

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Third Session — Fourteenth Legislature**  
**4th Day**

**Thursday February 27, 1962**

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

**ON ORDERS OF THE DAY**

**WINTER WORKS PROGRAM**

**Premier Lloyd:** — Mr. Speaker, I thought the house would be interested in the contents of a wire which I received last evening from the Hon. Mr. Starr, in which he announces that the federal government is extending the final date of the municipal winter works program incentive from April 30 to May 31, 1962. This is similar action that has been taken in other years and I am pleased to announce that the province of course is quite prepared to co-operate in this extension.

**Government Members:** — Hear! Hear!

**Mr. McCarthy:** — Mr. Speaker, a question to the Premier on the announcement he made. Does that include the community wells? They had a cut-off date I understand of March 31st. Does your announcement include that?

**Premier Lloyd:** — Mr. Speaker, this applies only to municipal winter works incentive program, the community wells program is a different program entirely.

**WELCOME TO STUDENTS**

**Premier Lloyd:** — Mr. Speaker, if I may rise again before the orders of the day I am sure all members of the legislature would want to take this occasion to welcome our guests from the University of Saskatchewan, who are here with us this afternoon, members of the debating directorate of the parliamentary forum in the international students association. We will have the pleasure of having them with us at dinner this evening I understand, that you

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are tendering Mr. Speaker, and at this point all I am going to say is that we are indeed very pleased to have them.

**Hon. Members:** — Hear, hear!

### **SEED GRAIN SHIPMENTS**

**Mr. D.T. McFarlane (Qu'Appelle-Wolseley):** — Mr. Speaker, before the orders of the day are called I would ask your permission to direct a question to the Minister of Agriculture which I feel is of vital importance to the farmers of this Province. I wonder if the Minister of Agriculture can tell this house what provisions are being made at the present time for seed oats, whether quantities are going to be allowed to be distributed in carload lots or in separate lots, the variety procurable and the price of the seed oats?

**Hon. Mr. Nollet (Minister of Agriculture):** — Mr. Speaker, arrangements have been made with the Saskatchewan Seed Grain Co-operative some time in September to acquire a stock of suitable commercial seed for distribution in Saskatchewan. The distribution in the main will be made to the Saskatchewan Seed Grain Co-operatives, although other elevator companies are participating in this program to provide suitable commercial seed oats, that is seed oats that has the benefit of a controlled sample certificate. We are paying 75 per cent of the rail cost of the movement of these oats by bulk carload lots, and the distribution will be made on that basis. The price will run somewhere in the order of \$1.30 a bushel, somewhere in that order, and this price insofar as the Seed Grain Co-operative is concerned will take into consideration transportation costs and the price will be the same to all delivery points or shipping points in the province. We have averaged out the price range on the basis of this price. The varieties of oats will be the usual varieties that are suitable for our conditions here, two varieties presently.

### **WELCOME TO STUDENTS**

**Mr. L.P. Coderre (Gravelbourg):** — Mr. Speaker, before the orders of the day are

proceeded with I too would like to associate myself in welcoming the university students. I would also like to draw attention to the house to a group of students from the Gravelbourg Convent and public school and they are accompanied here today by the Mother Superior St. Marie Agnes and Mother St. Rigue. All the students of the group, about 55 in number, some are now touring the building. I wish to convey to them a welcome and I am sure it will be a very enlightening afternoon.

**QUESTION: MENTAL HOSPITAL IN YORKTON**

**Mr. B.D. Gallagher (Yorkton):** — Mr. Speaker, before the orders of the day are proceeded with I wonder if I might direct a question to the Minister of Public Health. In view of a report that came out in the Leader-Post some weeks ago concerning the possible building of the mental hospital in Yorkton, I wonder if the Minister at this time, and also in view of the fact that there was no mention made of it in the Speech from the Throne, I wonder if the Minister at this time is able to make a statement regarding the construction of the mental hospital in Yorkton?

**Hon. W.G. Davies (Minister of Public Health):** — I expect Mr. Speaker that a statement will be made this week on this matter.

**QUESTION: THOMPSON COMMISSION REPORT**

**Mr. J.E. Snedker (Saltcoats):** — Mr. Speaker, before the orders of the day are proceeded with I would like to ask the Minister of Health when we may expect a final report on the Thompson commission on medical care?

**Hon. W.G. Davies** — I cannot say, Mr. Speaker, precisely when the report will be in, but I should hazard a guess that this will be within the next two months.

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**ADDRESS-IN-REPLY**

**ADJOURNED DEBATE**

The Assembly resumed the adjourned debate on the proposed motion of Mr. Berezowsky, seconded by Mr. Thurston.

**Mr. W.R. Thatcher (Leader of the Opposition):** — Mr. Speaker, my first remarks this afternoon must be to associate this party with the remarks the Premier made in connection with the visit of the students from the University of Saskatchewan. We hope they will not find it as cold inside the chambers today as they have found it outside. The opposition is happy they are with us. I was particularly pleased, and I know I speak for my associates, to know that the university students in Saskatchewan showed great wisdom in their mock elections last fall by returning the Liberal party. I think that is the second year in a row they have followed such a course.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — Mr. Speaker, it is now one year and a little more than eight months since this socialist administration opposite was elected to office on a popular vote of a little more than 40 per cent. Since that time there has been evidence on every hand that their popularity has been steadily and consistently declining.

As every hon. member in this house knows, and as every citizen of Saskatchewan knows, the old CCF party as such has been scrapped and officially buried. The province has witnessed a rather desperate attempt on the part of hon. friends opposite, to climb on the back of organized labour in order to save their political hides. However I think that these tactics of desperation have met with very little success.

In recent months we have seen the white-haired boy of the CCF, Mr. Tommy Douglas, follow the example of his chief lieutenant, Mr. C.M. Fines, leave the field of provincial politics. I say that both Mr. Douglas and Mr. Fines saw the storm signals in Saskatchewan. I say what I have said repeatedly out on the hustings, that it is probably the first sinking ship in history where the captain and first mate got off first.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — Since the general election some 20 months ago, the socialists have been given three major setbacks at the polls.

The Athabasca deferred election was the first. I participated in that campaign as did most of my hon. friends in the cabinet opposite. It was a four party fight. The socialists made a major effort. We had cabinet ministers going from house to house, wherever they could find a house. There were electioneering in Athabasca as many civil servants as I have ever seen in one spot, yet the socialists were defeated by the Liberals. And my hon. friend, Mr. Guy sits in this legislature as a result.

The Turtleford by-election was held eight months later, that result came as an even greater shock to the planners opposite. Once again we saw furious campaigning led by the former premier. We had gentlemen like the Minister of Natural Resources, the Minister of Agriculture, and other minister going house to house trying to save their party. But all to no avail. As you know the member for Turtleford (Mr. Foley) sits in this seat with a very comfortable majority.

In December of last year the most significant socialist defeat since 1944 took place. Here was Premier Douglas's old stronghold. Here was a campaign where the socialists spent money like water. Here was a seat where the vaunted medical plan for the third successive time was claimed by the government to be the major issue. Here was a seat where they put labour organizers in from all over the country trying to deliver the vote to the NDP. Yet despite everything they did in the old premier's seat, the people of Weyburn decisively rejected socialism. My friend Mr. Staveley sits in the seat today for the constituency of Weyburn.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — Now Mr. Speaker, what is the significance of these three socialist setbacks at the polls? I suggest they indicate with unmistakable clarity that the people of Saskatchewan are dissatisfied with government policies. Surely, these set backs should make it very clear to my friend the Premier and to his associates that the government must revise its policies if it is going to sit over there very long. The throne speech would seem to indicate that my hon. friends opposite have no such thoughts in mind.

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For example, I was rather surprised that down in the Weyburn by-election that NDP blamed everybody for the defeat except themselves. Why, cried the Premier, why, cried Mr. Douglas, the Liberals made a deal with the Tories and Social Creditors, they ganged up on us, that's why we lost.

The Socialist party organ came out with a very bitter headline a few days later "Tories and Socreds vote Liberal in Weyburn by-election". The editorial on page 12 of the Commonwealth is really a gem, and I wish all the people in Saskatchewan could read that editorial on page 12. Here's what the editor said, I presume it was Mr. Hanson:

"We find it a little difficult to be gracious about congratulating J.H. Staveley upon his victory in the Weyburn by-election after the scurrilous campaign of misrepresentation that was carried on by the Liberals. In the face of such an open threat to democracy, it is hard, indeed impossible, to be polite."

Well, Mr. Speaker, that is nothing new for the editor of the Commonwealth.

