

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Third Session — Fourteenth Legislature**  
**16th Day**

**Thursday, March 15, 1962**

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

**ON ORDERS OF THE DAY**

**QUESTION: PRESS REPORT (WEYBURN YOUNG LIBERALS)**

**Hon. J.H. Brockelbank (Minister of Mineral Resources):** — Before the orders of the day are proceeded with I would like to ask the hon. Leader of the Opposition if he is going to correct the statement by the Weyburn Young Liberals' Association to the effect that he issued a biased press release?

**Mr. Thatcher:** — Mr. Speaker, I would be very pleased to answer that question.

**Mr. Speaker:** — I am not too sure that that question is in order.

**Hon. Mr. Brockelbank:** — Mr. Speaker, I will withdraw it.

**Mr. Speaker:** — A question cannot be asked of a private member, if a private member . . .

**QUESTION: FREIGHT ASSISTANCE**

**Mr. B.D. Gallagher (Yorkton):** — Before the orders of the day are proceeded with, in the absence of the Minister of Agriculture, I wonder if any of the members of the government could answer this question?

In view of what has been happening in regard to freight assistance, for farmers hauling feed in from other provinces or other districts, I wonder if the government has any statement to make at this time? Some of these farmers, after the R.M. councils have approved their applications for freight assistance . . .

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**Mr. Speaker:** — Just ask a question, do not elaborate on it.

**Mr. Gallagher:** — . . . have been cut by the Department of Agriculture, I wonder if the government could explain this?

**Premier Lloyd:** — Mr. Speaker, I am sorry but I haven't been able to ascertain what the question really is as yet, however, I may say the Minister of Agriculture will be back in the house tomorrow and I would suggest that it be left to that time.

### **QUESTION: ADDITIONAL LIQUOR STORES**

**Mr. Thatcher (Leader of the Opposition):** — Mr. Speaker, before the orders of the day are called, I should like to direct a question to the Premier.

Has the government received requests from town councils, chambers of commerce and so on, for additional liquor stores? If so, has the government given consideration this year to amending Section 15 of the Liquor Act to increase the number of liquor stores which may operate beyond the number of 80?

**Mr. Speaker:** — Order! I think the rule of oral questions, is to ask questions which cannot be placed on the order paper and is of an emergency nature. I think the question that has been raised at this time could just as well be placed on the order paper, so that the minister concerned could check the files and consult with his staff and give a full answer. I think that those type of questions should be placed on orders as a question.

### **WELCOME TO STUDENTS**

**Mrs. J.E. Cooper (Regina City):** — Mr. Speaker, before the orders of the day I would like to call your attention to a very fine group of young students up in the gallery, they come from Athabasca School, Regina. They are Grade VIII students

and they are with their principal Mr. McDonald, I am sure all the members are glad to welcome them here and hope they will enjoy their stay. I know they enjoyed looking at Wascana Centre out there in the rotunda. We are glad to have them with us.

#### CONGRATULATIONS TO BRYANT ORATORICAL WINNER

**Mr. Boldt (Rosthern):** — Mr. Speaker, before the orders of the day are proceeded with I would like to draw to your attention and to all members of the house, to the fact that Miss Sharon Friesen of Rosthern has won the Bryant Oratory Contest. Miss Friesen is a Grade XII student in the Rosthern Junior College. I am sure members of this house will join with her friends and the people of Rosthern in congratulating this talented young lady in her success.

#### QUESTION: DOMINION HIGH SCHOOL CHAMPIONS

**Mr. F.E. Foley (Turtleford):** — Mr. Speaker, before the orders of the day are proceeded with I would like to ask the Premier if plans are being made to invite the Dominion High School Boys curling Champions to the legislature along with our senior champions.

**Premier Lloyd:** — I would like to say that the boys were invited on the day after they won the championship and arrangements are well under way to have them in the legislature.

#### BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Blakeney.

**Hon. A.M. Nicholson (Minister of Social Welfare):** — Mr. Speaker, the hon. member for Weyburn (Mr. Staveley) wasn't in his place when I was on my feet yesterday and at this late date I would like to extend my congratulations to him on being elected to this chamber. I too was in Weyburn in the hope that he wouldn't be here

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but we have accepted the verdict of the people and we hope that he will have a happy sojourn here.

I would also like to join the member for Rosthern (Mr. Boldt) in extending congratulations to the young lady from his constituency who won the honours in the Bryant Oratorical Contest yesterday. I hope that when he sees her he will convey the heartiest congratulations of all members of the house on this achievement.

To my colleague, the Provincial Treasurer, congratulations on a very brilliant speech in introducing the budget.

**Government Members:** — Hear! Hear!

**Hon. Mr. Nicholson:** — The Provincial Treasurer and his predecessor, the Premier, took over their responsibilities when Saskatchewan's economy wasn't quite a buoyant as it has been through the years and both of them have presented budgets which have represented a great deal of very careful planning and I am sure that the challenge presented by the Provincial Treasurer the other day when he brought down his budget will be accepted by the people of the province. I am sure that all hon. members are delighted that the sale of Saskatchewan Savings Bonds is being so well supported by the people of the province. I am sure that all my colleagues in the cabinet join with me in saying that he has planned and presented the requirements for our various departments, giving very careful consideration to the programs which are essential and which should be continued and extended.

When I was on my feet yesterday I neglected mentioning that the budget did make provision for increased probation services in the province. I mentioned that our jails are crowded but neglected mentioning that provision will be made for three additional probation officers. This is a program that requires a good deal of public support and understanding. The fact that a person can be kept in the community at about \$200 a year on probation compared with \$2 thousand a year in jail will indicate how very important this particular program is and I am delighted to say the budget makes provision for an additional probation officer in Saskatoon, in Regina and in the Yorkton regions.

I am sure that hon. members will be delighted to hear that Saskatchewan recipients of Old Age Assistance,

Disabled Person Allowance, and Blind Persons Allowance will receive an increase of \$10 a month. This will increase the maximum under each of these allowances from \$55 to \$65. The increases will be retroactive to February 1st, 1962 which coincides with the date for increases announced by the federal government earlier this year.

**Government Members:** — Hear! Hear!

**Hon. Mr. Nicholson:** — Keeping in mind that increases will be retroactive to February 1st, I would ask hon. members to notice that the first increased allowance cheque will be issued at the end of May and that adjustment cheque for February, March and April will be mailed early in May. While I regret this delay, I must point out that the reason for it is twofold. First, we could take no action in this matter until we have seen the federal legislation, that was not available to us until February 9th and of which we received no advance notice. May I say, that I share the critical comments made by Premier Manning of Alberta who protested against the action of the federal government in failing to bring the provinces together at an earlier date to discuss these changes.

Secondly, there are some eight thousand Saskatchewan people on these programs and the records of each must be examined and adjusted. The estimated cost of these increases to the province is \$525 thousand annually, and if anyone asks you what the total costs of these programs are, in the estimates tabled by my colleague the other day on pages 44 and 49 you will find these figures, you will note that the payments to those receiving Old Age Assistance, Disabled Persons and Blind Persons will be increased from just over \$5 million to \$6,101,000. And as I said, this increase will cost the province of Saskatchewan roughly something round \$525,000. May I explain that Old Age Assistance is granted on a means test basis to persons aged 65 to 69 inclusive. The Disabled Persons Allowance is paid to persons who are totally and permanently disabled, the cost of these two programs is shared equally by federal and provincial governments and may I explain that the federal government made the rules and regulations and it continues to lay down the regulations which prevail across Canada. Blind Persons Allowances paid to persons with specified limited vision is shared 75 per cent by the federal, 25 percent by the provincial government.

I wish also to announce that recipients of

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Old Age Security and Blind Persons Allowance, who have been or will be receiving an increase of \$10 in these payments, and who will receive supplementary allowance from the province will be able to benefit to the full extent of the increase. Since November 1961 supplemental allowance has been granted on a “needs test” basis to recipients on this program, and those still receiving supplemental allowance under the former program, the schedule of benefits will be improved to permit the full \$10 to be passed on.

