

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
SECOND SESSION — FOURTEENTH LEGISLATURE
2nd Day**

Thursday, October 12th, 1961

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

Before the Orders of the Day:

ANNOUNCEMENT

Mr. Speaker: — I would like at this time to inform the assembly that Mr. Roy Borrowman has been appointed Clerk Assistant of the Legislative Assembly during the present session.

QUESTION — RE INSURANCE

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to the Minister of Agriculture.

I note from some press releases that there is a possibility of re-insuring some crop insurance through the federal government. The statements to this effect emanated from the province of Manitoba. I wonder if there are any such arrangements being proceeded with as far as the province of Saskatchewan is concerned?

Hon. Mr. Nollet (Minister of Agriculture): — Negotiations are underway, Mr. Speaker, in connection with an agreement for this year and we do hope to negotiate an agreement for future years under which some re-insurance may be possible. No decision has been arrived at in this regard, and we expect that the subject will be brought up again at the federal-provincial conference in December.

October 12, 1961

SPEECH FROM THE THRONE

Debate on Address-in Reply

The House resumed from Wednesday, October 11th, 1961, the debate on the proposed motion of Mrs. Cooper (Regina) for the Address-in-Reply to the Speech from the Throne:

Mr. W. Ross Thatcher (Leader of the Opposition): — Mr. Speaker, yesterday afternoon, after the hon. lady member for Regina and the M.L.A. for Touchwood had spoken, I stated on behalf of the opposition members that we were indeed surprised that no word was contained in the Throne Speech about the agricultural crisis. We did feel that if there was any real reason for calling a special session at this time, then surely it would be to discuss the major plight of the farmer. Everyone in this House knows that we have in the province at the moment the most serious drought conditions since the dirty thirties. Everyone knows that the cash income of the wheat producer will be sharply curtailed. Every hon. member knows that the revenue of the livestock producers will be sharply reduced. We do find it strange indeed, that this government, after spending hundreds of thousands of dollars over this past decade to set up feed reserves, feed banks — when the drought comes along finds themselves without a single bale of hay available to meet the emergency. As a result we have to spend thousands and thousands of dollars bringing it in from elsewhere.

We think there is something wrong too, that our water program in this province hasn't been carried out more extensively. As I mentioned yesterday afternoon we know in the future the drought may become worse. The experts from Ottawa, if they are right and quite often they are, tell us that the drought next year may make the one that we've had this year pale into insignificance. If that is so we're in a lot of trouble. We think this legislature should be discussing ways and means of combating the difficulties that will inevitably arise. We're a little concerned about what the department has done the past year.

We hear so much these days about social planning. I am a little concerned about the kind of social planning they do. All through the last session we heard the hon. minister and we heard some of his officials out in the country

telling the people to get ready for a great grasshopper menace that was forecast. They even pin-pointed that menace on a map. They said that on such and such a date the grasshoppers were going to be here. They told the farmers to be ready, and they said don't worry boys we're going to have poison for you. We're not going to have any retailers handling this poison, they might want a little profit. We're going to handle it ourselves. Well, I guess the officials in the department knew what they were talking about because the grasshoppers came pretty well as the department had forecast. But within a matter of two or three days after the locust invasion the Department of Agriculture was out of poison. They had to have R.C.A.F. bombers bring this poison all the way from Ottawa at a very substantial cost to the taxpayer. Now if that is an example of the social planning that the Minister of Agriculture and the Premier are advocating, I think a lot of the farmers of this province have reason to be concerned. That is why the Liberal opposition says at this time that there should be a major and full-scale debate before we adjourn, on the agricultural problems which are facing this province.

On behalf of the opposition members I wish to move, seconded by the hon. M.L.A. from Moosomin, Mr. McDonald, an amendment to the Throne Speech.

That the following be added to the address:

'but regrets that in view of the serious conditions affecting our agricultural economy this year, Your Honour's advisers have not included in the Speech from the Throne proposals for dealing with the problems confronting our rural people.'

Opposition Members: — Hear! Hear!

Mr. Thatcher: — I will carry on after you've read that sir, if I may.

Mr. Speaker: — With the consent of the House, I would like to reserve my decision regarding the admissibility of this amendment.

Mr. Thatcher: — Thank you, Mr. Speaker. Now I can assure you sir, that many M.L.A.'s on this side of the House, and particularly those who are well acquainted with the problems of agriculture will be speaking on this subject both during the debate and on private resolutions as and if we are allowed to move them.

October 12, 1961

Mr. Speaker, this session of the legislature meets under rather unique circumstances. It has been called by a Premier who is shortly resigning, and it has been called by a government formed from a party which is shortly passing out of existence.

Sixteen months ago, this government was returned with a vote of about 40 per cent of the popular vote, oh it might have been 41 per cent, but somewhere in there. During that election Liberals repeatedly suggested to the people of Saskatchewan that the CCF party as such was on the verge of extinction. And we suggested all through that campaign that because of the dismal failure of the socialists these past 27 years to convince the people of Canada as a whole that socialism was a good thing, the hierarchy was now proposing to scrap the CCF and form some kind of a new party.

Last August our warning came true. And in the city of Ottawa a party was set-up which is called the New Democratic Party. It is a party which was formed by the merger of the old socialist movement and the Canadian Labour Congress. For months socialist speakers have been bally-hooing across Saskatchewan and across Canada that this new party would be formed by a merger of the working people of Canada, the liberally-minded and the farmer. The founding convention must have come as a great shock to people who were talking in that manner, because while trade unions were represented in massive strength at that convention, there wasn't one official delegate from a co-operative or a farm organization. And there were mighty few individual farmers. The new party convention was a labour show from beginning to end. Oh, it is quite true there was a pretty good crowd at that convention, a pretty good turn-out, but one wonders how big that crowd would have been had the trade unions not paid the expenses down there for their delegates.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — I remind hon. members again of the New Democratic Party in Ontario this week, according to the Canadian Press dispatch of yesterday, their founding convention had 1044 delegates, 35 of them were farm delegates — 3.3 per cent.

Now we contend that this amalgamation, this merger could have major consequences for the people of Saskatchewan, because agricultural Saskatchewan today is being ruled by a political party which in effect is a labour party. Even the Premier admits this fact. He was down on a speaking jaunt

recently to Chicago, addressing one of the large American Trade Unions —

An Hon. Member: — Do they vote too?

Mr. Thatcher: — I quote an American dispatch from Chicago:

“Douglas recalled that Britain’s Labour Party was launched 60 years ago, and now Canadians have followed suit with his labour-related party.”

So Mr. Speaker, even the Premier, when he is away from home at least, admits that the N.D.P. is essentially a labour party.

Regardless of politics, no matter what political party farmers are in, I think they are apprehensive of this merger, and I am quite sure that a lot of my hon. friends opposite who are farmers, are pretty apprehensive about this merger. Because they know that in the new party labour is going to have an overwhelming majority of the votes. The farmer is a junior partner and a very minor partner.

The union leaders are certainly not reticent in stating that they intend to dominate this N.D.P. I was interested in a speech which was recently made by Mr. McClelland, President of the Saskatchewan Labour Federation, in Saskatoon a week or so ago. I quote the Saskatoon Star Phoenix, which covered the convention:

“No Political Neutrality for Unions” is the headline.

“The trade union movement cannot be neutral in politics.”

And Mr. McClelland went on:

“We must be the foremost political force within the New Democratic Party, striving to achieve labour’s legislative, political and economic objectives.”

It is all very well for my socialist friends to claim that the interests of farmer and labour are the same. But the people in the rural areas know very well that on many occasions their interests are not the same. They remember particularly the series of strikes which took place a year or so ago, in industries involved in handling

October 12, 1961

grain. The farmers know too that in this new party labour will be contributing most of the funds. I have been reading some of the speeches made by certain trade union leaders recently. One of them visited Regina a short time ago, an American trade union leader — the leader of one of the larger unions in the United States. Many farmers found his statement very interesting. The Regina Leader Post carried the following story on September 10th.

“Max Greenberg of New York, international president of the 168,000 member union, said the international union has already contributed to the new party.