"And with it all, the Liberals won nothing but a rather hollow victory."

I say, give us more of those hollow victories.

"for a comparison of the poll by poll results compared with the last election shows that it was the Conservatives and Social Creditors who turned the tide in the Liberal direction."

Mr. Chairman, the socialists were defeated in a clean straight fight, and I suggest that the Commonwealth showed very poor sportsmanship in writing an editorial of that kind. There are none so blind as those who refuse to see.

Now the socialists have lost three straight by-elections for reasons that are crystal clear: because of their own ineptitude; because of their own inefficiency; because of the disastrous effects of socialist policies in Saskatchewan; and because our citizens want no part of a labour-dominated class party in the province of Saskatchewan.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — Now in Weyburn I have no hesitation in saying that we were pleased indeed that the Conservatives and the Social Creditors ran no candidate. But I will also say flatly that the decision not to run candidates was made by their own local organizations. The Liberals offered no deals and made no deals to keep them out.

I would like to tell hon. friends opposite something else. The day when the socialists can count on a divided vote among those who believe in private enterprise is just about past. For too long, those who believe in the private enterprise system when they went to the polls have split their votes in Saskatchewan between the Liberals, the Conservatives and the Social Creditors. But today the big majority of voters are determined to rid this province of socialist stagnation. Those private enterprises have determined from now on to vote for the party that has the best chance of doing that, regardless of its label. At the moment I think most of those individuals have decided that it is the Liberal party, which is the private enterprise alternative in Saskatchewan at this time. Therefore, in the months ahead I believe the anti-socialist vote will continue to solidify behind the Liberal party. Thus I say, Mr. Speaker, that three electoral defeats in a row, can only mean censure at the grass roots.

These by-elections point out what will happen to this government when it gets the courage to go to the polls. The socialists won't only be defeated, they will be virtually wiped out. I have very little doubt myself, but that they will be the third party, after the next election. Meanwhile they are living on borrowed time. Downtown in the cocktail lounges they are selling a new cocktail — they call it the "Douglas cocktail" — "Saskatchewan on the rocks." The task of the opposition in the months ahead will be to prevent my hon. friends opposite from wrecking our economy completely before they are finally ejected from office.

Now Mr. Speaker, I think I would be expected this afternoon to say a few words about another major socialist setback. I refer to the defection last week of Mr. Hazen Argue, from the NDP. Mr. Argue of course was the national leader of the CCF for a year, and the house leader since the NDP was formed. I think possibly I know Mr. Argue as well as anyone in this house, because I roomed with him for eight years in the House of Commons, and I would say he was one of the ablest of the socialist

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group certainly as able as anyone I see across from me. Our political viewpoints differed frequently but I always admired Mr. Argue's ability, his courage, and his tenaciousness.

Following his resignation from the NDP as leader of the party in Saskatchewan, I invited him to join the Liberals. I took the responsibility because I sincerely believe he can make a major contribution to our party, and I took this course after I had consulted with the Saskatchewan Liberal Executive. As hon. members know, he took this step last Friday. I hope he will be made welcome by the overwhelming majority of our members throughout the province. It is natural of course that some Liberals will have doubts and perhaps misgivings, as to the motives Mr. Argue had for making such a major political change at this time. Over the years Hazen has been a hard-hitting opponent and critic, I should know, and this of course has not sometimes endeared him to some Liberals.

I ask Liberals holding doubts to be patient, and I ask them to wait for Mr. Argue's story. Believe me it is going to make pretty shocking reading, not only for my friends opposite but for the province of Saskatchewan and the citizens of Canada as a whole. I ask my hon. friends in the Liberal party to remember the chief objectives of our party provincially. As I see our objectives they are these: First, to rid this party of the socialists; secondly to restore good government to Saskatchewan. In my opinion, the defection of Mr. Argue will be of great help and assistance in the achievement of these objectives. Now it will be Mr. Argue's responsibility to lay at rest the natural fears of some Liberal workers. He can do this by hard work and by performance for Liberalism in the years ahead. I am confident that he will succeed because in my opinion there is no harder or more tireless work in the House of Commons.

Mr. Argue has come to the Liberal party, as has been pointed out by himself, and as has been pointed out by Mr. Pearson, asking for no deals — he has been promised no rewards. I am indeed pleased to have him with us. His immediate political future will be decided at a Liberal nominating convention in Assiniboia, whenever it is held, and the delegates at that convention will decide whether or not he will be the Liberal standard-bearer for that constituency in the next election. I may say that there are already several other constituencies



who unofficially have invited him to run as Liberal candidate.

Now what is the significance of Mr. Argue's move? On one point everyone seems to agree, his defection is a devastating, even an irreparable blow to the NDP. Yesterday, the two speakers did not even mention the NDP in two hours of speech. Surely his departure from the NDP is striking evidence of the failure of my hon. friends opposite to gather unto their party the support of the farmers of Saskatchewan and Canada. Even his political opponents would have to admit down through the years Mr. Argue, year in and year out has tried to champion the interests of the farmers. Yet as a farmer, it is significant that he has found his position within the NDP intolerable. In his statement of resignation he said very emphatically, very forthrightly, that the NDP has become a class dominated party, dominated by a few powerful labour bosses. I suggest, Mr. Speaker, that he was in a position to know. Members of this side of the house have been saying the same thing for many months. I know that my hon. friends opposite watched his television program; I know members like the member for Lumsden (Mr. Thurston) and certain other farm members saw him warn farmers to avoid the NDP like the plague. He said time and again that the farmers' interests could not be served by the new movement, and I know that if the hon. M.L.A. for Lumsden and other farm members will search their hearts, they know that is true.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — There are few Saskatchewan farmers who are likely to doubt Mr. Argue in this connection, because they have held the same suspicious view themselves all along.

Now in leaving the N.D.P. to become a Liberal, Mr. Argue has been subjected to a good deal of personal abuse, and no doubt he will be subjected to more personal abuse in the future. Down through the years I am sometimes surprised by the logic of my socialist friends, if you leave the Liberals or the Conservatives to join their movement, they welcome you with open arms, you are a progressive thinker who has see the light. As one former CCF cabinet minister used to say, "You have thought your way in". But woe to the individual who thinks his way out. Woe to the individual who leaves the socialist party to become a Liberal or a Conservative. In Socialist eyes he is immediately branded as a renegade, a deserter, a Judas and so on.

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Very respectfully, I suggest to my hon. friends opposite that they ponder some of the words from an editorial which appears in the Toronto Star. Now if there is one paper in Canada the past few years which has favoured the socialist cause it has been the Toronto Star. What did they say about the defection of Mr. Argue? I quote:

“The leadership of the NDP ought to ponder long and hard over Mr. Argue’s indictment for it reflects the views of many Canadians who are generally sympathetic to many of the aims of the party. Instead, unfortunately, some prominent NDP people have resorted to invective against Mr. Argue, branding him as a “Judas” and a “Traitor” to the NDP cause. They appear to take the view that anyone who withdraws his support from the NDP is somehow immoral and that his resignation cannot possibly be based on honest and conscientious reasons. This is a bigoted and unfair judgment.”

Thus quotes the Toronto Star last week.

I noted with interest some of the harsh words uttered by the leader of the NDP, Mr. T.C. Douglas, “abject betrayal”, he says, “sold out”, he says, well I suppose it is natural for Mr. Douglas to be bitter. He has seen the NDP political balloon punctured before it ever got off the ground, but I think as an ex-Baptist minister, he might have been a little more gracious. In any event, there is a way he can justify his charges, there is a way he can prove Mr. Argue erred, there is a way he can show that the NDP still has some farm support. If Mr. Douglas has the courage, let him accept Mr. Argue’s challenge and run in the Assiniboia constituency against Mr. Argue . . .

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — . . .if Mr. Argue gets the Liberal nomination.

There are several reasons why Mr. Douglas should go down to Assiniboia: first of all because when he was in the House of Commons before he represented most of that constituency; secondly, when he sat in this house he represented people who are for the most part in that area; thirdly because the executive of Assiniboia invited

Mr. Douglas to be a candidate; and fourthly because Assiniboia is a rural seat. The people of Saskatchewan and particularly the farmers of Saskatchewan will be watching with great interest the choice of constituency which Mr. Douglas makes. I say to my hon. friends opposite, the gauntlet is down, has your champion got the courage to pick it up?