**Government Members:** — Hear! Hear!

**Hon. Mr. Nicholson:** — Through the introduction of the “needs test” program last November, Saskatchewan senior citizens will receive increased benefits amounting to about \$1,200,00 a year, the federal government shares the cost of this allowance equally with the province and information regarding the previous payments under this program will also be found in the estimates.

While I am on this topic, I must on behalf of the taxpayer of Saskatchewan protest the unfair statement made by the Prime Minister of Canada, speaking in the House of Commons, as reported in Hansard for January 23rd, page 83 when he said, “In the province of Saskatchewan the amounts paid by way of Old Age Assistance and other forms of assistance are less than some other provinces throughout the country.” On February 8th, when the Disabled Persons Allowance was being debated, Mr. Diefenbaker is reported on Hansard, page 668 as saying — with reference to Saskatchewan — “An examination of their social security measures will show that that government generally pays less than several other provinces by way of assistance to the aged and other groups.”

In the light of Saskatchewan’s excellent record throughout the years in caring for our aging, which is well known to Mr. Diefenbaker, I think he owes the people of this province an apology. I have examined the report of the Department of National Health and Welfare for the year ending March 1960 and ascertained on pages 131, 132, 133, the average payments by provinces for the various programs that he was discussing and while it is true in some programs some of the other provinces are slightly higher, comparing the four Tory provinces with Saskatchewan our payments are higher in fourteen out of fifteen in comparisons and our payments are the highest in the whole of Canada in some instances.

I point out too that in the administration of these provincially-shared programs there is little opportunity for provincial autonomy, but what Mr. Diefenbaker should have known and didn't say in connection with our Old Age Assistance is that we do provide hospital payments for this group of people at a cost of \$196,392. The value of the hospital services to this group last year amounted to \$622 thousand. May I say that Saskatchewan was the first province in Canada to pay supplemental allowance to old age and blind pensioners.

**Government Members:** — Hear! Hear!

**Hon. Mr. Nicholson:** — As other provinces followed suit some did provide for a higher allowance than could be paid under our regulations but the point that is so frequently overlooked in making comparisons is that in other provinces supplemental allowances was the only source the recipient could look for added assistance.

In Saskatchewan recipients have always had access to our social aid program and many did get additional aid from it if their pension and supplemental allowance did not meet their needs. And what is more, and this also should be well known to Mr. Diefenbaker, that Saskatchewan recipients of supplemental allowance have ever since January 1, 1945 been given a wide variety of health services, had the Saskatchewan Hospitalization Services Plan tax paid for them. The cost of these services is borne entirely by the province. Such services can and do in many cases mean much more to the recipient than the dollar value of the allowance. The total amount paid by the taxpayer for medical, hospital and dental, optical and drug appliances was \$881,785 which should also be taken into consideration.

Mr. Speaker, if I might just for a moment mention that we have the pleasure of having in the gallery the 43 pupils from Christ the King School in Saskatoon. I am sorry I cannot take the credit for the young people coming down to hear me but I cannot think of a finer group that I would like to have to speak to. I will understand if they have to leave before I conclude my remarks, I note that they are having a very busy day, they were up very early this morning to catch the rail-liner at 8:45, they had their lunch on the train, they visited the R.C.M.P. barracks, the museum, the swimming pool, the stables, and they still have to go to the Museum of Natural History, but on behalf of all the members of the house, I am sure

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that I can say that we welcome the young people from Christ The King School and hope that their visit to Regina will be remembered by them for a long, long time.

**Hon. Members:** — Hear! Hear!

**Hon. Mr. Nicholson:** — When I concluded my remarks yesterday, I was saying something about a very important topic, social aid, and I would like to continue some comments. It is now three years since the 1959 Social Aid Act was passed, for many months prior to the enactment representatives of Saskatchewan's rural and urban municipal associations, and the government functioned as a provincial-municipal committee and evolved the broad outlines of financial and administrative responsibility for social aid at the standards of service to help those in need. These recommendations were virtually agreed to and became the foundation of this important legislation. Since the legislation was enacted economic conditions have exerted pressures on our economy, the effective way the program has functioned is indeed a credit to those who set out the principles and procedures and to the excellent working relationships within the committee that enabled it to function so adequately. By the time the committee's initial purpose was accomplished in the passing of the legislation the merit of the working arrangement was so evident to all concerned that it continued almost automatically. It meets regularly to evaluate the program and consider problems that arise. Currently there are also several provincial-municipal sub-committees working on special aspects of the program. The merits of this mode of operation was expressed to me by the municipal officials the first time I met them. This was at the annual meeting of representatives of local government, with officials of our department soon after I became a cabinet minister. These remarks were not only coupled with the express hope that the relationship would continue, and I gave every assurance that it would, but also with a recommendation that I commend this method of operation to my fellow cabinet ministers as a procedure that could be beneficially set up in other areas of government. At that meeting there were representatives, Mr. Oliver, from Prince Albert, Mr. Connor, the executive secretary of S.U.M.A., Mr. Murphy, the Mayor of Milestone, Alderman Livingstone, from Moose Jaw, Mr. Wilkinson, secretary of the Saskatchewan Association of Rural Municipalities. Mr. Murphy, the Reeve of the Municipality of Estevan and again Mr. Speaker, I want to say how much I am indebted to the representatives of these organizations for the two days



they spent with officials of my department and with me to discuss the problems in this very important field. I want at this point to express my appreciation to my colleagues on both sides of the house for the excellent job of social aid interpretation you are doing in the province. Never since the thirties has social aid been the subject of the public interest and concern that it is today and your informed efforts are contributing greatly toward better understanding of this much discussed subject.

Fundamentally the social aid program is realistic in that it is designed to meet the need sufficiently flexible to be adjusted readily to individual conditions but broad enough in scope to meet special conditions such as the situation that has arisen among farmers, in the province. Social aid is on the one hand the only financial assistance program that will meet need immediately it occurs. The rates of assistance are such that no recipient need suffer deprivation. On the other hand social aid is not paid to anyone that cannot demonstrate need and in this connection I would point out that a person cannot demonstrate need unless he has exhausted all possibility of employment and has utilized his resources to the fullest possible extent.

These fundamentals of the social aid program are a vastly different concept from the claims made by critics along the line, that social aid is a handout for almost anyone who asks it, that it has become a way of life, people are better off on social aid than working and so on, and ironically enough this kind of criticism sometimes takes a different twist with such statements as rank discrimination against farmers, they can't get social aid, and other denouncements equally erroneous.

Ideally full employment would make public assistance unnecessary for half of the recipient population. When economic conditions and crop failures become a threat to employment, there are federal programs such as winter works, unemployment insurance, and Prairie Farm Assistance designed to give employment or otherwise tide the unemployed over the emergency. These and similar programs do boost our economy but they still leave a gap. Social aid is designed to fill this gap by providing for the basic needs of those who cannot be employed, or who cannot find employment. This constitutes the purpose of the program. Its purpose is therefore not as some people seem to think, to be a cure-all for the economic ills of the province or

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the country. It is not intended to create employment, or finance employment projects, or subsidize low wages, nor is it intended to be considered the equivalent of money in the bank for people who deplete their resources with no thought for tomorrow. Under the social aid regulations, which I reiterate were mutually agreed to by both government and municipal representatives, social aid is administered by municipal governments. We consequently have almost 800 social aid agreements, the number represents all municipalities in the province except a few which only have a summer resort population, so when anyone says that social aid is dished out on a wholesale basis to buy votes, he is questioning the honour and the integrity of almost 800 in the province who are making these day to day decisions.

**Mr. Kramer:** — 800 municipalities.

**Hon. Mr. Nicholson:** — Nearly 800 municipalities.

**Government Members:** — Hear! Hear!

**Hon. Mr. Nicholson:** — The number represents all the municipalities of the province except the few that have only a summer resort population.