“Mr. Greenberg said union affiliates have been urged to support the labour party strongly and actively.

“We have pledged financial support. We have contributed and we will continue to contribute. We will not stint.

Then he went on Mr. Speaker, and I ask you to note this:

“ . . . in his report to the international’s May convention (that’s down in the States) he will call for all-out assistance.”

The socialists are always talking about American interference in Canadian affairs. And yet this naked interference by an American trade union official in Saskatchewan politics, yes and in Canadian politics is apparently welcome.

I say that through the check-off and through other union methods, the socialists will have campaign funds in this coming federal election, which probably will make them the wealthiest political party in Canada’s history.

The Premier always used to make a speech out in the hustings, about finances. I’ve heard him make it a few times. He used to say “He who pays the piper calls the tune.” He was talking about the Liberals and the capitalist then. Well if my socialist friends think our Premier was right, then, it must follow that since labour is putting in most of the money in this new party, they will be calling the tune. I can tell you that a lot of farmers in Saskatchewan wonder whether that tune is going to be satisfactory to them.

In several weeks, the provincial CCF convention is being held here in Regina. That convention as I understand it, is going to make the merger official in this province. We've heard a lot of verbiage about how it's going to remain CCF on a provincial scale, it's going to be N.D.P. on a federal scale. Despite talk of that kind the facts are that the controls, both federally and provincially, soon will pass to the officials of the new party and those who are putting up the money. In all probability the new leader in Saskatchewan, not only by the CCF delegates, he will be picked by union delegates — by new party delegates. Small wonder the former M.L.A. for Wilkie was a little concerned about it. I become amused sometimes when some of my socialist friends say that labour hasn't got a thing to do with the new party policies. If this is so, it is strange to me that year after year I heard federal CCF M.P.'s and a lot of CCF M.L.A.'s say that they weren't going to have anything to do with NATO. The first day of the convention in Ottawa they still said they didn't want anything to do with NATO. But then Claude Jodoin made a speech and he said, 'we favour NATO' and the socialists have favoured NATO ever since.

Mr. McFarlane: — He who pays the piper . . .

Opposition Members: — Hear! Hear!

Mr. Thatcher: — Now, Mr. Speaker, I draw these facts to your attention. The party which elected this government is passing into the discard. Its position is being usurped by a different group. This group has a changed name, it has new controls, new financial policies, it has a modified political philosophy, it has a new leader, or soon will have. We Liberals contend that the New Democratic Party, which is labour dominated from top to bottom, has no mandate to govern from the people of Saskatchewan.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — On behalf of the opposition I challenge the government to resign immediately and let the people decide whom they wish to administer their affairs.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — And I can tell you sir that there are many indications throughout the province, that if given the opportunity the

October 12, 1961

people wouldn't just defeat this administration, they'd almost wipe it out.

Now Mr. Speaker, I am sure you would permit me to say a word or so about the premiership in this province. As soon as the hon. Premier was elected new party leader, and I belatedly congratulate him on the honour, if it is an honour, we contended that he should resign both as Premier and as M.L.A. for Weyburn. We maintained and we still maintain that Saskatchewan has a crisis on its hands — a crisis in agriculture — and the province has need of active vigorous leadership to meet that crisis. Now I don't know whether the Premier is capable of giving that kind of leadership but surely it's his duty to try. Instead of that he has been giving absentee leadership, running around making speeches for the new party from one coast to the other and even down in the United States. And he has been doing this moreover, while he is still on the payroll of the taxpayers of Saskatchewan as Premier. I say the hon. Premier can't have it both ways. Last August he voluntarily ran for the leadership of the federal socialist party and he was elected. Surely then it is his duty to immediately vacate not only the premiership, but the seat in Weyburn. The people of Weyburn are entitled to full-time representation in this House. The Liberal opposition, as I said a moment ago believe that a general election should be held, but if you haven't got the courage to hold a general election, then at least let's have a byelection down in Weyburn.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — Mr. Speaker, this special session has been called at a time when the provincial economy is facing its bleakest outlook since the thirties. Maybe I should have a few words to say about the hon. Minister of Industry and Information.

Very little new industry has been established since the House last met. On the other hand a number of additional manufacturing industries and businesses have closed down. I am not going to bore the House today with a lot of details, but I do want to mention three or four. I quote the Regina Leader Post of September 20th.

“Alsask processors plant will close. Swift Current — the 16 year old Alsask Processors plant here will be closed within the next few weeks, leaving 41 workers out of work.”

A little later another story in the Regina Leader: — a trailer factory in Estevan which employed several dozen people closed down and moved to Alberta, giving as the reason certain regulations that this government had imposed. Then on September 14th another story out of the city of Weyburn.

“A manufacturing firm that was to have provided jobs for up to 50 persons in Weyburn in apparently pulling stakes and abandoning its operation in the south-east Saskatchewan city.”

I also have a copy of the speech the Premier made about two years ago when this was opening. He told us then this was going to be a tremendous new industry for Weyburn, and this was another indication of the many new industries that are being attracted to Saskatchewan to serve this province. I rather doubt if this one ever got started. Then in the Regina Leader Post a short time ago, another announcement that Supercrete Precast Concrete Products of Regina had gone into receivership.

Mr. Speaker, on my desk this morning I found a copy of the government Gazette, issue of Friday, October 6th. I ask the Minister of Industry, since his government puts this out, and I ask the Premier to look at this government Gazette. It is a very significant one. It lists 222 businesses that in recent weeks have closed up, for one reason or another, and are stopping operations in the province of Saskatchewan. Four pages of them! Two hundred and twenty two businesses and industries, in one issue along, haven't found it profitable to carry on business in Saskatchewan. Small wonder we've got unemployment in this province.

As far as agriculture is concerned, we've already said that the cash income from crops is likely going to be down from \$546 million to \$300 million in 1961. Since that is still our most important source of revenue, it doesn't need any prophet to tell the Provincial Treasurer that he's going to have some difficulty the next year finding the revenues he needs.

So I say, with agriculture depressed, with business generally sharply down, with unemployment upwards, with our municipalities and our school units in financial difficulties, with the provincial debt at an all-time high, the opposition at this time had expected the government to indicate some restraint in the spending of the taxpayer's dollar. Yet there has been no indication that the government is prepared to do very much about cutting expenditures. As a matter of

October 12, 1961

fact I think the opposite is true. It is pretty clear today that the socialists are determined to go ahead with all their pet theories and unproven ventures, regardless of the financial picture in Saskatchewan today.

In his budget speech last spring, the Provincial Treasurer said we'd have a deficit of \$ 2½ million. By August he had it up another \$2 million. I think it is going to be much larger than that. When a business or when any ordinary government finds its revenues being reduced, they usually try to cut down on expenditures, but not the socialists. Instead they are spending all their spare time figuring out methods of extracting new taxes from the hard-pressed Saskatchewan citizens.

The Liberal party contends this afternoon, that this socialist administration has brought the province to the verge of bankruptcy. We have earned for ourselves the gibe "Sick Men of Canada". In the last decade alone the provincial debt has gone from \$172 million in 1949-50 to \$486 million in 1960-61, and with the addition this year, it is over the half billion mark now. In view of the fantastic debt figure, which this province has today, I want to remind the House and the province of some of the promises socialists made back in 1944.

If a person takes the time to travel through Saskatchewan today, he can still see a lot of CCF posters up on the telephone poles. They had a very interesting slogan, "Tested and Trusted" they say, "Support the party that keeps its promises." And what did they promise about our provincial debt in 1944? I will quote the Premier — June 17th, 1944, the Winnipeg Free Press:

"The new government would seek refunding of the Saskatchewan debt of some \$225 million at lower rates of interest. The new government would not tie its hands to the bondholders."

The Minister of Mineral Resources, Mr. Brockelbank, right in this legislature, March 2nd, 1944:

"The Liberal system of financing has no prospect of doing anything else but continuing the burden of public debt . . . A CCF government in Saskatchewan can liquidate the provincial debt."

"Support the party that keeps its promises" they say. Instead of liquidating the debt they have increased it

from \$225 million to over \$500 million. I don't suppose we should be surprised because that is typical socialist planning.