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — In leaving the NDP Mr. Speaker, Mr. Argue did what thousands of others are doing in Saskatchewan. I think I have travelled around this province just about as much as any other person in this house in the last year. I have met thousands who have left the socialists to join the Liberal party, and I have yet to meet one who has left the Liberal party to join the socialists in that period of time.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — I commend to the moderates of this movement, if there are a few moderates left, the experiences of the old progressive movement. One time it was very wide-spread in the western provinces. Progressives entered the Canadian political scene in 1917. That year they elected many members to parliament, and a few years later they reached a high of 64, which was far higher than my hon. friends opposite have ever done or ever will do in the near future.

Yet after three or four terms in parliament, progressive members in their wisdom, decided that they could do more for the west by joining the Liberal party. That is what most of them did, and they found the Liberal party to be the reform party in Canada, moving forward as rapidly as economic circumstances permitted.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — And so I say to the moderate members in the CCF and to the farm members in the CCF particularly instead of going to this so called NDP that is practically buried before it gets off the ground, come into the Liberal party. As Mr. Pearson put it the other day, “The light is always in the Liberal window for men of intelligence and goodwill”. The first requirement might eliminate quite a few opposite, but in any event they are welcome to apply.

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**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — As I say the Liberal party doesn't want the left-wingers or the political crackpots, but we do welcome into our ranks all persons of progressive political views.

Mr. Speaker I have no doubt that Mr. Argue's example will be followed soon by many of his associates both in this province and across the country. I can tell you Sir, that I think you may be surprised to see who will want to join the Liberal party in the not too distant future. The NDP is disintegrating before our eyes. Socialism, virtually speaking, has run its course in Saskatchewan. Pretty soon the only socialists left in the Americas will be Castro and his followers down in Cuba.

I turn now to some of the problems which are facing the people of Saskatchewan today. Regardless of politics I think it is fair to say that there is an almost unanimous feeling that taxes in this province have reached the danger point, in fact have long since reached the danger point. Only a year and a half ago I want to remind my hon. friends opposite again that they campaigned with one major slogan. They spent much money from their well-heeled coffers, to put this slogan upon telephone poles all over the province, and to put ads in the newspapers all over the province. I have one in my hands. Everyone in this house remembers that socialist slogan 20 months ago "Vote CCF for more abundant living", "Vote CCF for more abundant living".

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — What a travesty that slogan turned out to be. What kind of abundant living have they given us? In 20 short months, Mr. Speaker, including court fees, they have given us 200 new taxes and levies, over 200. I don't think anybody, even hon. members opposite, would say that is "abundant living". The history of this administration for 18 years has been a long and steady increase in virtually all old taxes and the imposition of many new taxes. It is just about impossible to think of any opportunity or any excuse for taxation which has not been fully exploited by the government. Today, provincial taxes in Saskatchewan on a per capita basis are the highest in all Canada. And I challenge the

Provincial Treasurer to show where this is not so when he speaks.

Today the average per capita tax in Saskatchewan is \$96 — provincially. That is 7 times the 1944 level. Municipal taxes now average \$92; four times what they were in 1944. Municipal taxes are high because of the stingy financial assistance which this government has given the municipalities. What does this mean to the average citizen? Provincial and municipal taxes together now average \$188 for every man, woman and child in Saskatchewan. For a family of four the tax bill is \$752 for a family of six, the bill is \$1128. The Liberal party says that this staggering and oppressive burden is out of all reason, and must and will be reduced.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — One would expect that in a drought year with agriculture depressed, with business generally sharply down, with unemployment spiralling upward, (I think the Throne Speech said it was 27,000) with municipalities and school units facing major financial difficulties, with the provincial debt at an all time high, one would expect under these circumstances the government would indicate some restraint in the spending of the taxpayers' money. Yet all our cabinet ministers seem to do, and there are 15 or 16 of them, is to spend their time figuring ways of extracting new taxes from our people. The Liberals have stated for months, indeed years, that this government has brought in hundreds of new taxes since they took office. Socialist speakers out on the hustings, particularly down in the Weyburn by-election, made charges that these claims are exaggerated, that they are false, that they are untrue.

Here is what the socialist newspaper had to say on December 20th, "The Commonwealth" — they accused the Liberals during the Weyburn by-election with, and I quote:

"Spreading unscrupulous distortions of fact about provincial taxes".

Well, Mr. Speaker, no matter how hon. friends opposite may squirm, facts are facts.

Last session, the hon. member for Moosomin (Mr. McDonald) placed a very interesting question on the order

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paper. I suggest it is one of the most interesting questions that has ever been put in the order paper since these buildings were constructed. He asked for this information, the fees, licenses, the royalties charged by each department, bureau, commission or other activity of the crown on May 1, 1944 and January 31, 1961.

To put it in another way, the member for Moosomin asked what the taxes were in 1944 in this province when the Liberals left office and what the taxes are under the socialists today. Mr. Speaker, the answer appalled members on this side of the house. I have the return in my hand, page after page of them, new taxes, new licenses, new fees. I commend this return to the new Provincial Treasurer, because I'll bet he has never read it; I'll bet hasn't got a clue what is in it. Read it and weep. Even if you leave out 15 pages of fees charged by the Department of Health, but including increases in court fees effective February 1, 1961, there are in this return 1,630 items of impositions charged in 1961. As compared to 1944 there are 600 tax increases. Think of it, Mr. Speaker, according to the government's own return 1200 items of new taxes or tax increases since the socialists took office. Small wonder that the people of Saskatchewan are beginning to conclude that this is too great a penalty to pay for the luxury of the only socialist administration on this continent except Castro's.

Small wonder, also, that 250,000 of our people have left this province since the socialists started governing it. I admit very frankly that some of these new levies are minor ones but added together they all come to give the same significant pattern, even higher taxes. Let me give the house a few examples: Driving license back in 1944 was \$1. Today you get a little insurance with the license, but the cost is now \$3. Duck hunting license in 1944 was \$2, in 1961 is \$3. The fee for application for Canadian citizenship in 1944 was \$5, today \$10. Truck licenses for vehicles hauling freight of 72,000 pounds gross weight, used to be \$1,450, today it is \$2,015. Dozens of court fees doubled, tripled or increased up to 6 times. Many direct impositions have been made on farmers, such as hay cutting fees which were 25 cents a ton, but today are \$1 a ton. Farm truck licenses increased from \$10 to amounts ranging up to \$30. Farm trailer licenses increased \$2.50 to amounts ranging up to \$12. Seed cleaning fees in the government plant increased from 5 to 9 cents a bushel for wheat, oats and barley, and from

7 cents to 25 cents for flax. These are your own figures Mr. Minister and if they are not right it was your department officials who gave them to us incorrectly. In the government seed cleaning plants, the charges for receiving seed in sacks and redelivering it per ton increased from 77 cents to \$2.25, a 400 per cent increase under my friend the minister. Many other changes have been put in that affect farmers. For instance the fee for a license for livestock dealers — in 1944 was \$2.00, today it is up 5 times to \$10.

For seed dealers back in 1944 in the good old days there was no tax, today it is \$10. The poultry dealers' license in 1944 \$1 up ten times now to \$10. A new license of \$25 on all implement dealers. Registration of trade school fees varying from \$10 now up to \$200. Electrical contractors' license raised from \$5 to \$20. Public hall license in small towns in Saskatchewan used to be \$1 now it is \$10. Saw mill camp fee raised from \$1 to amounts up to \$75. Those who deal in fire insurance used to pay \$100 for the license, now they pay \$200.

I could go on and on Mr. Speaker, page after page. For instance, my hon. friends opposite, the humanity first boys, took the tax on 6 foot christmas trees, raised it from 6 cents to 16 cents. What are you doing with the revenue fellows? The socialists a few years ago even put a \$100 tax on cemeteries, even in death there is no deliverance.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — Well, Mr. Speaker, these are some of the horde of minor taxes. Now, Mr. Speaker, I want to say a few words about some of the major levies.

First of all may I say a word about land taxes. I blame the Minister of Agriculture partly for these high taxes, because he has done so little for the farmer since he has been over there. On June 2, 1944 T.C. Douglas made this promise. I want to remind you in that last election the second slogan the socialists had on all those telephone poles was: "Support the party that keeps its promises". What did little Tommy promise about land taxes back in 1944? He said the CCF would shift the basis of taxes from land and consumption to profits on mortgage companies. There has been a shifting Mr. Speaker, but a shifting of more and more taxes on to the

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farmer and property owners. And today taxes under the socialists on land are 3½ times on an average what they were when the socialists promised they were going to shift them all on to the mortgage companies.