In each of our department's nine regional offices, we have staff who are trained and assigned to assist municipal officials in understanding the program. In well over 95 per cent of the municipalities officials have done a good, in some cases an excellent job of administration, they have acquired and demonstrated a comprehensive understanding of the program and their responsibility. They process applications and make decisions to grant or refuse aid efficiently, they establish and implement local policies and in some cases, where there have been abuses, they have used their authority to have the offender summoned to court.

In a small percentage of municipalities where difficulties have arisen, the reason seems to be that the local council has failed to appoint a welfare official who can and will master the fundamentals of the program with the help available from our regional staff and do his job efficiently. In a few cases, I am aware of the fact that the welfare official has a personal axe to grind, and misuses the program to that end.

A moment ago I mentioned abuses, I want to stress in this connection that if citizens are aware of abuses,

or if they have complaints, these should be made known to the officials on the municipal level, to the municipal welfare official with sufficient information to enable him to deal with the matter appropriately. If after this has been done any one is dissatisfied with the disposition of the case the minister will appreciate having the complaint brought to his attention. The local people in almost 800 municipalities make the day to day decisions.

Before I go into the subject of social aid for needy farmers, I want briefly to explain that under the program no person should be better off on social aid than when he is working. The maximum allowance, excepting cases of extreme hardship, is the lesser of \$200 a month or 95 per cent of normal earnings, and normal earnings are not necessarily last year's earnings. There might have been a crop failure last year, the man might have spent the year in a hospital or in an institution, and thus made little or no earnings. In such cases, the practice is to use the income of the last year he did earn a normal income as a basis, or establish by comparison what would be a normal income for the particular person.

Turning specifically to farmers, and the claim that needy farmers can't get social aid — to refute this I will present some significant facts. As I mentioned the province is divided into nine regions; I will consider the Swift Current region for example. The amount that has been granted in the rural municipality in our Swift Current Social Welfare Region in the southwest part of the province, in December 1961 increased by 181 per cent over the previous year, while in the city of Swift Current the increase was only 5.5 per cent over the previous year. May I repeat these figures in the Swift Current Region where there has been serious crop problems, the amount of aid granted has increased 181% in December 1961 as compared with December the previous year.

Further I want to clear up any misconception that the whole load of social aid is carried by the federal government. Of the total social aid issued by rural and urban municipalities in the province last year, which amounted to \$5,800,056 the province paid more than 51 per cent, the federal government 42 per cent and the municipalities less than 7 per cent. Hon. members will recall that I have been using 43 per cent — 50 per cent — 7 per cent has been easier, but a closer estimate would be 51 per cent for the province of Saskatchewan, 42 per cent for the federal government, less than 7 per cent for the municipality.

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Incidentally Mr. Speaker, the province of Saskatchewan bears the highest percentage of social aid costs and Saskatchewan municipalities the lowest of any province in the dominion, where a social aid type program is shared by three levels of government as it is in this province.

**Government Members:** — Hear! Hear!

**Hon. Mr. Nicholson:** — In British Columbia municipalities bear 10 per cent; in Ontario 20 per cent; in our neighbouring provinces of Alberta and Manitoba the senior governments pay the cost of long term cases, that is the cases over three months, but on short term cases municipalities in Alberta pay 20 per cent and in Manitoba 40 per cent.

Under our social aid legislation the budget deficit method is used to establish that a person is in need, the minimum amount that a person and his dependents require for food, clothing, fuel and shelter is calculated by the use of schedules. These have been set at the minimum level that will maintain health and decency in the various areas of the province. This calculation is compared with applicant's income and resources, when need exceeds income and resources a budget deficit results and the person is eligible for aid. May I say that this was one of the topics that my officials and I discussed with representatives of the S.U.M.A. and S.A.R.M. when we met in August of last year and August the previous year.

Through the years, in Saskatchewan as elsewhere, there has been a fluctuating barometer of unemployed, down in the summer and up in winter, but at no time were farmers a part of this barometer. They were considered to be fully employed for twelve months of the year, it was consequently necessary when social aid legislation was being planned to give particular consideration to the means by which needy farmers could qualify for social aid. The recommendation of the provincial-municipal committee, which was approved by cabinet, was that a farmer could qualify for aid if his net income for the year immediately preceding his application was less than 75 per cent of the average of his past three years. When the committee met last August to assess the social aid program the S.A.R.M. pointed out the difficulties inherent in this method of determining eligibility and many I say, they made an excellent case. They pointed out that due to the poor harvest for the three years past and the resulting sub-normal incomes, and the fact that few marginal

farmers keep business records, this method was difficult and in many cases impossible to put into practice. It was therefore recommended to cabinet that a farmer be permitted to establish eligibility by the budget deficit method, the same as anyone else who was unemployed. I am sure that my friends from the S.A.R.M. and the S.U.M.A. will say that the chance to discuss this with the minister and his officials was most helpful and I am happy to report that the cabinet approved of the recommendation and in November 1961 the municipalities were immediately advised.

As a direct and immediate result 14 per cent more rural municipalities were issuing aid in December, the very next month, than the same month in 1960. May I repeat again, after the recommendation of S.U.M.A. and S.A.R.M. and after cabinet had decided to act on the recommendation, 14 per cent more rural municipalities were issuing aid in December 1961 than December 1960. Assistance, Wheat Board and wheat acreage payments came through. On the basis of the social aid policy that aid is not intended to subsidize farm or for the matter any business venture, instructions were sent to municipalities saying that payments must be considered as a resource to the farmer and as far as social aid is concerned, they must be used for current maintenance and medical needs. It was also explained that social aid must be either reduced or suspended for equivalent period that the payments will support the former recipient at a slightly better than social aid benefit level. This is exactly the same procedure as would happen if any unemployed tradesman on social aid were to receive payment for a debt someone owed him.

Despite the fact that farm recipients were advised of the foregoing by the municipalities, some farmers used their payments to pay back debts for such things as fuel for farming, insurance bills, bank and credit union loans, back bills for groceries, instalment payments on television sets and the like, this left them without funds to live on. Having paid some or all of his bills, and thus re-establishing his credit rating the needy farmer's resource is to use his credit. Some merchants and credit unions are not extending credit this year as they have in the past. There are consequently farmers who are re-applying for social aid. Farmers in this situation are actually outside the scope of the regular social aid program, such applications can be considered only under the section dealing with extreme hardship.

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The procedure under this section is, the municipal welfare official takes the application and if he feels that extreme hardship exists, he can meet the immediate need, he then sends the record and his recommendation to the regional office of our department for approval, may I say again there are nine of these in the province. If the regional administrator agrees, he so notifies the welfare official; if he does not agree that extreme hardship exists, he so advises the welfare official and gives his reason. He further advises that if the welfare official disagrees, the position can be appealed to the Director of Public Assistance in our head office and in the interim, minimum aid can be granted until the latter decision is made. Significantly, Mr. Speaker, to this date no appeal has been adjudged by the Director of Public Assistance. In other words, all cases of farmers that have been processed under the section dealing with extreme hardship have been worked out to the mutual satisfaction of the municipal welfare officials and our nine regional administrators.

So if there are farmers in any part of Saskatchewan who can't get social aid, and as has been reported, if their conditions would bring tears to their eyes, there is something drastically wrong at the municipal level, which is responsible for the administration. Saskatchewan municipalities have administered social aid or relief ever since the province first had municipal legislation shortly after the province was formed. I mentioned yesterday that my predecessor, Mr. Bentley, pointed out that more than 50 years ago the first Act setting up municipal government clearly placed the responsibility on the municipality to grant aid or relief to any needy person, who is resident in the municipality. In the thirties provincial and federal governments came to the rescue as I said previously, provincial government is paying 51 per cent of the cost, but the decision as to who is eligible is made by the local municipality and if there are municipalities where it takes three weeks to get a decision that is the responsibility that the local municipal authorities must accept. It is by no means a recent responsibility, the only difference now is that they agreed to uniform standards of social aid and administration throughout the province in return for which the government to a higher than former percentage of the cost.