Now what about interest? Sixteen years ago, our socialist premier, according to the Regina Leader Post, June 2nd, 1944, very glibly told an election audience and I quote:

“A CCF government can refuse to pay high interest charges currently levied to service the public debt.”

Despite the Premier's promise, Mr. Speaker, the interest has gone from five and a quarter million dollars when he took office to over \$20 million today.

Hon. Mr. Brockelbank: — Liar!

Mr. Thatcher: — Liar, my neck! Even you ought to be able to read a balance sheet.

The Premier and his colleagues have repeatedly in the past condemned payment of interest to the so-called coupon-clippers down in Chicago and New York. Yet, because the Hon. C.M. Fines, the previous Provincial Treasurer borrowed so much money in the United States, almost half of this five hundred million dollars, we're in trouble today. Now that the American dollar has reverted to its usual position of being at a premium as compared to the Canadian dollar, the amount of our interest payments is going to increase that much more.

Liberal spokesmen, businessmen, newspaper editorials for years have warned the socialists that this might happen, but they knew it all. So today the Saskatchewan taxpayer is paying the penalty.

My mind today goes back to other taxation promises made by the socialists prior to 1944. Before the CCF were elected to power many of them glibly spoke about how they could bring in their program without increasing taxes. It wasn't necessary to increase taxes on the average citizen. Then, as now, the chief spokesman along these lines was the Premier. I want to quote a speech that he made in his home city of Weyburn. I quote the Regina Leader Post of June 13th, 1944: According to him there was no need of higher taxes, they had other ways of raising money. The first way he said they were going to perform this miracle — ‘we will save considerable money by taking the civil service out of

October 12, 1961

politics'. Have they saved money in that way? On the contrary. Under their administration the number of ordinary civil servants has increased by two and one half times, and if you take the crown corporations into account, it is many times more than that. patronage has been rampant. In no other Canadian province have ex-M.L.A.'s, ex-M.P.'s, ex-defeated CCF candidates, and party heelers, been so flagrantly put on the public payroll for political purposes.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — Not only that Mr. Speaker, but the government goes even further and they purchase cars for most of these fellows. According to a return tabled in this House, 3,700 cars were owned by the government last session. Cars for these socialist organizers to run around! So administration costs instead of being reduced have naturally increased to a staggering sum.

What was the second proposal of the Premier to raise all this money without taxing the average man? He said 'we will engage in revenue-producing businesses'. I contend that the socialist experiment in crown corporations has done anything but put money into the pockets of the Provincial Treasurer. Half of them have gone broke or been sold, and many of the others are in financial difficulties. Instead of producing revenue for the people, they have drained off millions of dollars that otherwise would have been available for other purposes. And as the Premier gets ready to leave the CCF ship, this province is strewn with the wreckage of these abandoned socialist entities.

The third easy method the Premier had for getting money, in that speech of his, was 'to tax interest payments to corporations outside the province.' Of course on taking office he soon realized that this promise might be good for election propaganda, but it was neither possible nor practical and we haven't heard any more about it.

The fourth method suggested by the Premier — 'to set up commodity boards to sell goods now being sold by monopolies.' No such boards have been set-up to my knowledge unless we mean the Power Corporation. They gave them the distribution of gas, and the effect of that action has been to severely restrict the production of natural gas in the province, and virtually stop exploration. So that suggestion didn't do very much to get the Provincial Treasurer money.

In the fifth place, and this is really a dandy, the Premier said we could find additional money, and I quote again, ‘by the establishment of secondary industries such as grain, alcohol, and protein feed cake, wheat-syrup, synthetic rubber, plastics, glycol anti-freeze and so on.’

Manitoba and Alberta have been able to get those kind of industries since 1944, but under a socialist government, Saskatchewan has not. In other words Mr. Speaker, all the plausible suggestions made by the Premier and the socialists before they took office, for raising money without taxation in some easy way, have proved to be pipe-dreams. They have found as other governments before them have found that there is no magic way in government finance. Before you can give a dollar to one person, you have got to take it from another person.

Mr. Speaker, the last Liberal government had a total budget of \$32.7 million. Comparable expenditures of the socialist administration this year will be \$278.7 million, roughly nine times as much. That includes grants from Ottawa, loans and advances to crown corporations, borrowing, hospital tax and so on.

As I mentioned a moment ago, where has this additional money been found — where are we going to get all this money? A lot of it has been borrowed, they’ve increased the public debt, and in addition they have been able to get a lot more from the federal government. The last Liberal administration got \$11½ million in federal grants. This government this year will get \$67 million. As I said yesterday, I don’t think it will go unnoticed, that no matter how much the socialists were able to get in Ottawa, they always demanded more.

The third way they’ve obtained all this extra money, and it is the major way — they sharply increased taxes. The history of this government for 17 years has been a long and steady increase in virtually all taxes and the imposition of numerous new taxes. It is almost impossible to think of any opportunity or any excuse for taxation, which has not been explicated by the socialist tax collectors.

‘Support the party’ they say ‘that keeps its promises.’ What did they say about land taxation? I’ll quote the Premier, June 2nd, 1944 at Gravelbourg:

“The CCF would shift the basis of taxation from land to profits on mortgage companies.”

October 12, 1961

There has been a shifting all right, Mr. Speaker, but a shifting of more and more taxes onto the farmer and the urban property owner. Today rural municipal taxes, on an average, are roughly three and one half times what they were in 1944. Yet still the socialists aren't satisfied. In this year of drought and crisis to the farmer, they've got their men from the Department of Municipal Affairs running around re-assessing land, meaning ultimately that such taxes will go up still higher.

I want to say Mr. Speaker, that if taxes on land go very much higher in Saskatchewan nobody will have to worry about socializing land, because the farmer will have to give them back for taxes.

I also wish to reiterate today on behalf of the Liberal party that if we have one major plank in our platform, I hope it will be a plank which will do something for the farmer and the urban property owner to bring down his taxes, and we'll do it after the next election.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — 'Support the party that keeps its promises' say the socialists. What did they promise about the education tax? Before 1944, the Premier had a press conference in Winnipeg, June 17th, 1944. I quote the Winnipeg Free Press.

"Mr. Douglas said his party believed that the present education tax levied on most purchases in Saskatchewan can be eliminated when new sources of revenue are developed."

Well, they found more than \$100 million a year in new revenues, but they haven't eliminated the sales tax. To the contrary they have increased it, increased it by 50 per cent. Now they are talking about increasing it again. What's more, notwithstanding that increase in the education tax, grants for education have remained most disappointing. In a radio address reported in the "Commonwealth" of March 10th, 1943, the leader of the socialists promised that a CCF government would take full responsibility for financing education instead of passing the buck to the municipalities and the school boards.

'Support the party that keeps its promises' they say. Despite that promise, the per capita municipal taxes for schools in Saskatchewan today are higher than for any other province in Canada, and are now about four times what they were in 1944.

The people of Saskatchewan will recall that the other election slogan of the socialists in the last election, and those old posters are still on the telephone poles — ‘Vote CCF for Abundant Living’. What a farce that programme turned out to be! Instead of giving our people more abundant living these past 16 months, this government has given us the greatest series of tax increases in our history. One new levy after another has been announced; one increase after another has been imposed. Why the ballots had hardly been counted when the Minister of Health suddenly announced that the hospitalization tax was going to go up 37 per cent, despite the fact that this year the federal government is going to give us \$14.7 million for our hospitalization scheme. When this scheme originated, I want to remind hon. members, and the people of Saskatchewan, the hospital tax for a single person was \$5.00 and for a married couple \$10.00. Since that time there have been four elections, since that time there have been four tax increases, till today the tax is almost five times what it was when it was first brought in.

Our CCF M.L.A.’s were still holding annual meetings after the hospitalization tax increased, and as I said my good friend the hon. Minister of Telephones got into the search for new funds. He announced that telephone rates were going up by one and three-quarter million dollars. That was the third time he had made increases in his department.