**Hon. C.G. Willis (Minister of Highways):** — . . .reduced land tax.

**Mr. Thatcher:** — I'll come to that in a moment. . . . and yet the socialists still aren't satisfied. This year we have just passed through was a drought year, you would think at least this year of all years, they would leave the farmers alone. Instead of that, the Department of Municipal Affairs has got land assessors running around, and in municipality after municipality I visited, they told me they had been visited by one of those assessors. I asked what are they doing? "Oh, they are upping our assessments". Well if taxes on land go very much higher Mr. Speaker I have said this before and I will say it again, farmers won't have to worry about their land being socialized, because they will lose their land for taxes. I have one of the recent issues of the Saskatchewan Gazette in my hands. This one is December 1st. In that particular issue there were 913 farmers who were posted for tax liens. Page after page of the Saskatchewan Gazette carries this warning and I quote:

"Notice is hereby given under the Tax Enforcement Act that unless the arrears and cost appearing opposite the land described in the following list are fully paid before the 30th day of January, a tax lien will be registered against the land."

**Hon. Mr. Brockelbank:** — . . .wrong on that . . .

**Mr. Thatcher:** — If there are a few who can't read, come on over and I will read the Gazette for you. The socialists claim they don't levy taxes on land. That is what my hon. friend the Minister of Highways said a moment ago, and that is quite true. Land taxes are municipal but as I said a moment ago they have gone up, primarily because of the stingy assistance which this government has given the local governments.

Well, last year this government received under



the dominion-provincial agreement with no strings, \$42 million, and it received in total from Ottawa \$67 million. We in the Liberal party say that a great deal more of that money should have been passed on to the local governments to permit a lowering of taxes. Instead the NDP fiddle around spending huge sums on their socialistic experiments and their boards and commission.

Another tax I want to mention today, and this has been a major levy — the hospitalization tax. Back in 1947 when it was brought in the tax was \$5, for a couple \$10. When he was introducing the plan in this house, according to the journals of the house this is what the Hon. T.C. Douglas said:

“It is expected the plan will cost \$4 million a year. It is estimated the scheme could be financed with a \$5 per person levy. This did not mean it would cost that much but the bill gave the government power to collect that much.”

That is what the socialist leader said in 1947. Five dollars per person, \$4 million for the province. But what are the costs today? They are not \$4 million, they are \$35 million. What is the cost for a single person for the tax? Not \$5 but \$24. The cost for a married couple is not \$10 it is \$48.

Take the gasoline tax next, when the socialists took office the gasoline tax was 7 cents a gallon, today it is 14 cents a gallon. When the socialists first came to office, the gasoline tax was yielding \$3¼ million, today they are taking out of the pockets of our taxpayers \$25 million.

The government year after year professes to be the friend of the farmer government, yet every time we propose in this house that the farmer be permitted to use purple gas in his farm trucks, the socialists vote it down.

Liquor prices, liquor profits the last year of the Liberal administration were \$3 1/3 million, today the NDP are taking \$14 million profits from liquor, at the same time you have been raising liquor taxes, and that tax is now up to 93 per cent. I want to tell you what happened to me down in the Weyburn by-election. I was telling the people at a meeting about this high liquor tax you had. One fellow said, “Yes, Thatcher, you are right.

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I wouldn't mind the tax so much but they are putting too much water in it". He said, "Indeed they put so much water in it that yesterday when it was 30 below zero, I had two bottles in my car, the liquor froze and broke the glass bottle." Now that is the kind of liquor you fellows are selling. This may be a desirable tax but even my socialist friends wouldn't claim it is "abundant living".

Telephone rates, my old friend the Hon. Minister of Telephones — Charlie I know your conscience must have bothered you when you told the taxpayer you were going to take another \$1<sup>3</sup>/<sub>4</sub> million out of their pockets last year. You know Charlie, that is the third increase since you were the minister.

What about fuel? In 1944 the tax on diesel fuel was 7 cents, under the socialists it is 17 cents, 2<sup>1</sup>/<sub>2</sub> times as much.

Personal income tax — we all heard in the last session how that levy was increased, whatever tax our citizens paid last year, this year it will be 6 per cent more. What about corporation taxes, this field was hardly turned back to my hon. friends, before the rate was raised one per cent. I say that the new rate which is out of line with most other provinces, will be just one more handicap in the task of getting new industries to come to Saskatchewan.

I know every hon. member would expect me to say a word about the increased sales tax — 5 per cent now. I want to remind the house and certainly the people of Saskatchewan, that when the socialists came to office the sales tax was 2 per cent. The first year the Liberals imposed it, in 1937 as an emergency measure they took \$2 1/3 million from the taxpayers. That year, as I said at the last special session, every single socialist M.L.A. who was in the house voted against that 2 per cent. From 1937 to 1944 they campaigned against the levy and promised if elected to abolish that 2 per cent tax. The party that keeps its promise, they claim. In 1950 after forming a government the socialists raised the sales tax to 3 per cent. At the beginning of the year as you know, the sales tax was put up to 5 per cent, and I can't help but remind the house that neither Manitoba nor Alberta has a sales tax. The province of Manitoba without a sales tax has been able to come in with a healthy surplus also, instead of a sharp deficit.

This year the socialists will take from us, from our pockets, by this sales tax \$37 million. We think this 5 per cent tax is vicious under any circumstances. But what makes it doubly aggravating to our citizens is that we are getting very little in exchange for the increase, indeed I say we are getting nothing so far. Last session, the Premier and his associates told us they needed this increased sales tax in order to finance the medical plan. The socialists started collecting the new taxes on January 1st, but there is still no sign of a medical plan. The doctors simply refuse to participate. We in the opposition contend that the socialists had no right whatever to start collecting these new taxes until they could provide the services for which the bill was passed. I could go further — I could say today that my hon. friend the Provincial Treasurer is collecting these new taxes on a fraudulent basis.

I have no hesitation in saying that the Liberal party is alarmed at the financial picture which now faces the people of Saskatchewan. Taxes in this province have reached the danger point. After 17 or 18 years of socialism, as I said earlier, the per capita taxes in this province are the highest in all Canada, and they have been the highest since January 1st. The burden on our people is so high that thrift and incentive are discouraged, business is kept out of the province, development is hindered, and employment is curtailed.

I will go further, despite all these new taxes I am going to suggest that as we sit in this legislature today, the very solvency of our province may be threatened by this level of taxation. Our provincial debt has gone in a decade from \$170 million to roughly \$520 million. The interest on that debt has gone from \$5½ million to over \$20 million. Small wonder that everywhere people are saying if this is socialism, we have had enough.

The Premier took to the air waves January 16th in an effort to sell his government's high taxes to the people. It was on that date that I realized why the Premier was a school teacher and not a salesman, because he didn't do a good job of selling the new taxes. He suggested, in effect, that our citizens were privileged to be able to make such heavy contributions to the socialist coffers. As I read his press release, his main argument was that when the government does things for you, it costs less than when you do those things for yourself. The Premier will have a hard time putting

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that one over. It is doubtful if that statement is true of any government, certainly it is not true of my hon. friends or the administration of my hon. friends opposite. I say that if my friend the Premier persists in this Act, in two years he won't be around. We are very well aware Mr. Speaker, that once taxes are imposed it becomes very difficult to reduce them. Notwithstanding that fact, the Liberal party believes that the very well-being and future prosperity of our citizens is tied up with tax reduction. We will therefore pursue such an object with every means at our disposal. We are certain that by a vigorous program to encourage responsible enterprise to invest in Saskatchewan, new mines, new mills, new enterprises can be obtained. After that initial period, these new industries will greatly widen the tax base available to our provincial authorities, and will permit a corresponding decrease in other taxes. And so on behalf of the Liberal party, I will today tell the people of Saskatchewan that we are determined, at the earliest possible moment, to introduce measures which will permit a reduction of taxes on land and property. We know it won't be feasible to eliminate the sales tax in the immediate future. But Mr. Speaker, without hesitation, I say it will be the unswerving objective of our party to reduce the 5% sales tax.

As hon. members know we have long since said at our conventions that we are going to do something about the tax on purple gas in farm trucks. Tax reduction will be given the highest possible priority by a future provincial Liberal government.

Now Mr. Speaker, I turn for a moment or so to the government medical plan.

That bill was passed, at the last session. As I pointed out, the taxes have been collected ever since January 1st. except in the border towns. I hope sometime the minister will tell us exactly what is going on in the border towns. But today I think the people of Saskatchewan would like the Minister of Health to get up in this debate and inform the house where we stand as far as the medical plan is concerned. When will the plan come in? On what day will the services be provided? Should people keep on the M.S.I. and Group Medical? Our people want to know those things. At the moment I think it is a fair statement to say that we have a medical plan with no doctors.

The impasse between the administration and the doctors has in no way been resolved since the last session. They are just as far apart today as they were when we last met some months ago.