As I said before Saskatchewan municipalities bear the lowest, less than 7 per cent of any comparable program

in other provinces in Canada. These procedures that I have outlined will enable needy farmers to qualify for aid on the same basis as any other needy person, were among the recent changes in the program, further change is in the direction of increased municipal control, which has been a name since the inception of the program, municipal officials may now in certain cases establish an over-all policy, have it approved and again be in a position to deal with the cases that formerly required the approval of the Director of Public assistance. Municipalities may establish policies with regard to granting aid to fully employed persons such as farmers, exceeding the maximum for unemployed employable persons, exceeding the maximum of sixty dollars board and room.

I want to say that we are fully aware that there are problems and difficulties in helping those in need through social aid. The program is fundamentally sound but to provide the utmost benefit it should be supplemented with rehabilitative and counselling services. The provincial-municipal committee whose early recommendations were the foundation for the program do see this and they are working on the problems that continually arise. I am confident that the committee will continue to function in the very best interest of the people of the province. I urge all hon. members to realize that social aid itself is not a problem. It does reflect the problems and the social ills, of our time, but it is not cure for them. Up to the present it is the best means that society has been able to provide to help those in need, those in want, but a challenge to government, to industry, to labour and those in the welfare field is to have a society that will be free from want.

Before I sit down I would like to refer to this interesting little pamphlet, that has been placed on the members' desks, "A Story For You". Yesterday when speaking of our very large family of over 2400 children I mentioned that we have interesting programs for foster homes and I hope that hon. members will read this:

"Once upon a time there were some unhappy children. They needed homes. But, there was no one to take them in. There were little babies, four year olds who had never lived in a family, teenagers, boys and girls — puzzled and in need of wise guidance. Children of mixed racial origin, children who were handicapped, children who were big, children who were little, children who were fat,

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“children who were thin. They were all sorts of children — good, bad, little, big, quiet, noisy.

“All of them had one thing in common, they needed foster homes. Some for a short time; some for a long time; some needed Roman Catholic and some needed Protestant homes.

“At the same time, even in the very same community there were many, many good people who could have helped make these children happy, but they did not know. They were people who loved little children, even those who could not be adopted. These people lived good lives, they washed and ironed and painted and fixed the fence and in their home had room for one more or maybe two and most of all they had big, big hearts. If they had taken a child as a guest into their home they would have received all the love and satisfaction that a little heart can give and the payment by the Department of Social Welfare, of the foster children’s medical, dental, school and clothing expenses, plus a regular amount each month to pay for the cost of food and shelter. This story is true. The once upon a time is now. These families do exist (if we only knew them). Will you foster a child? If so please get in touch with your regional office of the Department of Social Welfare at Melfort, Moose Jaw, or Battleford, Prince Albert, Regina, Saskatoon, Swift Current, Weyburn, Yorkton.”

Mr. Speaker, I will be opposing the amendment and supporting the motion.

**Mr. A.L. Stevens (Rosetown):** — In rising to take part in this budget debate this afternoon, I welcome the opportunity that it affords me to congratulate you Sir, on your elevation to that high office. I have known you for some time, and I have every confidence that your ability proven over the years as member for Wadena and your experience, first as chairman of the various committees of the house and later as Deputy Speaker, will enable you to carry out the duties of that office in a manner in which the people of this province would want you to do.



It must have been a great moment of pride for your family, your friends, all the people in the Wadena constituency to have you elected to that office. I too must say that I think it has been a honour that was well deserved.

**Government Members:** — Hear! Hear!

**Mr. Stevens:** — At this time again I want to thank again all the people in the Rosetown constituency for the honour of having been elected as their representative in this house. It is I know a heavy responsibility and one that I shall endeavour to serve to the best of my ability both honestly and sincerely, and despite political headlines recently and sudden actions taken, I like many others in this province do not believe that honesty and sincerity are now out of date.

Rosetown constituency contains some of the finest agricultural areas in the whole province, because of that it does depend with a major portion of its income at least upon grain and livestock farming. Consequently last year, a year of extreme heat, of little rainfall, and therefore small crops, it was one in which we suffered a major drop in our usual income. This coupled with the cost-price squeeze that has been going on and getting worse each year for a period of at least five years, has meant that we have come very close to a major farm crisis.

Next year when we have no reserve of moisture in our land, no reserve money in our pockets, and no reserve of grain to sell, we will be even more dependent than ever upon each general rain for our well-being for the entire year. During the last ten years in our area, because of quota restrictions, high production levels from our fertile land resulting in large grain surpluses our livestock numbers have increased substantially, mainly as a means of marketing this surplus production. Last year's small crop therefore meant that we had to ship in from distant points the largest amount of hay for fodder in our entire history. Had it not been for freight assistance on this fodder, usually averaging about \$12 a ton it would not have been possible for many of the farmers to economically feed their herds over the winter. A great many of them would have been forced to sell a large number of their stock last fall. The expenditure for the freight assistance on this hay, nearly \$2½ million on the provincial government's part, points up the need for the South Saskatchewan River Dam and the assurance of a constant supply of reasonably priced hay, its irrigated

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acres would provide each and every year. Had it not been for the Liberal party's persistent habit of procrastination, always speaking in favour of an action, but never providing the means by which this action could be proceeded with, the dam would have been built as far back as 1945, when it was again promised definitely by the Liberal party. The expenditure for this freight assistance on hay would not have been necessary, as the project would have been in production last year and this \$2½ million would have been available for other assistance to the farmers in this difficult year. The building of this dam even at this late date may be attributed to two fortunate circumstances. The first fortunate circumstance was that we did not have the Liberal government in Ottawa. The second fortunate circumstance was that we did not have a Liberal government in Saskatchewan. Had we had . . .

**Government Members:** — Hear! Hear!

**Mr. Stevens:** — . . . a Liberal government in either of those two places the dam would not even now be under construction, and the people of my area are very much aware of that fact.

The statement of the Leader of the Opposition in the Throne Speech Debate last fall deploring the fact that this government had committed itself to this expenditure strengthens that belief that further strengthening was necessary. The construction of this dam has meant a great deal to the economy of the entire province, and will have a larger affect each and every year from now on, particularly in the area close to Outlook, \$3½ million has been provided in the 1962 budget as the province's share of this year's construction alone. Of course, as water will not be available from the dam until 1966 at least, it will be sometime before anything in irrigation can be proceeded with.

I think this government has been very wise in conducting exhaustive surveys in every phase of this irrigation before making any major decisions and also for putting this plan up for the approval of the people in the areas concerned so far in advance of a possible construction date. The present plan of irrigation now being considered for the major water distribution will require at least another year of checking out to determine its feasibility. It envisages the use of the Anerley Lakes chain as one storage reservoir for water, out of this, running a canal, north from Milden to the Eagle Hill Creek north of Harris and there the building of a dam

36 feet high to impound the waters in this Creek as far back as No. 4 Highway north of Rosetown. This would be used as a reservoir, to serve the irrigation projects north towards Saskatoon.

However, as I pointed out the benefits from this irrigation are still many years in the future. The building of this dam has created many problems, and I am particularly pleased to see this year the elimination of one at least, that part of No. 15 Highway from Broderick to Outlook to the junction of the new No. 42 to Saskatoon will this year be oiled. This will alleviate the dusty conditions that were creating a safety hazard on that portion of the road due to the heavy traffic to and from the dam, and made a gravel road almost impossible to maintain under these heavy traffic conditions. This together with the building of another access road to the dam on the west side of the river from No. 15 Highway south will provide a shorter and a better road for tourists from the west side of the province and for the general traffic to and from Saskatoon to the dam. This will be a very distinct improvement in road conditions in this area.

The budget this year recognizes the fact that we have suffered a severe setback in the agriculture sector of the economy. It does however, in spite of that provide for our basic needs as well as some increase. The increase in grants for education and the increase for grants in hospital construction will, I am sure, be welcome. Outlook has just completed a new 32 bed hospital, that is a source of community pride for both beauty and utility, and Rosetown now has plans being approved for a new 38 bed hospital with nurses residence attached. It is hoped that construction on this project will be started early this summer. Assistance for this type of capital spending in the amount of an additional \$1.2 million on this year's budget means that Saskatchewan will be able to maintain its lead as the province that has the best hospital facilities for its citizens in all Canada.