How about liquor prices? In the budget of last year it was announced that the liquor board had to find an extra million dollars in revenue. Liquor prices were put up fifteen per cent, across the board, as I understand it. This government continues the practice of heavily adulterating liquor with water, and still putting up the taxes on it. Do you know Mr. Speaker, that the profit that this government is taking out of liquor today is 93 per cent and could you guess what they are taking out of wine — 94 per cent. Now that may be a good thing, I don’t know, but it is not “abundant living.”

The last year we had a Liberal government, all they took from this industry was \$3¼ million. This year the socialists are going to take \$14 million. It wasn’t too long after the election before the Attorney General got into the act. His department really went to town on tax increases. Of the dozens of fees which are levied for the use of law courts, many are now double what they were. Some have been increased to five times the previous level.

October 12, 1961

At the last session, hon. M.L.A.'s will recall that the fee for inspection on cattle — the registering of brands on cattle was increased from 10 cents to 20 cents. A 2 per cent tax on insurance premiums was put on all insurance policies.

In the last budget, the tax on diesel fuel was increased from 12 cents to 17 cents a gallon. In 1961 the tax on gasoline was taken from 12 cents to 14 cents a gallon. That is a pretty important tax increase. It means that the socialists have taken it from 7 cents to 14 cents. They claim to be the friend of the farmer government. Year after year we have suggested in this House that farmers should be able to use purple gas, or tax-free gas in their farm trucks, but the CCF have always voted it down. Today, in Saskatchewan every time a man fills his car tank with gasoline, he has to pay a tax of roughly \$2.25. In other words, Mr. Speaker, the point I want to make is this. Instead of giving us "abundant living" as they promised in the last election, the socialists have given us substantially heavier taxation. The only people who have received "more abundant living" are the 16 cabinet ministers opposite, who altruistically and unselfishly raised their own annual pension from \$3,000 to \$4,200.

Mr. Speaker, taxes in Saskatchewan have reached the danger point. After 17 years of socialist government, our people on the average are paying taxes higher than citizens in most other parts of Canada. Liberals believe that these taxes cannot go much higher.

In addition to the huge provincial debt of more than \$500 million, this administration has undertaken other very substantial financial commitments. As nearly as I can gather, we have committed ourselves on the South Saskatchewan Dam — the province's share — to roughly \$135 million. The Premier may argue with those figures, but a lot of this is from a speech he made so if they are wrong, they are his figures. The reservoir, \$24 million; the power house \$44 million; recreation development, \$10 to \$15 million, and the Premier in the Debates and Proceedings, 1958 said that the cost of the province's irrigation was \$45 million. Adding it up, it comes to \$130 million, and we are committed to it.

What about the Squaw Rapids Dam? As nearly as I can find out we owe roughly \$50 million on it, or we have to find the money. The Power Corporation is pledged to bring gas to many of the towns and communities in this province.

That program is going to cost a lot of money — much of it well spent, but it is still a lot of money. We don't think the power office in Regina that is going to cost \$7 million to \$9 million is, despite what anybody says in this House such a good expenditure.

There are some who think that this government might be obliged to make good its guarantee and loan to Interprovincial Steel which totals about \$16 million. I hope they will never have to honour it, but still it is a commitment. There are certain other companies which the Industrial Development Office has guaranteed that could be in financial trouble. What about crop insurance. Where do we stand there? Where do the taxpayers stand? These are all commitments that this government may have to meet in the not too-distant future. I say that the drought picture can only make it more acute. If we have another drought there will hardly be a municipality or a school unit next year that won't be in trouble. Already we have more and more people on social aid; already we have more and more people who have used up their unemployment insurance benefits.

Surely, then, this economic picture all adds up to one thing — surely it indicates the one sensible course of government action. The Liberal party believes that in the critical period ahead this government should make a major effort to eliminate non-essential expenditures. We believe that it should do all in its power to reduce taxation, particularly on land and property — no increase taxation.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — But as I said a few moments ago, the socialists obviously have no intention of making any real effort to cut expenditures. Spending goes on apace; extravagance continues unabated.

Instead of proposing tax reductions at this critical time, the socialists will shortly propose tax increases that almost stagger the imagination. How long can we, as a province, based on a one-crop economy, continue this upward tax spiral without going broke?

We are told in the Throne Speech that the government is now proposing to proceed with the provincial medical plan. Liberals believe that a medical plan is desirable, if it can be financed without undue financial hardship. We do wish to make very certain that such a scheme — no matter how good that plan may be, does not jeopardize the solvency

October 12, 1961

of the province. Before voting for any scheme, I will tell the hon. Premier that the opposition wants very definite and very specific information — firstly as to the cost involved, and secondly as to the taxes that it proposes to bring this scheme in.

Even the socialists in this House must admit that many areas of existing health services today are in trouble. Last spring, for instance, a ceiling was clamped on payments to hospitals, under the Hospital Services Plan. There is not a hospital in Saskatchewan that isn't crying about this ceiling today. Yet, the Minister of Health went down to their convention last week, and he made a speech in which he said the austerity policy still must continue — the belt tightening must go on.

In the second place, in the last year the government has been too poor to carry out its commitments on the Yorkton Mental Hospital. Hospital construction grants all over the province have been sharply curtailed. As a result, there are many people in Saskatchewan today who hold hospitalization cards who cannot get into the hospital. A surgeon told me yesterday that the waiting period in Regina for elective surgery is six to eight months. The cost of drugs to old age pensioners has been increased from 20 per cent to 50 per cent. Today, because of the drought and unemployment, there are thousands of people in this province who are finding it very difficult to pay their hospital tax. When they get ill, they have to go to the hospital. Does this government pick up the tab? Not on your life. They leave it to the hospital or the municipalities to worry or anybody else they can stick for it. In other words, I say there are major gaps in many of our existing health services.

It is very true that the socialists made a medical plan the very cornerstone of their election programme 15 months ago. But, during that campaign, the Premier and other socialists talked very glibly about methods of financial this plan. I remember a speech he made out in my own constituency at Mortlach — how the rich would pay the bills for the less fortunate — how the bills could be paid from resources and industrial development, and so on. The CCF party keeps its promises, they said. I want to remind the House and the people of Saskatchewan of some of the promises the CCF have made in the past concerning medical services. Again I will quote the Premier, March 24, 1943: Premier Douglas said this in a radio address 'The Saskatchewan Commonwealth':

“Just as we have made education available to all, the time has come when we must make all the benefits of medical science available to all without money and without price.”

Then in the 1944 election campaign, the CCF issued a pamphlet called, “Let There be no Blackout of Health”. I quote what they said in that:

“The CCF will, therefore, set up a complete system of socialized health services so that you and every other resident of Saskatchewan will receive adequate medical, surgical, dental, nursing and hospital care without charge.”

Mr. Speaker, listen to this one: This is the Premier again. I don’t blame him for going out of the chamber.

“State medicine and hospitalization could be furnished for slightly more than \$8 per head, per annum”.

These were the election promises of the socialists of 1944 when they were campaigning for office. “Tested and Trusted”, they say. “Support the party that keeps its promises”. Where today are their promises of 1944? “Medical care — without money and without price”. “Medical, dental and hospital care — without charge.” Promises that are dead. Conveniently forgotten.

It is a harsh fact that no social welfare measure can be provided free — they all cost money — most of them huge sums of money. The CCF boasts a good deal about their hospitalization plan. It is a good plan. In passing, though, it is very interesting to note that Liberal governments in both Quebec and New Brunswick have provided the same kind of hospitalization scheme without the head tax which exists in Saskatchewan.

Hospitalization isn’t free in New Brunswick or Quebec either — but it’s much “freer” than it is in Saskatchewan.

It is pretty clear that this medical scheme that will soon be introduced will cost about \$22 million, according to the socialists. That is their estimate. I am inclined to think it will be a good deal more. But even if they take their figure of \$22 million, I understand it will rise in the third year to about \$30 million.