For a long time the Liberal party has pointed out that this legislation was being rammed through with undue haste for political reasons. It was rammed through moreover, despite a very solemn pledge repeatedly given by the former Premier, that the bill would be and I quote his promise: "Acceptable to those receiving and those rendering the service". This bill is completely unacceptable to the medical profession. There is plenty of evidence that it is not approved by the majority of our people. We Liberals have warned, not once but a hundred times, that the co-operation of the medical profession is basic to the success or otherwise of any scheme. I think even my hon. friends would have to admit that without the doctors, the legislation doesn't mean very much. Yet the socialists have tried to insult, bully, frighten, and cajole the profession into participating. It has been pretty obvious for some time that the profession isn't going to be pushed around; at least not pushed around by my socialist friends.

When the former Minister of Health failed to get the co-operation of the doctors, he was abruptly removed. Personally I will tell the Premier that I think this was a mistake. The member for Milestone, (Hon. Mr. Erb) has been known for his reasonableness, for his sense of fair play. If his cabinet associates had allowed him some latitude, I think he might have been able to work out a compromise solution. Instead the socialist hierarchy were adamant in their position. They refused to budge an inch. They tied the minister's hands before he began negotiating. Under those circumstances how could he succeed in his task? When he failed, the Premier appointed a new minister, my friend, the senior member of Moose Jaw (Hon. Mr. Davies) a former tough union negotiator. He was given the job of bringing the doctors to heel, without delay.

**Government Members:** — What do you mean by former?

**Mr. Thatcher:** — Mr. Speaker, he hasn't had any more success than his predecessor. On December 4th, he wrote Dr Dalglish, president of the College of Physicians and Surgeons asking for a meeting between the administration and the college.

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The college declined even to discuss the bill with him. The government and my friends opposite have bemoaned this fact. But can they be surprised? It is on record that all overtures by the medical profession to discuss the legislation before it was passed were spurned by the former Premier and his cabinet. Repeatedly the government refused to discuss the bill with the medical profession before it became law.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — Very respectfully, I ask the minister in view of his trade union past, how many examples can he give of a union negotiator signing a contract in which he had no part in naming the terms? How many? Having failed to persuade the college to enter into direct negotiations, the new minister tried different tactics. He set up a commission and handed them the task of negotiating with the doctors.

Mr. Speaker, how could the government reasonably hope that if the doctors would not sit down with the government, they would sit down with a commission, which after all was only a creature of the government. The Thompson Commission in its report suggested that the chairman of the commission should be a practising doctor. They suggested that this should be so, in order to keep politics out of the appointment. Apparently the minister couldn't find a doctor who would act as a stooge for the government. So it was a member of the civil service, a well-known CCF party worker, Mr. D.D. Tansley, who was persuaded, or maybe a better word would be was "told" to take the appointment. Now, Mr. Tansley may be a very able and capable civil servant. But, I hope the minister, before this session is through will get up and tell the house just what he knows about medicine. This government on every hand tells us they are cutting down on expenditures, and on every hand tells us they are economizing in paying this civil servant \$16,000 plus expenses — well that is some curtailing, and some economizing.

In its report, the Thompson committee recommended clearly that members of this commission should be neutral politically, that they should be picked for their fairness, for their lack of political bias. Who are some of the members of this commission? The first is Dr. Roth, he is the Deputy Minister of Health,

directly dependent on the government for his pay cheque. He helped draft the original bill, and the amazing thing of Dr. Roth's appointment is that he is going away in a few weeks, to take another job in Toronto. How neutral is the second appointee, Dr. Wolf? A university professor in Saskatoon, who receives his pay cheque from this government through the university; an active CCF worker on my friend Sandy Nicholson's executive; appointed according to the Star-Phoenix of last December 22nd to the NDP executive; at the founding convention of the NDP there was Dr. Wolf right on the screen often and frequently; active in the "Ban-the-Bomb" movement and so on. In short — a good neutral appointment.

Dr. Hjertaas, of Prince Albert, a former employee of the Department of Health and thus a former civil servant now in private practice; an active CCF worker; and was, if he isn't at the present time, on the executive of the CCF in Prince Albert. When the Premier visited that city in the last election, who was the chairman of the NDP meeting? Dr. Hjertaas, another good neutral appointment.

George Taylor, Q.C. of Saskatoon, a labour lawyer; a man with a long Communist background; one who fought with the International Brigade in the Spanish Civil War; on the CCF executive in Saskatoon; prominent in many left-wing organizations, another good neutral appointment.

Who was appointed executive director of the commission? Another civil servant Dr. J.G. Clarkson, appointed at an extremely lucrative salary.

**Hon. Mr. Walker:** — I would like to ask the hon. member a question. Is he prepared to quote that statement with regard to Mr. Taylor outside this house?

**Mr. Thatcher:** — Yes indeed! Come to my office right after and I will be happy to oblige. Dr. Clarkson, appointed at an extremely lucrative salary, notwithstanding the fact that he has never practised medicine in Saskatchewan.

Another civil servant Mr. J.F. Kinzel, of the Information Bureau, also is a well-known left-winger. He was recently appointed secretary of the Medical Care Insurance Commission.

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In other words, Mr. Speaker, the Minister of Health has put the whole medical scheme squarely into the arena of politics. Most of his appointees have been mainly qualified by the fact that they have been socialist party workers. Now surely, if the government had any intention of securing the co-operation of the doctors, these are the worst possible type of appointments. Certainly, it isn't the type of appointment the Thompson commission suggested. This is just one more socialist planning board that is costing the tax-payer a lot of money and for which so far at least they have been receiving little value. To date the commission has failed to do a single thing in getting a meeting with the doctors. Yet the government goes along blithely assuming that somehow, some way, they are going to muddle through to a solution. Their great leader, who provided them with the problem, has long since departed.

Socialists hope that the profession sooner or later will give in. For example, the Premier has been making a few speeches around the province these days and in January said this:

“Of the group which has expressed opposition to the plan, Mr. Lloyd said in an obvious reference to the Saskatchewan College of Physicians and Surgeons, there is good reason to believe more of them are in favour of it than one can gather from reading the news.”

Mr. Speaker, it is this kind of woolly thinking that has put this government in the worst mess that any Saskatchewan government has been in since 1905. Today we have a medical scheme and no doctors. Now what does it take to get through the heads of the socialists that the profession is virtually united on this matter. On February 13, 1962 an enterprising young lady reporter came down to the legislature building, to get a little information. So she went first of all to the Premier. She asked a very simple question. “If the doctors refuse to meet with the commission, what will the next government step be?” The Premier answered and I quote: “The comment should come from the health minister.”

Then she went over to the health minister, this enterprising young lady and again she asked, “If the doctors refuse to meet with the commission, what will the next government step be?”



The minister answered, "I am sure the commission will do its level best to get it going." She didn't think that was very clear so she decided to go along and see Mr. Tansley, chairman of the committee. Again she asked the question, "If the doctors refuse to meet with the commission, what will the next government step be?" Mr. Tansley answered, "We will leave that until the time comes to cross the bridge."

Mr. Speaker, I suggest the time to cross the bridge came many months ago. The administration has been collecting the taxes for several months. One simple question; three brilliant replies; all indicate that the government apparently is up a dead-end street.

Now if we are going to have a medical plan in this province someone is going to be forced to compromise. I suggest that it is high time that our socialist friends opposite wakened up to this fact. Already there is a shortage of doctors in Saskatchewan. Ontario has indicated that they can take up to 500 Saskatchewan doctors. The federal royal commission was told in Manitoba that Manitoba could take a large number of Saskatchewan doctors. Alberta would like some indeed they have taken some already.

**Mr. Nollet:** — . . . would like to see them go.

**Mr. Thatcher:** — You see this is typical of my friends Mr. Speaker, the minister says he would like to see them go. The people would be interested in such a comment.

**Mr. Nollet:** — The hon. member has stated referring to myself that I would like to see them go. I did not say that, I said he would like to see them go to make his point.

**Mr. Thatcher:** — You said you would like to see them go and I can tell you that if you keep on running this province much longer there will be a lot of them go. Well, the state of Minnesota . . .

**Mr. Nollet:** — I would ask the hon. member to withdraw that remark.

**Mr. Thatcher:** — It was your own remark. You are wasting my radio time, sit down.

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**Mr. Nollet:** — I am not wasting your radio time, I am asking you to correct your statement and not to use words that were not stated by me at all.

**Mr. Thatcher:** — That's what you said, you can't get out of it.

**Mr. Nollet:** — I said the hon. Leader of the Opposition would like to see them go to make his point.

**Mr. Speaker:** — He did not say that he would be happy to see them go and his statement must be accepted. You may proceed.