**Government Members:** — Hear! Hear!

**Mr. Stevens:** — The sewer and water program that has been so well received on the farms in 1961 has its allocation for 1962 increased so that now all municipalities have been designated as project areas, and all farmers will have an opportunity to take advantage of the great savings that can be made under this program in the installation of their water systems.

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It has been very gratifying to me to see towns in my area such as Milden, Harris, and Plenty putting in their sewage systems and many others such as Dodsland, Conquest, considering it for next year. These advances and this imaginative program can be directly attributed to this government's desire to take the lead in providing services for its people to assist them to help themselves and to work together with local governments.

Working together with local governments has been very advantageous in the grid program as well, this popular program will be continued at its present level, so as to complete the plan in the ten years allotted to it. This enables the municipalities to build the needed market roads and the school bus route roads and the grants available will greatly assist them.

This is another program for farm people that the Liberals said was a hoax, when it was first introduced in 1956, something similar to what they now say about the medical plan.

Highways are becoming more and more important now that the volume of traffic has increased and the demand for dust free roads has been greater than ever before. The railways are losing out to the truckers in all except the heavy traffic, such as wheat and coal. And if the railways plans for the abandonment of many branch lines and the discontinuance of many passenger runs are carried out it will mean that good roads and highways will become even more important than ever before.

In view of this it is gratifying to see that the highway construction program will be continued at its present level rather than being curtailed as it might have been in this difficult year. It is gratifying to see that 500 miles this year will be oiled or paved. I would have liked to have seen on the highway program this year however, a beginning made on the oiling of No. 4 Highway north of Rosetown towards Biggar and Meadow Lake. The traffic from the south part of this province to the north, where new recreational and tourist facilities are constantly being opened up and improved upon, has been increasing rapidly each year. More people in the south of this province are becoming aware of the great possibilities in that region as have many in northern United States and southern Alberta, and as this is the main artery of traffic from north to south, in the west half of the province the need for an oil surface has become greater and greater. It has been argued that the traffic count made by the Department of Highways does not yet

show a sufficient number of people travelling this highway to warrant an oil surface, however, this traffic count does not show the traffic would be using this route if it were oiled. American tourists and many other people nowadays prefer to travel on an oiled surface even if it is a great deal farther than to travel on a gravelled road. Many people travelling north from Rosetown prefer to go around by No. 7 to Saskatoon and then on to Battleford when travelling north and are by-passing this road. If these vehicles were using this highway as they would be if it were oiled, the traffic count would be much higher.

However, a small recognition of the need for oil on this route by the highway department had been made, and this year the oiling of that part of the highway from Biggar to the Sonningdale Corner a distance of 21½ miles will be oiled and will be appreciated I am sure by all its users. This was one of the most difficult parts of the program of the road and is I am sure just a beginning of a program that will see the whole route oiled in a year or two.

There are many other subjects I would like to discuss in the short time made available to me today but the one that would interest many in my constituency the most regarding this budget is the manner in which the revenues for it are derived. There are a lot of familiar noises emanating from the Liberal party about how they would reduce taxes, if elected. Strangely enough they have never explained specifically how they would finance all the services I have mentioned and included in this budget, if the revenues of the government were thus cut They have always claimed that they would not reduce these services, or increase the debt. And the claim that John Diefenbaker made before 1958 that he could reduce taxes by eliminating unnecessary expenditures has been proven false, quite clearly by now, after the federal income taxes took the big jump and the deficits of the government took an even bigger jump, people realized that they had been sold a shoddy piece of goods in 1958 and the old adage that you can't get something for nothing was as true as ever before.

We have always maintained that you cannot have services without the necessary taxes to provide for them, and that they should as far as possible be based on the individual ability to pay. With this statement I think most people in this province will agree.

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They were then somewhat startled to hear the statement made quite loudly in this house, but a lot softer on the platforms in this province by the Leader of the Opposition as a spokesman for the Liberal party, that if elected he would be in favour of a ten year tax holiday for industry along with other concessions, like they have in Ireland, Jamaica, Puerto Rico, he said. What wasn't mentioned of course was who was going to make up the amounts of these tax concessions in revenue to the treasurer to pay for our existing public services. The farmers know very well what would happen. The tax load would be shifted from industry onto the backs of other people, and of course many of them are farmers, just as it has been done in Ireland, Jamaica and Puerto Rico. The farmers can read and they know the stats of agriculture in those countries. They want none of that.

Under the Liberals in the thirties was just the beginning compared to the conditions that exist in agriculture in these countries today. This is hardly the solution to the farm crisis in this province. Last year of course was a desperate year for farm income, and the total net income from farming operations was down 75 per cent from five years ago, down to \$104 million last year compared to \$439 million in 1956. How did these big business interests for whom the Leader of the Opposition has pleaded so eloquently, do in the same period of time? Did they really need these tax concessions? Well, I have the Financial Post of February 24, 1962 here and I want to quote a few paragraphs from the report of the profit picture this year of some of these companies. 1960 was recognized as a very good year for corporation profits. This is a report comparing 1961 profits to 1960. From the Financial Post of February 24th:

“Earnings of most of the 68 firms reporting are up in 1961 over 1960. Chemicals and steel companies show the best gain, 21.7 per cent, followed by oil and gas firms, 17.6 per cent. Best gains are reported by Royalite Oil, 101 per cent, Gas Mountain Oil and Pipe Line 80 per cent — Greater Winnipeg Gas 84 per cent, Algoma Steel 47 per cent.

“In the financial group all 19 firms reporting had higher profits, and in chemicals and steel Algoma and Dominion Foundry and Steel set earning records. The Steel Company of Canada had its second best year. Profits were up 28 per cent.

“Dupont of Canada had a bigger sales volume and boosted its profits 30 per cent. Imperial Oil was the biggest earner in this group. Good Year Tire and Rubber Company net profit up 73 percent in 1961 to \$3.6 million.”

Now Mr. Speaker it doesn't appear to me that they needed any tax concessions. But may I quote one more report? It concerns the profit picture for the Dominion Tar and Chemical Company. This company has one small subsidiary in Saskatchewan that I am sure many farmers are familiar with, Prairie Fibreboard Company Limited in Saskatoon. Again from the Financial Post:

“Dominion Tar and Chemical Company shares up \$20.00 last week, a 1962 high. Net profit rose to \$18.8 million. As a result of mergers Dominion Tar is now one of Canada's ten largest companies.”

The final paragraph Mr. Speaker should be of great interest to some of the farmers who are hard pressed these days. It says:

“Investment of \$1,000 in Dominion Tar shares in 1942 would today be worth \$26,000.”

This is just the part that is a capital gain and income tax free, but that is not all.

“The income from dividends and other rights would total another additional \$12,800, for a total investment performance in 20 years of nearly \$39,000.

In other words Mr. Speaker an investment of \$1,000 in 1942 would now be worth forty times what it was worth then.

I want you to notice Mr. Speaker that the companies I have mentioned are those that have been supplying the farmers with the very items that make up the major portion of their expenses in their farming operations. Chemicals, steel, oil, rubber and rubber tires, items that have been rising steadily and rapidly in cost to the farmers each and every year. These companies have no need for tax exemption Mr. Speaker, and it would be considered by them, I am sure, a joke and a smart piece

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of business, if they could persuade the people of this province through the Leader of the Opposition to lower their taxes, below the level of other provinces. They know they have a responsibility to provide for public services such as roads, education and welfare, the same as everyone else, and they know these services have been made necessary by their own very existence here.