October 12, 1961

Several months ago I indicated to the people of this province that I had learned on good authority some of the methods that were being proposed to pay for this medical plan. Perhaps tomorrow the Minister of Health will get up his courage and tell us specifically what the proposals are. The Provincial Treasurer made a newspaper statement, in which he said my figures were accurate, but that they were really only source material. Whether they were actual figures or source material, I can tell you they came as a great shock to the people of Saskatchewan.

In essence, four possible tax increases were studied: — First of all, a substantial increase in the present hospitalization tax. I believe this head tax will be at least 50 per cent higher than it is at the present time, taking it from \$48 to \$72 for a family — that will be the lowest figure. Then the socialists propose to increase the sales tax, from 3 per cent to either 4 or 5 per cent. They intended to increase personal income tax. The only thing was that John said, “If you do increase the personal income tax above the level of other provinces, we won’t collect it for you”, so I think maybe ‘John’ saved us from this catastrophe. Finally, they are proposing a sharp increase in the corporation tax, or at least they discussed it.

In the final analysis, Mr. Speaker, all these four proposals may not be used. Maybe only one of them will be used — maybe two of the, but I ask the House to note all the propaganda talk about “free medial care” is gone. Now that he is leaving the province, the Premier says:

“Medical care has to be financed . . . we believe the people know they have to pay for it.”

That isn’t the way he talked in the last election. Mr. Speaker, there are many people in Saskatchewan today, regardless of politics, who sincerely wonder how this province at this time can afford \$23 million in new taxes, on top of the already heavy tax burdens which the socialists have imposed.

In the public mind there is a belief that some kind of a medical plan sooner or later is inevitable. But there are a great number of people who wonder if it shouldn’t be a national plan. The Conservatives have come out and said, “We’re going to have a health plan in this federal election . . .

Premier Douglas: — The Liberals said that!

Mr. Thatcher: — The Liberals have done the same thing, and they're the only two parties who can form a federal government. When you talk about promises, I wouldn't think you would have much to say today. As I say, the Liberals and Tories are the only two parties which can form a government, so obviously we're going to have a national health plan after the next federal election.

The leader of the socialists himself has said a national plan would be a good thing. He was speaking to the Canadian Health Association a short time ago and he said this:

“Mr. Douglas told the C.P.H.A. that compulsory health insurance must come into force — it should come as a joint federal provincial agreement.”

So even the Premier agrees that a national plan would be better than a provincial one.

In view of all these circumstances, the drought, the unemployment, our present budgetary deficit and high level of taxation, and federal plans — why all the rush? Why has this Advisory Committee been advised to bring in a report before they were ready to bring it in? I say there is only one answer, Mr. Speaker, and that reason has nothing to do with the unctuous speeches made by socialist MLA's — that the plan is needed more in bad times than it is needed in prosperous times. There has not been a shred of evidence placed, either before the special committee or before this legislature, or anywhere else, that a single person in Saskatchewan is today unable to obtain proper medical care.

The plan is being rushed through for just one reason. The socialists and their new leader want to be able to point to a Saskatchewan medical plan as a “fait accompli” in the coming federal election. They want to say to other parts of Canada — “we were first” regardless of the consequences.

The Premier is placing this plan on the statute books, then he is fleeing the province. He is going to leave his successors to find the money for it.

Now, Mr. Speaker, then the government places its medical plan before this House, I can assure you that the opposition will give it our closest possible scrutiny. Up to this point, however, I have seen nothing to change my

October 12, 1961

viewpoint that the government should do three things: First, it should determine exactly the total costs involved; secondly it should tell the people the specific taxes that are necessary to finance the proposal — it should give the people this information honestly and accurately. Then, it should go to the people and hold a plebiscite; let them decide whether or not they want the medical plan.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — I know the Premier, on election night, went on the air to say he believed the people of this province had given him a mandate to bring in socialized medicine. What kind of a mandate is 41 per cent? Fifty-nine per cent of the people at least voted against this government. During the election campaign I remind him of a statement he made, and I quote the Leader-Post, June 1st:

“Answering a questioner at North Battleford, Mr. Douglas replied that his party would put the medical plan through, if 51 per cent of the electorate voted in favour of the CCF.”

Well, he was far short of his 51 per cent. In the Turtleford byelection, the Premier made this further statement: I quote from the Star-Phoenix, February 22nd:

“Mr. Douglas said a CCF victory in Turtleford would be a further sign that the people of Saskatchewan wanted a prepaid medical care plan.”

Well, then, what did the Liberal victory signify? That the people didn't want his plan? I don't know, but I think we should find out. The last election was fought on many issues — not simply a medical plan. In the past, this government has held plebiscites on egg marketing, on the time question, on liquor outlets, and so on. Maybe these were important matters, but they weren't nearly so important as a plan which involves over \$20 million of the taxpayers' money. I say that before the people of Saskatchewan have to assume this awesome financial burden, they should be consulted.

I shall have more to say on this subject when the bill is introduced.

I turn now, Mr. Speaker, to another major problem facing this province — the problem of unemployment. For years, as every hon. member in this province knows, thousands of our young people, when they leave school or university

leave the province to get a job. Since the last war about 250,000 of our citizens have left the province, many of them to seek employment. Despite this huge population exodus we found that last winter we had a peak of almost 30,000 people out of work. With the drought this year, the figure could be even higher.

Relatively speaking, and taking into account our lack of industry, taking into account all the factories the Minister of Industry hasn't obtained for us, there is no part of Canada where the unemployment picture is much gloomier.

This situation is certainly in stark contrast to the promise that the leader of the socialists made when he was campaigning back in 1944 for election in the provincial field. Back in the old days, he had all the answers. He then told us that a CCF government could solve the unemployment problem at that time.

I have in my hand a copy of 'The Saskatchewan Commonwealth', issued January 27th, 1944, and I quote from page 8, which carries the Douglas speech. The headline, "How Can We Maintain Full Employment".

"We could maintain full employment for all who were willing and able to work by the three methods I have indicated.

1. By converting war factories to civilian production and chemurgy.
2. By setting up vocational training centres to instruct those who desire employment.
3. By launching socially-useful projects such as housing, water and forest conservation, and rural electrification.

"Such a program would not only provide jobs for all who wanted them, but it would enable those who are thus employed to buy the farmers' produce at a fair and adequate price."

Mr. Speaker, 17 years have passed — 17 years of socialist administration — 17 years of the Premier's leadership. Yet, we are no closer to solving the unemployment problem in Saskatchewan today than we were back in 1944. As a matter of fact, we are much farther away from it. Instead of improving the employment picture, the socialists have made it much worse with their amateur bungling. Because of their failure in this field, Saskatchewan population has by far the poorest growth record of any of the ten provinces in the Dominion

October 12, 1961

of Canada. Despite all this, our Premier is not dismayed. He now re-enters the federal field. As I said a moment ago, he has been going from coast to coast, and I give him credit — he has worked hard — trying to sell the new party. The public is being treated to a repeat of the same old jokes (and they're pretty good ones), and the same old stories, the same old arguments, that he has been spinning in this province since 1935 — the jungle society — the elephant and the chicken — our bother's keeper, and so on.

I was surprised to see him trot out in Ontario his old "cream separator story" — how the greedy capitalists have been sitting at the spout siphoning off all the cream, and the average citizen is left with the skim milk in the other spout. I was surprised because there are a lot of us who think in Saskatchewan there hasn't been very much cream to siphon off since 1944. But, if there has been any cream, it has been some of the friends of this government that have been getting it, and I could think of a few names I could mention.

In his recent speeches, outside the province our Premier has one main theme — namely that the old parties have failed to solve the unemployment problem — that the new socialist party has all the answers. Why, he intimates, there's nothing to it. Get rid of the old parties — join the socialists — bring in some crown corporations — let's have some social planning, and all will be well.

Mr. Speaker, in making such speeches our Premier has been talking nonsense, and no one knows it better than he himself. Surely if the socialists or the socialist leader know the answer to the unemployment problem, they have had 17 years to demonstrate that fact right here in Saskatchewan. Instead of solving it, they have aggravated it and made it worse. The very methods that he and his colleagues are advocating today on a federal scale, have been tried here: they have tried social planning; they have tried socialist; they have experimented with social ownership, but it has not worked.