**Mr. Thatcher:** — Thank you, Mr. Speaker, you know the Lord created us all with two ends, one end was made to think and the other end was made to sit on. My hon. friend, the minister makes most use of his wrong end.

Now Mr. Speaker, I want to say that this socialist administration today is playing fast and loose with the health of our people. We could be in danger of losing many of our best doctors. I want to remind this legislature, that the same situation prevailed not too long ago in Australia. A decade ago that country also, with a labour government, tried to bring in similar legislation. The doctors refused to participate and ultimately it was the government which backed down. It is going to be infinitely more difficult for a provincial government to break the will of the profession than it was for a federal government. Because if the doctors don't like this Saskatchewan scheme, there are nine other provinces where they can move, fifty other states.

The irony of this whole situation, Mr. Speaker is that even with these huge new taxes the government is already collecting, even before the scheme is under way, the socialists are crying to the federal government to bail them out. When the Minister of Health appeared before the royal commission, he said, "We need 60% of the cost of this scheme".

**Hon. Mr. Davies:** — May I ask a question?

**Mr. Thatcher:** — Certainly.

**Hon. Mr. Davies:** — Did the Liberal government in 1945 not offer 60%?

**Mr. Thatcher:** — You wouldn't accept it at that time. But whether that is a fact or not, you told the royal commission you needed 60% federal assistance. You said something more; you said under questioning that even the four new taxes yielding \$24.6 million, might not be enough to finance the socialist scheme in this province.

In other words, I suggest that there is confusion as to the present status of the government plan. As the Liberal party pointed out repeatedly last session, the socialists for political reasons, made promises which they have not the ability to carry out. Today, there is genuine doubt in the minds of thousand of our people whether the scheme can be operative in the near future.

Even government employees lack confidence in the government scheme, because employees of the Government Telephone Company, employees of the power corporation have renewed the MSI or Group Medical, which ever the case may be.

Mr. Speaker, the socialists with no plan in sight are taking, as I said \$24.6 million in taxes. We say this is a hoax and a fraud. We say the government has no earthly right to follow such a procedure. I think I speak for 95% of the people of Saskatchewan, I think I speak today even for the old CCF when I call upon the administration to go back to the old level of taxation until they are in a position to deliver the required services of a medical plan.

Where do we go from here? The problem which faces the house and province is, where do we go in the future? Even if the minister in a day or so gets up and claims that we have a plan which will start April 1st, or May1st we have no assurance that he has or can obtain the doctors co-operation. Surely the administration isn't going to let this whole matter drift. There is talk in the corridors that the government is going to go ahead with the scheme and endeavour to starve the doctors into submission. My hon. friends opposite seem to think that financial pressure may force the profession to yield. I think such a course is dangerous and fool-hardy. Instead I suggest that the ministers should immediately offer a realistic compromise proposal to the medical profession. If necessary, it should repeal the present act and begin at a point where the profession will negotiate the problem. I call upon the government to honour the pledge they made,

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I hope with sincerity, that the plan would be acceptable to those who render the services. If they can't get this co-operation, I suggest the socialists have no honourable alternative but to resign and take the whole matter to the people. By so doing they can make way for a government that can bring in a medical plan.

The Liberals, upon forming a government, will bring in a plan which is acceptable both to those rendering and those receiving the service. We will bring in a plan which is financially feasible, and without a substantial portion of the new tax burden which has recently been imposed upon the socialists. We will bring in a prepaid medical insurance scheme, rather than state medicine. And as with other insurance schemes, there will be a deductible at the bottom end. We will bring in a scheme which will take care of indigents and those unable to pay their premium.

Mr. Speaker, the Liberal scheme would give our people the kind of protection they need. Moreover I think it would give it to them, without the crushing tax burden which my hon. friends have imposed, and which is inherent in the socialist scheme.

Mr. Speaker, for 18 years our people have been guinea pigs for socialistic experiments. I think we have paid a terrible price in this province in retarded development and stunted growth. We have lagged behind the rest of Canada since 1944. Today the awful consequences of this period of poor government can no longer be concealed. Our citizens are fed up, the big majority are determined to have a change in government as soon as they have an opportunity of going to the polls. Under the circumstances there is little doubt that the Liberals will be called back to office in the not-too-distant future. Obviously a new government will face serious economic and financial problems.

Probably no government since Confederation, either provincial or federal, has been called upon to take over such a terrible financial mess as will the next government in Saskatchewan. We know that this mess cannot be cleaned up overnight. For that reason the Liberal party does not offer to solve all these problems in a few months. We promise no miracles; Liberals don't claim to have any simple panaceas. We don't say that we have got magic formula, but we do say that we will make major efforts to nurse our province back to fiscal, industrial, and economic health.

I have been asked by some people this question, What is the aim of the Saskatchewan Liberal party? Mr. Speaker, I would say that the prime aim of the Saskatchewan Liberal party can be very simply stated: Liberals wish to restore good government to Saskatchewan.

**Opposition Member:** — Hear! Hear!

**Mr. Thatcher:** — Mr. Speaker, the wife of the hon. junior member for Regina (Mr. Whelan) writes a column in “The Commonwealth” and she usually has some rather harsh things to say about members on this side of the house — often she has some nasty things to say about me. In the February 14th issue Mrs. Whelan said this:

“There are a number of Liberals who are wondering whether their provincial leader can go any further to the right.”

This must have been before the Argue defection, because ever since then it has been claimed we are going too far to the left. Well anyway Mr. Speaker, I don't feel that I am a rightist in politics. However, I will say, that after watching the kind of government given by Saskatchewan's party of the left, it might be a natural reaction. I learned long ago that when socialists find anyone who suggests that perhaps a government is spending too much money, they brand that person old fashioned, anti-social, reactionary, or perhaps right wing.

I am going to tell the house that I certainly think my hon. friends opposite, and their administration are spending the taxpayers' dollars with irresponsible abandon. I am also of the opinion that any government like a business, should live within its means. Under normal circumstances, it seems to me that a government should have a balanced budget; it should aim at lower taxation. At all times, as I see it a government should encourage thrift, economy and efficiency. I quite realize that such thinking is quite alien to the socialists philosophy. If this, in the view of my hon. friends opposite is described as right wing thinking, then I make no apology for subscribing to it.

Over the next several years, the Liberal provincial program will be hammered out in a democratic method, by our provincial conventions, and I don't propose to go into the details of that program today.

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But I would like to enunciate a few principles and a few objectives.

First of all what is the Liberal attitude to social welfare? Let me say that members of the Saskatchewan Liberal party are just as humane and just as interested in social welfare as any socialist opposite. We believe that every citizen in our province and our country is entitled to certain basic standards of living. Governments at the provincial and federal level must guarantee those basic levels, always assuming of course that the able-bodied individual is willing to work. Surely all social welfare measures must be related to the economic capacity of the taxpayer. I believe, and I believe it sincerely, that there is real danger to the taxpayer of Saskatchewan when any political party using the taxpayers' own money recklessly endeavours to buy political favours by outbidding the other parties in social benefits it will pay. I will say very frankly that in my opinion, hon. friends opposite have permitted political facts to weigh very heavily in past years when deciding on what social welfare measures they would introduce. Throughout their period of office, not once but a dozen times, they have grossly underestimated the costs of such legislation to the taxpayer. Because some of their measures are not founded on a sound economic basis, many of today's social welfare measures could be in jeopardy, if we have a prolonged period of drought or if we have a major recession.

Over the next several years, in attempting to neutralize the government program in Saskatchewan, (and I hope the hon. member for Regina will tell his wife this) we have no intention to try to outbid the socialists in making promises. We will not endeavour to bribe the taxpayer with his own money. The Liberal party has been in the past, and will remain in the future, Canada's reform party and Saskatchewan's reform party. Our party will continue to extend welfare measures within the limits dictated by sound principles and the ability of our people to pay. We will promise to do no more.

What is the Liberal attitude to waste and extravagance in government spending? I say again, that it is our firm belief that no government since 1905 has been so characterized by the waste and extravagance of its ministers and its officials as has my hon. friends opposite. The Liberal party is going to try and root out waste and extravagance with every means at our disposal.