Now I am very much aware Mr. Speaker, the need for industry in this province, and we want them to make a reasonable profit. The figures I have quoted should prove they are at least doing that. No one will attempt to deny that in a year of a major drop in farm income such as this, the fact that this province is not as dependent upon agriculture as it was 15 years ago, has meant that the blow to the whole economy has been substantially softened. Everyone has benefited from the levelling out of the drastic ups and downs of our total income that occurred when it was mainly dependent upon wheat. Nowadays livestock, minerals and industry, account for 60 per cent of our total value of production, compared to only 25 per cent less than 15 years ago. This has meant that our total income is much steadier, not affected as much by a near crop failure, and in these years other parts of the economy can carry the load.

The C.C.F. has long stressed this opinion and has endeavoured to attract new industries by fair and reasonable treatment of all the private sectors of business, all the co-operatives, and has even assisted private industry with its own capital in order to give encouragement on every hand for the development of our natural resources for the benefit of all the people, including the farmers. To suggest, as this Liberal spokesman has done, that all industry should be relieved of its tax obligation for necessary public services would in effect mean that either these services would be drastically curtailed or someone, such as the farmers would be asked to shoulder the extra load. Industry is well able to take care of its share of taxes, as they do in other provinces, and this suggestion is grossly unfair to those in agriculture.

In conclusion Mr. Speaker I think the budget this year provides for our basic requirements. It provides a little more for some economic growth even in this difficult year — it provides aid for those who cannot get along without it, and it continues or even expands, those public services that the people have indicated they desire to have. This, in this difficult



year is indeed commendable and there is every possibility as well that this budget can be balanced.

Therefore Mr. Speaker I will support this motion and oppose the amendment.

**Mr. G. Herman Danielson (Arm River):** — In rising to take part in this debate I wish first of all to extend to you Mr. Speaker my congratulations in having been elevated to the station you now occupy. I believe you are going to make a good Speaker. If you carry on the way you have done and emulate the principles held by the former Speaker you will not go very far wrong. I can assure you that if you carry on as you have done so far you will have our support from this side of the house.

I wish to congratulate the member from Weyburn (Mr. Staveley), (he is not in his seat at the present time) for having been able to capture that strong seat from the CCF socialists, particularly from the chief himself . . .

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — . . . because he was the man that ran in that election and not the school teacher that was running down there, he was just a stooge. It is a tribute to him and we wish him well.

I also want to congratulate my friend, the member from Moosomin (Mr. McDonald) who has the duty of financial critic on this budget. He did a wonderful job. He certainly did a good job, because so far in this debate there hasn't been one word from the other side of the house contradicting one single figure he quoted or a single statement he made. That's quite a record. I doubt if there will be any during the balance of this budget debate. I just want to say a few words in regard to the financial situation of this province. You know I have been here a long time Mr. Speaker, and from 1944, when Mr. Fines came in here, for seven consecutive sessions and for seven consecutive budgets that he presented in this house, he used the system which was common and adopted all over Canada, and was considered to be the best system, true, comprehensive and accurate. It gave the picture of the financial position of the province when he presented his annual budget of his annual financial statement if you wish, to the people of the province.

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Now then if Mr. Fines had been in here or some other provincial treasurer had followed that system, I want to give you a picture of what the state of the province would look like today, and mind you the fact that he juggled all these figures — just for one purpose, to conceal the steadily worsening position of the finances of this province, this juggling doesn't make one iota of difference to the actual situation of the people of this province as far as finances are concerned.

If he had followed the practice as he presented for the first seven budget speeches, the funded debt today would have been \$464,241,000; and the treasury bills would have been \$25,596,000; contingent liabilities would be \$15,068,000; and the gross debt would be \$504,906,000. That is the figure as it would look to a banker or anybody that is a responsible individual dealing with this type of business.

Now then, the sinking fund — \$52,369,000. That is deductible from the \$504,906,000 and that would leave the net debt to the province of Saskatchewan \$452,537,000. That is the net debt. The figures show that the gross debt is now three times what it was on December 1, 1950. Now to go back to 1944, to 1948 when the gross debt of this province was down to the lowest point since before 1930. We take the gross figures of 1937-50 and on that basis the gross debt is three times as much as they were on December 31, 1950. The figures show the net debt is well over three times what it was on December 31, 1948, so far as the debt of the province was concerned.

The annual interest payments on this debt have increased from \$5 million in 1959 to \$20 million this year. The debt itself Mr. Speaker is a complete indication and proof that the figures are true and correct, and by the way the interest figures are taken from the estimates this year as laid on the table in this house. These are your figures not my figures, and next year according to the estimates it will be \$22.5 million interest to be paid. What does that mean to you? That is \$22 million the total revenue of this province in 1943, 1944. The interest debt of this province alone today is \$2 million less than the total revenue of this province in 1943-44.

Now then these figures cannot be laughed away, they are here, and this money has to come out of the pockets of the people of this province, whether you say you have something to show for it or not.

The idea of the Provincial Treasurer, as I said, was to conceal, to confuse and to mislead the people of the province in regard to the financial situation of the province of Saskatchewan. He never denied it. I accused him of it time and time again. He says now there is only about \$19 million debt in this province. Mr. Speaker, I can picture in my mind, I can see it myself, I came here and homesteaded and had to pay it too, but imagine a farmer out here seeing debts all over the place, he owes machinery, owes taxes, and one thing and another, and he says to himself, now I have this section of land, and now I will just go and get a loan and will pay off this whole thing, and my mind will rest easy. That is done quite often, and he goes home and says to his wife, you know I am tickled to death, because we don't have any debts. But she says, what about the mortgage on the farm — oh well he says the farm will pay that — I don't have to pay that.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — This is the same as in the province of Saskatchewan. Now I tell you every dollar to pay this debt must come out of the pockets of the farmers of this province, more than half of it, and it will probably be three fourths of it when you figure that the profits that go into the cities come off the farm, to keep them alive and to let them live in a style that they want to.

Well this government has now been in office for 18 years — if you can get any comfort out of that you take it because you are not going to have very long to enjoy it.

In that period this government has collected from the people of this province \$2,200,000,000. That is what they have collected, that means \$113 million a year.

**Hon. A.G. Kuziak (Minister of Natural Resources):** — Why didn't you collect it.

**Mr. Danielson:** — Now you just keep your peace. You don't understand this anyhow.

**Mr. Speaker:** — Order! Order!

**Mr. Danielson:** — Your brain capacity isn't big enough to grasp these figures.

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Two thousand million is two billion, and that is what they collected — an average of \$113 million a year.

**Opposition Member:** — That is togetherness.

**Mr. Danielson:** — And in addition to that they have increased the public debt by \$330 million. That is what they have done, and I challenge you to contradict these figures. Nothing but debts. You juggle the figures and try to keep it a secret.

**Government Member:** — You are juggling them right now.

**Mr. Danielson:** — Now then what revenue did the government 18 years previous, in 1944, get. Mr. Speaker here we have it and they are correct in every way. They have been taken from the records of this legislature. We collected, the previous governments, Conservatives and the Liberals, \$338.5 million instead of \$2,000 million an average of \$18.8 million a year against \$113 million a year.

**Government Member:** — What did you do with it?

**Mr. Danielson:** — I'll tell you what we did with it before I'm through, and you won't like it either. The average Mr. Speaker, that we got each year was \$18.8 million a year — \$18.8 million a year against \$113 million a year.

**Mr. W.R. Thatcher (Leader of the Opposition):** — Another million a year you guys were squandering. What's a hundred million?

**Mr. Danielson:** — Mr. Speaker, any damn fool can spend money.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — It doesn't take any brains to spend money. When they don't have any brains they go out and hire brains, and the taxpayers have paid millions of dollars over the last few years for that purpose.

Those fellows had no brains when they come in here. There wasn't one man, probably with one exception, that ever had the responsibility to do anything when they came in here. They come in here and they did not know what to do, so they go out and hire experts, and they have had them here ever since.

They stand up here reading their speeches, and it is all written by the experts.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — Every one of them — I listened to the Minister of Welfare a few minutes ago, I don't know how many thousands of dollars it cost to get that speech handed to him so he could read it. This building is full of experts.