Unemployment is a grave and dangerous cancer which is gnawing at the very well-being of Canada. It is a problem which calls for and demands a solution. But, to say that society need no longer tolerate unemployment is just as vain and just as senseless, as to say that society need no longer tolerate disease.

We have been attacking both these evils for generations; we must continue to attack them with every

means at our disposal. But let no one in Saskatchewan, and let no one in Canada think that the socialists (and particularly the socialists in Saskatchewan) have discovered any magic formula.

I turn now, Mr. Speaker, to manufacturing and industrial development. The Liberal party for many years has claimed that socialist policies have hindered economic expansion in this province. I'm not going to belabour that point today, except to say this — there are fewer people engaged in manufacturing than there were when the socialists took over in 1944. We say there is something significant that in all the postwar years, you can count the number of major industries on the fingers of one hand. In this field we have been a pygmy among giants. Yet, during the same period of time, industry after industry has gone into Alberta, and gone into Manitoba. Something is wrong. Is it our lack of natural resources? It is not too often that I agree with the leader of the government, but he did make a speech not too long ago where he said that Saskatchewan was a rich treasure-house. I think it is. We've got lots of agricultural land; we've got lots of potash, uranium, forest resources and so on. We Liberals think the time is long past-due when we should open up this treasure house and make some use of the resources which we have. Providence has been kind to Saskatchewan. I don't think that a lack of resources can be blamed for our lack of post-war growth.

Why has industry been so reluctant then to come to Saskatchewan? I think there is one main reason. Businessmen invest in a factory or a mine to make a profit. If that industry can make more profits in Alberta or Manitoba, that's where they're going to locate. We Liberals contend that the hostile, unco-operative attitude of the provincial administration towards business generally, has done more than any other single thing to hinder development here since 1945.

Last night I watched the Premier on television. He made a pretty good speech. He said, "Why, this government has built a lot of roads". They have built a lot of roads. So have Alberta and Manitoba, and every other province, since the war and at the same time they have got new industries. Then he went on and said, "And we've built a lot of schools". Certainly they have built a lot of schools. What government hasn't, since 1945? Then he said, "We've built a lot of hospitals". Of course they built some hospitals — or somebody has. Every province has these things, but in addition they have established industries and provided jobs. There are today thousands of our citizens, who are fed up —

who say, we've reached the point where we've got to do something about getting some industry. I don't say the Liberal party has got all the answers, but we do believe there are certain steps which could be taken to end the present industrial stagnation. Other countries in recent years have faced the same kind of problems. Surely there is a lesson to be learned from their experiences.

I think for a moment of West Germany. At the end of 1945, Germany was a pile of rubble. Thousands of her factories and industries had been bombed out of existence. Millions of her population lacked housing and were unemployed. More than a quarter of her territory was gone, and some of the territory that was gone contained her richest natural resources. There was no country in the world that 15 years ago had such a bleak outlook as West Germany.

I was in that country several months ago. I was there at my own expense, incidentally, despite the remarks opposite. A miracle has occurred. Germany's industry has been rebuilt. Her foreign trade has expanded. There is no such thing as unemployment in Germany. As a matter of fact, there is a labour shortage in Germany today that is so acute they are bringing in hundreds of thousands of Italians, Greeks, Yugoslavs and people from other parts of Europe, to fill that labour shortage. Surely it is significant that West Germany has staged this tremendous recovery under a private enterprise government. West Germany has encouraged business development, by tax incentives as though it were a crusade, and they have encouraged increased production through longer hours and a minimum of labour strife.

Hon. Mr. Nollet: — Oh, go on . . .

Mr. Thatcher: — My hon. friend, the Minister of Agriculture (Hon. Mr. Nollet) laughs. Of course, he wouldn't know. Across the frontier they've got the kind of fellow that he likes — East Germany — the same kind of people, the same kind of land, but under socialism. And under his kind of a government you find economic stagnation. You find frustration, and you find disillusionment. Up until several months ago, 3,000 people a week crossed the border leaving their property, their houses and everything else, to escape into West Germany and into the prosperity of private enterprise.

Surely, it is very significant, my hon. friend, the Minister of Agriculture, that the government of East

Germany under the socialism that you advocate, had to put up an eight-foot wall to keep its people in that socialist 'Utopia' — to keep the people from escaping to what I suppose the Premier would call a "jungle society" in West Germany.

That is what Germany has done by using private enterprise, and tax incentives. I believe Saskatchewan . . .

Hon. Mr. Nollet: — American dollars.

Mr. Thatcher: — It certainly wasn't socialism, whatever it was. I believe that Saskatchewan could learn something from the experiences of Puerto Rico. You know, I'm kind of glad to see the Minister of Agriculture becoming a little incensed, because I hope before this debate is over we will have encouraged him into saying that at long last he is going to do something for the farmer. We'll look forward to his participation in this debate.

I want to say something about the experiences of Puerto Rico. Only two decades ago, this was a small Caribbean Island, over-populated, disease-ridden, poverty-stricken, filled with unemployed. The average income was about \$150 per year. Then a progressive governor took over and launched what has become known as "Operation Boot-Strap". In a nutshell, operation "Boot-Strap" was a program to get new industries, and I commend it to the Minister of Industry in this province. What did they do?

I have the brochure in my hand, and it makes for pretty interesting reading. I hope he's broad-minded enough to read it. Even now I hope after he reads it he'll do something about it. First of all, Puerto Rico gave industries an exemption on profits for a ten-year period; then they gave them an exemption from five to ten years from property taxes; they gave them an exemption from any sales or excise tax on machinery, plant, or raw material; they have training programs — and that is something I think is lacking in this province — training programs, to train young men to go into some of these things; then they have the provision of buildings by the government for rent or sale on reasonable terms.

So successful has this Puerto Rico program been, Mr. Speaker, that hundreds of new industries have been created and attracted; thousands of new jobs created; the average Puerto Rican wage has been tripled; and great strides have been made in combating poverty and illiteracy.

October 12, 1961

Ireland is another country which has lagged for decades industrially. I suppose that is one of the reasons we have my hon. friend — the other member for Regina with us, because Ireland has lagged industrially. Ireland has seen hundreds of thousands of her best citizens emigrate. Of course, that's one of them over there. But she has seen many who remained at home, suffer from very heavy unemployment. So five years ago the Irish government said, "We've got to do something to get industry here". They launched a program. They granted a ten-year tax holiday to new industry; they pay up to 30 per cent of the cost of plant and machinery for a new company building; a government agency underwrites capital issues; the government gives large and rapid depreciation write-offs to new industries at the end of the tax-free period. As a result of this, 70 new industries, some of the major ones employing thousands of men and women, have located in Ireland.

I could also mention Jamaica in the Commonwealth, where they act similarly. Other countries have done these things. The trend throughout the world today is for governments to go all out to help industry — not to look upon industry as a tax chicken to be plucked.

Opposition Member: — Like the steel industry.

Mr. Thatcher: — Saskatchewan, of course, doesn't have all the handicaps that Puerto Rico does, or Jamaica or even Ireland. But I do suggest that we could emulate some of the things that they have done in those countries. Maybe all of them wouldn't be practical, but they have been successful so I don't see why it wouldn't work here.

On behalf of the Liberal party I have three proposals to put before this legislature, and before the people of Saskatchewan. We feel if these proposals are adopted, the province of Saskatchewan could start to develop industrially — and we could start to get our people employed in new industries. What do we suggest?

First of all, we suggest that socialism as a basic tenet of government must be discarded.

Opposition Members: — Hear! Hear!

Mr. Thatcher: — Socialism has been tried in Saskatchewan and found wanting. The socialist creed presents a constant threat of confiscation to industry. There are still cabinet ministers

opposite who say the old system should be eradicated. Even the Premier, sometimes when he is waxing eloquent, makes some pretty rash statements, such as the one he made in a Regina convention a couple of years ago — a CCF convention, when he had the colossal gall to describe the business community: “as completely dominated by profiteering motives, the quick-buck artists, and the huckster”.