Let me give a few illustrations of what I mean. On taking office in Saskatchewan the socialists increased the number of cabinet ministers in Saskatchewan from 7 up to 15. Of course, suppose they weren't as bright as the former Liberals, and they needed twice as many. Each minister needed new deputies, research directors, extra staff. Despite the increase the next socialist step was to set up a series of boards to do a good deal of work formerly done by the ministers. The Economic Advisory and Planning Board — that cost our taxpayers \$100 thousand; the Budget Bureau — another \$140 thousand; The Purchasing Agency — \$107 thousand. There are many others. The public service commission under the last Liberal government cost the taxpayers \$8,500. Now it costs \$311 thousand under the socialists — 47 times as much. The main function apparently is to see that they get jobs for a lot of socialist heelers. Under the last Liberal government, the bureau of publications cost \$14,500. Today, under another name it costs \$336 thousand — 23 times as much. Their main job seems to be issuing socialist propaganda. Departmental administration costs — now I am not talking about anything except administration costs — for the Department of Education are up 5 times; the Department of Agriculture up 9 times; the Department of Public Health — 14½ times. That includes no expenditures on services.

**Hon. Mr. Willis:** — Highways too.

**Mr. Thatcher:** — And probably far more. We say that the expenditure of \$155 thousand for the Centre for Community Studies is a waste of money. Repeatedly Liberals in this house have objected to this expenditure. So since the last session, under the guidance of the new Minister of Education, they are trying to get this Centre for Community Studies taken under the wing of the university. Well, I am sure the president of the university and the council are far too astute to be taken in by such a manoeuvre. The Liberals intend to eliminate this expenditure at the earliest possible moment and I hope no one will mistake our intentions.

We believe that much of the expenditure of \$177 thousand on the Industrial Development Office is going down the drain. Year after year huge sums are spent on this office, and yet we get no industry. What is the Department of Industry and Information doing?

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I would like to know. A few days ago I got a letter from the department. They indicated one of their jobs. They wrote me, "Arrangements have been completed for a further tour of central high school students who are tomorrow attending the opening. We are asking you to attend." The Industrial office is now taking school children, apparently through the building. That may be a laudable objective, but is that what the Department of Industry and Information was set up for?

The Agriculture Machinery Administration Act, is costing us \$158 thousand. Speaking personally I have the gravest doubts whether this expenditure is of much use either to the farmer or to the taxpayer generally.

Last year the hon. member for Notukeu-Willowbunch (Mr. Klein) placed a question on the order paper. He asked how many automobiles, how many trucks, how many motor vehicles does this government own? Thirty-seven hundred of them was the answer. Later on we found that civil servants could use them not only on the job but for holiday purposes. Now I can tell you that a Liberal government is going to look over that situation pretty carefully. These are a few examples of waste and extravagance that we are going to analyze when we form an administration.

What will the Liberals do about the civil service? I repeat what I have said on previous occasions. When the Liberals form a government, we plan no witch hunt. If a civil servant is performing a useful job, efficiently and well, he need have no fear of a Liberal government. But we feel that persons who have been appointed solely, or mainly, as a reward for political services, are dispensable. We are concerned by the sharp growth in the civil service. In 1944, when the socialists first took office, there were in this province 2,770 civil servants. Today on a comparable basis, this province has over 7,200 and that is not counting all the crown corporations, liquor board stores or anything else. Now the annual salary bill for Saskatchewan civil servants in 1944 was \$3,700,000. Today it is \$32 million.

Mr. Speaker, today Saskatchewan and Manitoba, according to the latest D.B.S. figures, have the same population approximately. There is about five thousand difference. According to the D.B.S. figures, the latest I could find — Saskatchewan had 7,239 civil servants fro April till June.



Manitoba with the same population on a comparable basis had 4,621 civil servants. Comparative cost to the taxpayer — Manitoba for a month \$1,526 thousand. Saskatchewan for a month — \$2,676 thousand. Or to put it another way the annual salary bill for ordinary civil servants in Saskatchewan is approximately \$14 million more than Manitoba. This is a huge difference. It is just one of the penalties that we are paying for a socialist government. How many of these are political heelers? The Liberal administration will want to know the answer. If we find it feasible, the Liberal party will endeavour to make reductions in the overall number of civil servants, primarily by refraining from filling vacancies as they occur.

Mr. Speaker, there is a saying that any government can be in power too long. Over a period of time it accumulates deadwood and barnacles. Such a situation was reached in this province a long time ago. There is so much deadwood and so many barnacles in Saskatchewan that you can hardly get in the legislative door. A new broom sweeps clean. A new political broom is needed today in Regina, and the Liberals are quite willing to offer such a broom, and put it at the disposal of the people of Saskatchewan.

In conclusion Mr. Speaker, what will the Liberal government do about jobs and employment? The Liberal government is determined to end industrial stagnation in this Saskatchewan of ours. Industrial stagnation is the greatest indictment of the socialist administration. We will adopt constructive measures with such an end in view. The mere defeat of the socialist government will remove the greatest road-block to progress which we have here in Regina. Real economic growth can only come from new investment capital. And investors don't like socialists who constantly attack the making of profits for the successful use of skill, foresight, energy, and the risking of money in investment. It is the successful industry which keeps the labour force at work and provides jobs. It is the successful industry which increases wages and increases our taxable wealth. Now it must be kept in mind that capital is mobile. It can go to Japan, it can go to Germany, it can go to Europe, it can go to South America. As a matter of fact there are nine other provinces in this country where it can go to, or 50 states south of us where it can locate. And in all this area ours is the only socialist government that has declared war on private capital.

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Small wonder that this is the industrial backwoods.

**Hon. Mr. Willis:** — Nonsense.

**Mr. Thatcher:** — Nonsense. Can't the minister say anything else. He is more intelligent surely.

**Hon. Mr. Willis:** — Not while you are talking.

**Mr. Thatcher:** — Mr. Speaker, in the past 17 years, Saskatchewan has come to be known as the province where industry never gets a break. Liberals are going to reverse this attitude and soon. Liberals will try to make Saskatchewan known as the province where industry is welcomed with open arms — where industry and business can thrive profitably. We will make our province known in the years ahead as the haven for responsible enterprise.

Liberals believe that free enterprise has given the workers of Canada and the United States the highest living standards in the world. Compare them to the living standards in your Russian socialist haven. Mr. Speaker, we will therefore encourage responsible enterprise, and as I say, with every means at our disposal. That doesn't mean to say that we are going to surrender our province to the domination or control of big business. I believe that industrialists will locate in Saskatchewan for only one reason. Because it is profitable for them to do so. Liberals will attempt to make it desirable and profitable for new industry to locate in Saskatchewan — more desirable and more profitable than it is to locate in Alberta or Manitoba. Our taxation policies will be specifically designed to attract new investment capital. Personally, and I emphasize that I am speaking personally, I favour a major tax holiday being given to any new mine or new industry locating in Saskatchewan — of from five to ten years. I commend once again to hon. members, the magnificent success story of the Puerto Rican "operation bootstrap", there by the use of the tax holiday formula in two decades they have attracted literally hundreds of new industries to their island. Now Saskatchewan could learn and could accomplish something by emulating their example. Certainly Mr. Speaker, the Liberal party feels very strongly that our taxes on industry and royalties on production must not be more severe than those in our other provinces. The Flin Flon case I mentioned yesterday is a good example. The oil industry might also be cited. We have lagged far behind Manitoba and Alberta in the past

17 years in industrial development. We have years to catch up. Mr. Speaker, the Liberals will work vigorously to give leadership in this field.

I hope this afternoon that I have made at least one point clear. The Saskatchewan Liberal party does not intend to replace the NDP socialist party only to form an administration which will be similarly socialistic. Let no one mistake our intentions. The new Liberal government will adhere faithfully to the principles of responsible enterprise and by so doing, we know that we can start the Saskatchewan economy moving once again. Needless to say Mr. Speaker, I shall not support the motion.

**Premier Lloyd:** — Mr. Speaker, I am not going to bore the legislature this afternoon with a long and noisy address. Hon. members will agree that this has already been done more competently than anybody could do it once today. There are a few remarks that I want to make before asking leave to adjourn the debate.

May I first of all Mr. Speaker, join with others who have and others who will in the future congratulate you on the office which you now hold, to extend to you the very sincere desire of all of us on this side of the legislature to co-operate with you in maintaining order and in protecting the principles of this legislature. May I also extend my congratulations to the two members who spoke yesterday in moving and seconding the Address in Reply. The Leader of the Opposition when he rose to speak yesterday seemed to be disappointed that they didn't shout and rant and rave and make a whole lot of noise. I can only gather that he judges the success of the speech by the amount of noise which goes with it.

I appreciated the remarks of the member for Cumberland (Mr. Berezowsky) who spoke with his usual degree of sincerity and affection for the real people of the province and particularly for those who live in his own constituency and who do have as all of us know some extraordinary problems. All of us here will join in congratulating too the member from Lumsden (Mr. Thurston) who gave a very concise account of many of the activities from which the people of his constituency had benefitted in the past and from which they expect to benefit in the future.