Well Mr. Speaker, that is all I want to say about the budget. It was very well taken care of by the member from Moosomin (Mr. McDonald) and he is able to take of more if he has to. Here is some of the taxpayers money too, I have here and it would cost at least \$150 that nobody will ever look at, even the minister didn't know what he was reading. There is more.

Now I am going to talk about something more enjoyable. You know this province is full of politicians, Mr. Speaker, all over the place, and every one of them is trying to think of something to advertise himself. There are two things you can do — you can pick up somebody else's wife and run away with her, or you can walk over to the other party.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — You can do one of these two things to get publicity, and they will all know who you are.

All of these have been tried in this province. Now then I have heard many times from these socialistic and NDP as they call themselves now, I don't know what it means and I don't think they do.

**Opposition Member:** — They don't like to be called that.

**Mr. Danielson:** — But Hazen Argue. Well I don't know Hazen Argue, I never shook hands nor have been introduced to him in my life. I have seen him on television, and I listened to him quite often. I'll tell you what I am going to say, and never having met the gentleman, but he has brains.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — He has brains or else he would still be sitting over there.

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But after all what is wrong with Hazen Argue? He has exercised the right that everyone has the right to do — do whatever he thinks as far as his personal feelings, his ideas, and his conscience are concerned, he has taken that opportunity. He didn't do it because he wanted to, he did it because he had to. He could not sit with those opposite any longer and be true to the principles and the people that he served and in the interests of the people which he represented. There is no question about that. He's not the only one, we have another — what did you call him — a renegade — oh yes renegade is what they called him — that little Zakeus was Tommy Douglas. He called him renegade — he called the Leader of the Opposition a renegade, and he was going to tar and feather him, and he was going to hound him, hound him and hound him until he agreed to debate with him.

**Opposition Member:** — Oh you remember that big debate . . .

**Mr. Danielson:** — That was the Waterloo of Tommy Douglas. He had never been in such a tight spot in his life. As a matter of fact he was a complete flop and a failure insofar as that debate was concerned. He couldn't do anything — couldn't say anything.

**Opposition Member:** — He couldn't even tell a joke.

**Mr. Danielson:** — But after all, let us take a look at Tommy Douglas for awhile. As you know he called me one of the dead end kids.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — Even then he wasn't very well informed on baseball history and everything that goes with it — because you know what the dead end kids were. They never let anything past them; they caught everything that came along. But the gold dust twins who were sitting over there — in fact the man on his left which was the provincial secretary at that time — he got all the gold dust and Tommy Douglas got the sweepings and the dust.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — And he took it all with him when he left. But Tommy Douglas ran in 1935 in Weyburn and he ran as a CCF and as a

Social Credit and as a Tory — he took the whole thing — and if he had been offered the Liberal nomination he would have taken that too.

Here is his election material — I want to show you — Douglas has been a student of Social Credit for many years — Douglas has endorsed Social Credit. The CCF would make the Social Credit schemes possible. What do you think about that? Well here it is — Vote for Douglas, because we are going to make the Social Credit Schemes possible. I think the Provincial Treasurer would like to know the secrets of Social Credit, because heaven knows he will need it before he gets through the finances of this province.

Now then, on the other page — the Social Credit will increase the purchasing power of everybody — Social Credit will mean more business for store people, and Social Credit will mean more traffic on the railroads — Vote the CCF Social Credit — Gosh you can't deny it — here is the document in evidence. Well here is another one — it is a telegram from Saskatoon — it says here Fletcher is not the Social Credit candidate. Fletcher, I guess was trying to steal the nomination from Tommy Douglas. It says he is not the Social Credit candidate, signed H.W. Arnold, Social Credit provincial organizer from Saskatoon — C.P.R. telegram, Saskatoon, Saskatchewan, September 30, 1935, Reverend, mind you, don't forget the Reverend — Reverend T.C. Douglas, Weyburn. "This will confirm endorsement of convention held Weyburn the twenty-eight offer you the Social Credit candidate." That should convince even the renegade over here. That is his record. It doesn't give him much cause to criticize Mr. Argue. All you think about . . . If I was as vulnerable as that man is I would hide my head in shame.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — Then we go back and we have a gentleman in Moose Jaw named Corman. He was one of our members and an everlasting discredit to the Liberal party — he was once a member of the Liberal party. First of all he took the Social Credit nomination, then he went over to the CCF and they made him Attorney General. Well there might be some under-the-table deals there.

Now I come to the Leader of my own party here. Well he stood it as long as he could. He did like I would do — he couldn't stand the CCF party any longer, so he said

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I might as well get out, and he did get out, and that was his privilege. But in none of these cases has the Liberal party ever hounded anybody or tried to ostracize anybody for changing their political opinions, can you show me one? Name him! Just name me one . . . Well that is correct, name him if you can, but then we come to this great sensation of 1962 — Mr. Argue — well since he left this party, I don't know whether the CCF or NDP two in one or one in two — I don't know which — there has been a demand — the CCF, NDP rump of the CCF organization in Weyburn, that he should resign. Why should he resign, there is no reason for that.

Before I forget about it I just want to read — in that little town of Davidson where I live, we have a newspaper, and everyone knows that this man who operates this paper is a first class citizen and a good man, hasn't any political aspirations and is not tied up with any political party, not to my knowledge, but in this paper two weeks ago he came out with this. The heading is in great big print:

THANK YOU MR. ARGUE:

I want to read it to you:

“It is an ill wind as the saying goes, that blows no one some good. In spite of all the condemnation heaped upon the head of Hazen Argue, he has exposed a movement in Canada which is most foreign to all our concepts of democracy and freedom. It has been said that Mr. Argue has forfeited any place he might have held in any Canadian political party of integrity. He has been likened unto Judas Escariot by his former colleagues, they are waiting to learn where the pieces of silver will come from.

“Whether or not he would have gone along with the labour bosses as leader of the new party is now of little consequence. Several are undoubtedly as qualified but no one is more qualified to tell the truth about the CCF-NDP than Mr. Argue. The importance of the defection is in the fact that our suspicions have now been confirmed. Mr. Argue has told us in no uncertain terms that the new party is under the control of a class bloc.

“He has told us that, “The NDP has come more and more under the controls of a few labour leaders.”



“Not only labour leaders but “large powerful international unions.”

“It is obvious then, should the CCF-NDP come into power, we would have a government acting under the thumb of the labour bosses in the United States.

“Thank you Mr. Argue.”

Well then what has Hazen Argue done? Let us see what crime he has committed. I have nothing to do with Mr. Argue — only this, that no man need to take abuse and risk his reputation when he acts according to what he thinks of right or wrong.

The runt that once ran the CCF in his seat down there has asked him to resign. Let me tell you this . . . before the 1944 election, there was a man by the name of Herman Warren — he was not elected as a Social Credit — I think he moved over to Stewart and another gentleman, I forget his name, and they called themselves the New Democracy. Stewart said all his ambition in this world was to elect Mr. Laurie Nielsen as the M.P. for Battleford. I remember that very well and I think he did do this. But what happened to Herman Warren? Well he went over to the CCF, and did you ever hear any of us fellows ostracizing him, no sir, not a one.

**Government Member:** — He was a convert.

**Mr. Danielson:** — Sure he was a convert — and he couldn't make the grade. The people didn't elect him and he came back here to you fellows and you were sitting in the seats of the mighty at that time, and you hired him and gave him a great big fat salary for doing nothing. For many years he was the chairman of the Debt Adjustment Board, and I have been to see him many times. And he is a fellow — he would sit there and talk to you all day. I remember one time I went in there, and just before I left he took a little pamphlet, and he was going to stick it in my pocket, and I said what are you doing, what have you got there, so he stuck it in my hand, and he says, you take this, it is all your legislation, that was the debt adjustment that had to do with the farm security legislation. He said it is all your legislation and it was too. You didn't pass it, we passed it, but anyhow here was a man that you CCF would call a renegade and I can think of another man. He is not in the house now, I can't see him,

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but one that I have every respect in the world for, that is the former Minister of Municipal Affairs, and I think he is one of the best men in this house. He was a Liberal and I know he was a good Liberal, but due to pressure from your office, he finally stepped over with you. I respect him for what he did, and I think he has been of benefit to you, because if there was one man that could sit down and reason a thing out, and exercise good judgment, it was Mr. McIntosh. He was a good Liberal, and no one ever said a word about him. That was his business, and I respect him for it. He thought he was doing the right thing — his judgment is what counts in cases of that kind. By all means there is only one party that will harm a man, and that is the CCF socialist party.