Can we be surprised, in view of that kind of an attitude that time after time, foreign and eastern businessmen have chosen to build their factories in Manitoba or Alberta, instead of Saskatchewan? There are nine other provinces and 50 states in North America where they can build an industry without worrying about socialism, so if other things are equal, why should private industry risk their money here? Let's not kid ourselves — businessmen, whether they be from Ontario, the U.S., or Europe, don't like socialism. They are not going to invest in Saskatchewan in a big way, while we have such an administration. We may have made mistakes in the past, but the people of Saskatchewan don't go on indefinitely making mistakes. They know by this time that socialism has kept industry out; they are not going to put up with it too much longer.

I can tell you, Mr. Speaker, a Liberal government when elected, will root out socialism. We will call a halt to some of these costly socialist experiments. We will assure industry and we will assure investors they will be free from unfair competition from government subsidized crown corporations. The Liberal party will endeavour to end the bureaucratic red tape being imposed upon business and industry by dozens of these petty socialist planners. We think this is the first step that must be taken if we're going to get industry into Saskatchewan.

In the second place, we will endeavour to set up a government which genuinely believes in “responsible enterprise”; what is more important, a government which is prepared to do something about it besides pay lip service.

Some socialists talk as though it is immoral to make a profit. Don't they know that no business can expand, no business can hire extra workers, no business can give wage increases, unless it is making a profit. Liberals will make it not only safe, but also desirable and profitable for new industry to locate in Saskatchewan — more desirable and more profitable, I hope, than it is to locate in Manitoba and Alberta. I think at that time we will start getting some industry. Surely future government policies should be specifically designed to attract investment capital.

October 12, 1961

Our taxation policies should be formed with their effects on industrial development constantly in mind. Tax concessions and incentives should be made during the period in which new industries are getting established. Our taxes on industry and royalties on production must not be more severe than those in other provinces, and where possible should be lower.

Mr. Speaker, this reminds me of the new agreement which this House will shortly be signing. One of the great dangers that faces the people of Saskatchewan today, now that the hon. Prime Minister is throwing back some tax powers to the provincial governments is if this government decides to set our corporation taxes out of line with other provinces. Such action would make it absolutely certain that we would probably never get new industries. It's hard enough to get them now, but all we'd have to do is put our corporation tax three to five per cent higher than that of other provinces, and then it would be infinitely more difficult. So I certainly hope that that procedure will not be considered.

In the past 15 years Saskatchewan has come to be known as the place where industry never gets a break. Liberals will try to make Saskatchewan known as the province where industry is welcomed with open arms, the province where industry can thrive profitably.

We will make our province in the years ahead if we can, known as the haven for responsible enterprise. It must be the role of the next provincial government to provide the economic and political climate where such growth is possible.

In the third place, this is the third thing I believe is necessary if we are to obtain industry, and I can hear the Premier crying already when I say it, the Liberal party believes that our labour legislation must be thoroughly overhauled. This should not be taken to mean that we are suggesting turning the clock back, as far as genuine advances for the workers or basic trade union rights are concerned. However, for too long this provincial administration has made Saskatchewan the guinea pig for legislation designed mainly to buy Ontario and Quebec labour votes. Such acts time and again, have cost the province new industries, and what is more important, new jobs.

Many workers today are beginning to realize that fancy labour legislation used mainly for propaganda purposes,

is of no use to the worker without a job. Paper benefits written into statutes are no substitute for job security, efficiency, and good wages.

I believe, and Liberals believe, labour has every right to ask for its fair share of benefits from industry. But I also believe that before they can get those benefits, industry must operate at a profit. Certainly the economic welfare and the job security of our workers must be protected. But there is no justification for labour legislation and regulations, which unnecessarily hamstring employers. Far too often this happens in Saskatchewan today. I remind you, as an example, some of the decisions made by this so-called Labour Relations Board. If we expect industry to locate in Saskatchewan and provide jobs, then conditions of employment, must be competitive with Alberta and Manitoba. I say today that the Liberal party believes sincerely that no one would benefit more from sensible labour legislation than the working people of Saskatchewan, because it is this group who would be given the jobs by industrialization.

These three steps, then, Mr. Speaker, are the ones which we think are essential for future business expansion and economic development in Saskatchewan.

I conclude my remarks this afternoon by saying this, there are many indications that the CCF party will soon have passed into oblivion. There are many signs that Saskatchewan's long and unhappy experiment with socialism, is drawing to an end. Providence has blessed our province with rich natural resources. Yet, despite those resources, Saskatchewan has had a sick economy. We know this situation cannot be rectified overnight, because we have lagged behind too far and too long these past sixteen years. But I assure the people of Saskatchewan that the Liberal party will work tirelessly in the months ahead to provide practical and sensible alternatives. With the restoration of a Liberal administration, unswervingly dedicated to the principles of responsible enterprise, I think Saskatchewan may yet assume her rightful economic place in confederation.

So I say to my friend, the hon. Premier, and to his associates, get your convention over because it may be one of your last.

Mr. Speaker: — We have before us the amendment proposed by the hon. Leader of the Opposition, seconded by Mr. McDonald. I have given the matter consideration, and it appears to me to be in order. I believed this is quite in accordance with amendments which we have admitted to the Address-in-Reply in the past. I

would therefore rule it in order; thus the discussion henceforth in this debate will be on the motion as well as the amendment.

Mr. A.H. McDonald (Moosomin): — I wonder if I might ask the Speaker a question? You just mentioned that you would rule that in the future the debate would be on the amendment and on the motion. Mr. Speaker, this is a practice which has grown up in this House, but it is now a practice which is supported by any authority on parliamentary procedure that I know of, either here or anywhere else in the world, and I think it is a practice that should be discontinued immediately. I think that any member of this House should have the opportunity of speaking to this amendment to the motion without exhausting his right to speak to the main motion, and I believe that procedure should be followed from here on, as far as this House is concerned. I for one object most seriously, if I am going to be curtailed to having to make one speech rather than two, and I shall endeavour to make two.

Premier Douglas: — Mr. Speaker, may I express an opinion which Your Honour may want to consider before giving a ruling. It is my understanding from reading the proceedings in other jurisdictions, as well as the past records of this House, that we have always taken any amendment to the Speech from the Throne, or an amendment to the motion to go into supply, and discussed them both at the same time. This does not, however, in my opinion, preclude any person speaking again when the amendment is disposed of. If at any time throughout the debate it is decided to take a vote on this amendment and dispose of it, any member who has spoken cannot speak again.

The general purpose of having a discussion on these motions together is that it allows a member to speak on both at the same time, as the Leader of the Opposition has done. He has not only spoken on his own amendment, which he moved, but he has roamed over the whole field, not only on the Speech from the Throne, but on a lot of things that were not mentioned, and quite properly so, that he thought should have been mentioned in the Speech from the Throne.

I would take it that in discussing both the amendment and the motion together in the course of the debate, this would not preclude any member speaking again when the amendment is disposed of, if he so wishes. But I would suggest that Your Honour might consider the authorities, and give a ruling on it tomorrow.

Mr. McDonald: — I have no intention of getting into an argument over this, but I want to point out in reply to the last speaker that the rules of this House state that on the fourth of the said sitting days of this debate, certain things happen; and on the sixth day certain things happen. I or no other member would have the opportunity to reply to the amendment, because of these rulings. I would suggest, Mr. Speaker, that perhaps you give us your opinion tomorrow . . .

Mr. Speaker: — Yes, I would be very glad to hear further discussion from the House if there are further opinions to be expressed in this regard, but my ruling in this regard I think was well-founded on the past procedure, and past statements in this House in regard to this. We have done this this way ever since I have been in the House, and I think insofar as rules and regulations for any House, it is up to that House to decide for themselves, and the precedent in this House is that we have allowed the debate to continue on both the amendment and the main motion at the same time.

However, if there are any further comments we would be glad to have them.

Mr. McDonald: — Is this your ruling?

Mr. Speaker: — No. I am not making a ruling at this time. I am asking for further comments, and I would like if possible to withhold my ruling for a later date.

