money, without in any way invalidating his right to sit in the House as a Member of this Assembly.

I think, Mr. Speaker, that those brief explanations cover the points raise in the Bill and I am sure that any further information and further questions can be discussed more fully when we move into Committee of the Whole. I move therefore, that Bill No. 31 be now read a second time.

Mr. Ross W. Thatcher (Leader of the Opposition): - Mr. Speaker, there are one or two points that I would like to make concerning this Bill. I may tell the Premier, that I think on the whole all the Members will certainly welcome it; I wonder if it would not be wise, to have this Bill be referred to the special committee which I understand the Speaker is calling very soon to discuss Members' privileges. We might have further ideas after that committee has considered the matter.

I have one or two other suggestions, I should like to make at this time. As far as privileges for Members go, when the Act was originally brought in, I don't suppose, that the Uranium City area was the problem that it is today. I wonder if our northern Members should not be given some kind of a pass or transportation on the Saskatchewan Government Airlines, so that they can get into the northern areas to visit their Constituents. I have in mind perhaps Cumberland Constituency, perhaps Athabasca; I realize that there are special grants, but I don't think the special grants would permit the kind of travelling, that is necessary if these Members are to cover their ridings.

Down in Ottawa this problem was considered a few years ago and I understand as a result that all Federal Members are given certain passes on Trans-Canada Airlines. Members in the northern ridings are given extra privileges over and above the regular ones.

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In order to give further time to consider these things, I beg leave to adjourn the debate.

The debate was on motion of Mr. Thatcher, adjourned.

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