With regard to the remarks of the Leader of the Opposition, I recall commenting to somebody a couple

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of months ago that I could at that time write the speech which the Leader of the Opposition would give in the legislature today. So I could have done with one relatively small exception. I could have done that because it follows the consistent pattern which we have heard, not only from the present Leader of the Opposition in the legislature over the past years, but from all of the Leaders of the Opposition which have preceded him during that time.

There was just one or two ways in which I must admit the Leader of the Opposition was extremely consistent. He was consistent first of all in that he wasn't on his feet very long before he was responsible for making some rather glaring errors. He made two of them yesterday afternoon and may I just comment briefly on those. You will recall that he commented with regard to the contractors who have undertaken the construction of the Saskatchewan Power Corporation headquarters building. He alleged that this contract was behind schedule. That, Mr. Speaker, is not correct. The work is at least up to schedule and there is good hope of finishing ahead of schedule. He suggested that this particular construction was not providing any work during the winter months. Well as of yesterday there were some 155 men, not including the engineers, employed in connection with the building or the preparation material for it, some 60 of them on site and some 80 employed by the Dominion Bridge which is preparing some of the materials and some 15 by the company that is . . .

**Mr. Thatcher:** — Would the Premier permit a question? Is it not correct that the specifications for the head office building called for five floors of the structural steel and the four floors of cement to be completed by April 1st. Now I haven't got those specifications with me but I had them yesterday and I stated the page on which it was.

**Premier Lloyd:** — My understanding is that that is not correct, and I repeat the information which I have from the officials of the power corporation that the work is at least up to schedule and there is good hope of finishing it ahead of schedule.

To continue with the employment opportunities which have been provided. In addition to those that I have mentioned there is steel fabrication of a considerable quantity going on. Erection of the steel is well under way and it should be completed by the end

of June. It is to be pointed out also that all concrete and aggregate supplies are coming from local companies. The concrete crew has been busy all winter.

There was some suggestion that there had been something irregular about allocating this contract to a company which does not have its head office in the province of Saskatchewan. This company, as was intimated, was the company which provided the lowest bid and consequently is the one which was accepted for this particular purpose.

The second error which he committed in being consistent to form was his suggestion that there was something in the royalty structure with regard to mining in Saskatchewan which was discouraging mining development here. I just point this out in regard to the mine which he was discussing. In the year 1957 some 73 per cent of the ore processed at the mill of the Hudson Bay Mining and Smelting operation came from Saskatchewan. In 1958 some 82 per cent came from Saskatchewan. In 1959 some 79 per cent from Saskatchewan and in 1960 — 73 per cent from Saskatchewan.

**Mr. Thatcher:** — There is no exploration work going on at all . . .

**Mr. Speaker:** — Order!

**Premier Lloyd:** — I am so happy that the Leader of the Opposition interrupted and made that particular statement. I was about to say that further proof that the company is not unduly discouraged is indicated by their exploratory programs in the Precambrian areas near Flin Flon. In the year April 1st, 1959 to March 31st they acquired some 33 thousand acres. In the year following that some 30 thousand acres, and in the year April 1st, 1961 to this date some 40,300 acres for purposes of exploration.

**Mr. Thatcher:** — They are not doing any work on it.

**Premier Lloyd:** — Mr. Speaker, the other general comment that I want to make at this time was that I could have predicted that the hon. Leader of the Opposition would do everything that he could in order to indicate that there was something badly wrong in Saskatchewan and that business and enterprise could not expect to get a square deal in Saskatchewan.

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I want to read to him and I want to read to the members of this legislature a part of a statement made in the Globe and Mail on Monday, February 19th, written by Mr. Fraser Robertson, who I understand is the business editor of that particular paper. He recently visited Saskatchewan and he said among other things this:

“One can find plenty of business men who say that the government is more interested in assisting private enterprise in the province than it is in thwarting it.”

And of course we are. Then he goes on to say:

“Some of the same business men believe that Liberal leader Ross Thatcher’s attacks upon the government and the government-assisted industries have gone beyond reasonable bounds and are damaging business by creating an exaggerated picture of interference and weakness.”

**Government Members:** — Hear! Hear!

**Premier Lloyd:** — The Leader of the Opposition is one of the few people in this province who is willing to make statements detrimental to the province regardless of whether he is in the province or whether he is outside.

**Mr. Thatcher:** — I make them detrimental to the socialists.

**Premier Lloyd:** — May I just take a moment Mr. Speaker, to comment also in regard to his general suggestion that the Liberal party is the great private enterprise party in Saskatchewan, I believe he called it. At one particular point he even called it a reform party. Well, there was a time when that was true.

**Mr. Thatcher:** — It is an anti-socialist one too.

**Premier Lloyd:** — There was a time when that may have been true.

I will correct my remark, Mr. Speaker. But I submit there are a great many people in this province and I would strongly suspect a great many of them in the Liberal party who have very real doubts as to whether or not the party under its present leader could ever exercise the particular action to make it proper for them to hold that particular position.

I want to read from another press clipping. A clipping from the Ottawa Citizen, January 1st 'by a columnist — one Gray Connelly. He had interviewed the Leader of the Opposition while he was in Ottawa for a recent meeting of the Liberal Federation Council. In comment on this he says that — one of the comments circulated about the meeting was that it wasn't necessary at all. However, he comments about the Leader of the Opposition in this way:

“It is intriguing that Mr. Thatcher is not happy about the tendency toward socialism within the federal Liberal party. He said he was raising objections to some resolutions before the Liberal federation meeting here, particularly one dealing with the medical scheme, and then he continued or he concluded by saying that Mr. Diefenbaker is also too far to the left.”

With regard to his comments about stagnation in the province, I shall spend some more time in giving details of developments here when I speak at greater length tomorrow, Mr. Speaker. May I just point out for the record at this time three measurements of development that have taken place in this province between the years 1950 and 1959 and the comparisons on a percentage basis as to what has happened here to what has happened in other parts of Canada.

First of all with regard to the value of manufacturing in Saskatchewan on a net basis. The annual average percentage of change in Saskatchewan has been 11.7 per cent. The change on the prairie provinces has been 9.4 per cent and the change in all of Canada 6.4 per cent. That is annual average percentage change in the value of manufacturing in the years 1950 to 1959.

Let's look for a moment at mineral production in the province during the same period. The average annual change in Saskatchewan has been 23½ per cent. In the prairie provinces 14 per cent. In Canada 10 per cent during those same years.

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Let's look at power consumption during the same period. In 1950 power consumption in Saskatchewan was some 10 per cent of the total consumed in the prairie provinces, but in 1959 that percentage had increased to 17 per cent of the prairie consumption. The average annual increase of power consumption in Saskatchewan was 14.8 per cent as compared to 8.3 per cent in the prairies and as compared to 7.5 per cent in Canada as a whole. Those, Mr. Speaker, I submit are figures that do not concur with the suggestion that there has been industrial stagnation in the province of Saskatchewan. I will elaborate somewhat more on that tomorrow afternoon.

I want only to make one more comment in general in regard to the comments made by the Leader of the Opposition and that has to do with the movement of the late leader of the CCF-NDP — the parliamentary leader to the ranks of the Liberal party. The best comment I can make on that Mr. Speaker is this:

“If the Liberal party think, as they may, that they have found a new recruit who has embraced Liberal principles they should never forget the timing of his leaving and going across the floor.”

**Mr. Thatcher:** — . . .five years ago he said that.

**Premier Lloyd:** —

“He was not able to make the grade so he has gone into the Liberal party.”

**Mr. Thatcher:** — I am not sorry, why should you be?

**Premier Lloyd:** — Mr. Speaker, these were comments of Mr. Argue some five years ago when the present Leader of the Opposition who has not yet learned enough to keep quiet in his seat from time to time, was moving across the floor. They form a rather pungent description of acts which we have just witnessed in recent days.

“If the Liberal party think they have found a new recruit who has embraced Liberal principles they should never forget the timing of his leaving and going across the floor.”



The last sentence is particularly appropriate —

“he was not able to make the grade so he has gone into the Liberal party.”

**Mr. Gardiner:** — . . .pretty cheap.

**Premier Lloyd:** — Well this is the boy whom you were welcoming with such wide open arms and trying to put your arms around and perhaps even did, I don't know, and all that goes with it.

Mr. Speaker, I shall continue with more lengthy remarks tomorrow. I would now ask leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 4:30 o'clock p.m.