Mr. Danielson: — I don't think we should have an argument on this point, because up to the time the radio was brought into the House this was the custom here. I think this is according to rules and regulations governing any legislative assembly. This has never been changed since it was brought in — when a person spoke on the main motion, they also discussed the amendment at the same time. I think the system is wrong, as far as I am concerned, and I think we should go back to what the rules and regulations were before — not to the old style, but what is in effect now, to what is in effect now at the present time.

October 12, 1961

Premier Douglas: — Mr. Speaker, in taking part in this debate, I hope that I shall be given by Your Honour the same privilege which the Leader of the Opposition has been given, namely of discussing both the amendment and the motion. The hon. gentleman moved his amendment, if I can remember correctly, about 3:15, and continued for another 45 minutes to speak not only on the amendment, but on a great many other matters that were not relevant to the amendment. I think he was quite proper in doing so, but I would feel that it would only be fair that I should be allowed, in speaking in reply, to cover both the amendment and the main motion. I certainly have no intention of speaking twice, unless somebody does something very unusual to change my intentions.

Mr. Speaker, I should like first to extend my congratulations to both the mover and seconder of the motion in reply to the Speech from the Throne. I would like to commend the member for Regina (Mrs. Cooper) for the very able speech which she made yesterday. I was quite impressed with the fact that she had taken the trouble to read all the reports which were presented to the Advisory Planning Committee on Medical Care, and they are most voluminous and to read the interim report and the dissenting opinions of the minority report which were filed by the committee. There is a wealth of information in them. I hope that most members will find time to read them. I do want to say that the member for Regina yesterday, in my opinion, did a great service to this House and to the people of Saskatchewan, in reviewing this matter so carefully and so thoroughly.

I was particularly impressed with the fact that she took the trouble to point out that there is no single way in which to set up a medical care plan which could be conceived as the perfect plan. I think we all have to recognize that there are many different alternatives. One of the things I hope this legislature will do would be to discuss very carefully, and to debate, if necessary quite vigorously, the different alternative methods of setting up a medical care plan.

I remember someone in the British government saying to me back in 1948, when they were seeking to introduce at that time the British health plan, “No one introduces a perfect plan. What you do is to try and bring in a plan which will meet the needs of the people and will have general acceptance, and then keep hoping in the light of experience that you will evolve a perfect plan. If you do this in ten or twenty years, this is the very best you can hope for.”

We are not going to put on the statute books, of this legislature, a perfect plan that will meet all those situations which will possibly be envisioned. The best we can hope here is to discuss the various alternatives and decide what will best meet our immediate needs and what will have most general acceptance, and then trust that succeeding legislatures and succeeding governments will keep evolving that plan to meet the needs of our people. The member for Regina outlined very well some of the good aspects, and some of the disadvantageous aspects of various proposals which have been put before the legislature for its consideration.

I want to congratulate the member for Touchwood (Mr. Meakes) for dealing with a very complicated problem, and dealing with it in an excellent manner. This whole question of tax-sharing agreement and tax-sharing arrangement is a very complex matter. I have been reasonably close to this question now for some 17 years and just as I listened to him yesterday, he recalled some things which I had forgotten. I am sure that members who are not too familiar with the details are indebted to him for giving an historic review of what is, to my mind, one of the very important issues on the public life of Canada. So I congratulate both members on a job well done.

I would like, Mr. Speaker, to say personally and I am sure I speak for all members of the House, how glad we are to see the member for Moosomin (Mr. McDonald) back in his place. As hon. members know, he underwent major surgery this summer and all of us were concerned about the state of his health. I can assure him that it is with real joy that we see him, fully restored to health and strength and back in his place, and we hope that he will have many more months and years with which to torment this government to the very best of his ability.

I am going to reserve most of what I have to say with respect to the remarks of the hon. Leader of the Opposition. I just want to deal with two of the matters he raised at the beginning of his speech. The one is that he said he was surprised that the Speech from the Throne didn't contain any reference to agriculture and to unemployment, and to a whole host of other problems which are, of necessity, of great concern to the people of Saskatchewan, I want to remind the House, Mr. Speaker, that it has been the custom when calling a special session of the legislature — technically there is no such thing as a special session — but it is a fall session of the legislature, to deal with certain specific matters.

October 12, 1961

This is the third fall session which we have had in my experience, and in each case they were called to do a specific job. Therefore it would be most improper for the government at this time to try to review the whole economic situation and to outline programmes other than the specific programmes for which the House had been called together. This does not preclude the members from having adequate opportunity in the Speech from the Throne debate to discuss all these other items. But it certainly wouldn't be proper for the government to review these matters in the Speech from the Throne, in my opinion, when the session has been called together for a specific purpose.

I notice that the Leader of the Opposition talked about guillotining the members. As a matter of fact if you will look at the records of the legislature of British Columbia, where a few weeks ago they were called into session to pass some five pieces of legislation for the purpose of taking over certain electric companies, the Lieutenant-Governor read the Speech from the Throne, which simply said they'd been called together to consider the following acts. The Premier didn't even move the traditional motion to consider the Speech from the Throne. This motion was not moved and the House moved into immediate consideration of the legislation. I don't think that is the proper procedure. I certainly hope it will never be adopted in this legislature or any other legislature. But, certainly in bringing down a Speech from the Throne we are providing the members with ample opportunity to discuss these matters, and the ministers also have ample opportunity to speak on the various programmes which are being carried out relative to agricultural problems and unemployment, and which were budgeted for in the regular session and reports on which will be given to the legislature at the next regular session.

The other matter which the Leader of the Opposition referred to was his complaint that I had placed a motion on the Order Paper yesterday, calling for the legislature to sit in the mornings. He implied that this was some attempt to guillotine discussion and to rush the members along. He suggested for two reasons that we were trying to steamroller things through. One, because we had a provincial convention coming up, and secondly because I wanted to go campaigning in the country. I want to assure the members of the legislature that any plans for a provincial convention or any plans I may have need not interfere with the work of this legislature. If by the time the provincial convention is going to meet, the work of this legislature is not finished, there is no reason at all why this legislature cannot adjourn for that week, and meet again after the convention is over.

This legislature will have ample opportunity to discuss the business which is going to be placed before it.

I moved the motion in question for the very obvious reason that since this is not a regular annual session, there is no work for the committees. It is too early yet for the public accounts to be ready. The fiscal years of the crown corporations have not yet expired, therefore there are no reports from crown corporations. The reports from various professional groups which usually go to the law amendments committee, of course will not be available until the end of the calendar year. Therefore, as far as I know there is no work for the standing committees.

It has been customary in the past for the committee of the House to meet in the morning and for the legislative assembly to meet in the afternoon and the evening except on Wednesday, and usually on Friday. I certainly did not think that the members would want to be sitting around here mornings, doing nothing. There are a number of the members here who are school teachers, who are paying substitutes to look after their school rooms, who naturally want to get back to their classes for the sake of their students as well as for the cost which is involved. I could therefore see no reason why the members should be sitting around in the mornings when we could just as easily be continuing the work in the House. I can't believe that a five and a half hour day is an adequate work day for most of us in this House. If we start to sit in the mornings, this is an eight hour day, and it is an eight hour day for three days in the week in all probability. There is no motion to sit Wednesday night, and we very seldom sit Friday nights, and there is nothing in the motion for sitting Saturdays. I would hardly think that an eight hour day for three days, and two-thirds of a day for the other two days in the week would be a very heavy load.

Mr. Danielson: — . . . thirty-five hours a week . . .

Premier Douglas: — Well, they may advocate a thirty-five hour week, but of course, they don't get paid as well as members of the legislature and I don't think we can afford to work a little harder and a little longer. I want to say that if I could be assured of an eight hour day I would be very happy — if I could do all my work in an eight-hour day.

I want to repudiate any suggestion that the government is seeking to steam-roller. We're trying to have

October 12, 1961

the members make full use of the time when they're here, and if the members later want to sit on Wednesday evenings or sit Saturdays, this can be considered between the Whips, and the motion introduced. I think the present suggestion is a proper one in view of the fact that the committees of this legislature will not be sitting.

(debate adjourned)

The Assembly adjourned at 4:23 o'clock p.m.