The fact remains that Hazen Argue has rudely shaken up the CCF and they have good reason to be disturbed. It was a very big loss, and the fact of the matter is that Mr. Argue knows how the farmers feel about him, and he has proven himself well able to understand the farmers and speak for them. As a matter of fact that he was head of the CCF we have to admit that since 1958 he has been the only man in the House of Commons who spoke for the western farmers.

**Government Members:** — What no Liberals. What about . . .

**Mr. Speaker:** — Order!

**Mr. Danielson:** — No and you haven't got anybody to speak for them either. Then when you started to sell out the farmers he quit you.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — You are frightened to death. There is no use denying it. Not on account of Argue but on the example he has set for everybody else. Your whole organization in this western country is crumbling now and on the way to oblivion.

**Government Member:** — To what.

**Mr. Danielson:** — To oblivion, in other words kaput. Put your hearing aid on.

We have had many, many men, real big men, in this world of politics, and they have all been abused by the socialists, whether it is here or in Great Britain or

any other place. I have in mind Mr. Churchill — and I want to tell you what the CCF think about him, what the socialists think about him. I think he changed his mind twice if I remember correctly. He is still one of the greatest men in the world today. Here is what the CCF think of Mr. Churchill. First of all they say he betrayed his party; he was afflicted with human frailty. It was a case of sour grapes, all this socialist propaganda about Churchill, and that there was an abject betrayal of his friends, socialist enemies — that is Mr. Churchill and he had become a traitor to put this mildly he supported what he had previously condemned. He was the enemy of the people, the betrayer of his class, as phony as a three dollar bill. That is what the CCF, the socialists thought about Churchill. He has cold, deliberate, malignant judgment, a weak mind — again it is the socialists speaking, only half the man he was, a turncoat who said he could be bought, that is the socialists speaking again, just another politician who sells his soul. Here again the socialists came along — picked on those who were elected and trusted him, proved himself to be a piece of clay, he fell apart at the seams, he was more to be pitied than blamed, he deserted his trusting friends, he passed away in the prime of life . . . This is all socialistic thinking applied to Mr. Churchill.

Did you read the Commonwealth? If you don't you are not a good socialist, and I would say the leader should chastise you. If you don't read the Commonwealth you don't keep up on these things. I would suggest the leader should check up on these things. In the view of the socialist, Mr. Churchill was a scoundrel. The Minister of Education a few years ago called Mr. Patterson a scoundrel when he was sitting in this house. His pride and self aggrandisement were of more importance to him than the good of his country. This is Mr. Churchill you the socialists are talking about. He was left to reckon with his conscience as a political status seeker. His action was the greatest example of a political opportunist in the history. His special ambition changed him from a morally healthy condition toward the diseased state. This is the socialist assessment of Mr. Churchill. A great statesman. The greatest statesman of the world today, I don't care where you go, even Khrushchev. According to the socialists, Mr. Churchill should have had it difficult living with his conscience, and Mr. Argue they say must live with his conscience. He must feel absolutely ashamed of himself. If he was to ask divine guidance he would be given knowledge of his task. That is what you said about Mr. Argue.

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Well don't ask Tommy Douglas because he doesn't believe in any divine guidance. I can read you a statement from a book, it is just a waste of money, for the nebulous prospect of having something in the hereafter let us live now, that is what Mr. Douglas said. Well there is a lot in that. However, this is what you are doing, but don't think that the people in the country in Saskatchewan are fooled. They will take it so long and so much, but there is an end to these things, and we can see the end very soon.

You know this government Mr. Speaker has been back peddling the last few years. When they came in here they knew everything. We didn't know anything. Nobody knew anything. I have three or four items here that come to my mind and I just scratched them down here. First of all there is the time question, that wasn't the first one but that was one mess, and you back paddled on this — you passed the time. You let some expert in your department head up the plebiscite, and when he got through he couldn't read it himself. He didn't know what it meant, and when we asked him right on the floor of the house he didn't know what it meant. Then we have the Minister of Municipal Affairs, Mr. Brockelbank, when he was going to scuttle the R.M. in Saskatchewan in 1945, right in the city hall here. The first year he attended a municipal convention as a cabinet minister, he went into that convention, and he told them then as he has been telling them ever since, that they were going to redraft and reorganize and do away with the municipalities and introduce larger counties etc. and he said this, and I can see him now, he said, "I know you don't like it but we are going to do it." That was Mr. Brockelbank, and since that time he has done his level best for 18 years to ruin and to eliminate the organized municipalities of the province.

**Opposition Members: —**

**Mr. Danielson:** — Because his dirty political tactics couldn't infiltrate this body. They refused it, and that is the only organization in this province they haven't infiltrated, with your dirty, filthy socialistic ideas. That is the only one. And now today what are you doing. You are backpedaling because they have men in that organization, they are citizens, good people, before they were Liberals, Conservatives, CCF or anything else. They say this is not to our interests, shocked you so you couldn't speak, you couldn't come back, and now you are crawfishing, and you are coming around telling them, oh we let you vote on it.

What did Mr. McAskill say, he said he had no right to advocate against it and he did, and here you have this fellow sitting in a deputy minister's position in this government, first and last qualification a CCFer and they are going to administer a thing like this, but the people of this province are not paying their salary for this purpose. They expect the paid officials of this organization of the government to administrate over and above board, above the table, not under the table, and they are expecting to have one that will add to the benefit of the province and not their own personal ambition.

You have been carrying this thing far enough and you have run up against the municipal association and now you are snagged. You stubbed your toe didn't you? Yes you did and now you are crawfishing and backpedaling.

Well I am not going to give all the criticism to the new Minister of Municipal Affairs, I hold this idea, and I don't think it is wrong, that one of the conditions he laid down when he took that department, and I said to a friend of mine when he came to me, and said now what do you think the prospects are here with the new Minister of Municipal Affairs, and I said, I would be surprised if you don't get a vote on the larger units. And it so happened — it was only a week later that it came out. Not from you fellows but from a new man with some sense of responsibility, and he showed that when he was Speaker of the house. He is a fair-minded man, he is a clean man, and he is willing to see that things are done right the way they should be done.

Then there is another thing you did and there you are backpedaling again, and that was you came in here in 1945 and you were going to lay the foundation for socialistic edifice in this province. You did, and one of the cornerstones of that edifice was the expropriation clause in the Crown Corporation Act. Tommy Douglas went to Winnipeg two or three weeks after the session was over, and he made a speech, and he told them this, that at the session just closed he had laid the cornerstone and the foundation for a socialistic administration and a socialistic government in the province of Saskatchewan, and now he was going to start and build the edifice. But you had this on the statute books for many years, and in 1954 you brought a bill into the house repealing and deleting the Expropriation Clause from the Crown Corporation Act. Everybody knows what the expropriation clause was.

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You could take anything you could lay your finger on in the province of Saskatchewan. That is just what it meant, the government could do that; that was the situation. The province of Saskatchewan, Mr. Speaker, during the years, lost millions of dollars of investments that would have been here if that clause had not been on the statutes. It was here; you could read it; it was in black and white for the world to see, and there was no man with money in his pocket that would stop there and invest it here and try to develop anything. What did the Minister of Mineral Resources say, the man who sits next to the Premier when asked what is the reason for this, he said the Liberals didn't like it.

It had finally dawned on these socialists, Mr. Speaker, that they couldn't threaten the people with confiscation and expropriation, and at the same time get them to invest their money. That was the reason, and the people of the province have suffered for many years, and they haven't got over it yet because they don't trust the government.

We hear from time to time from the members opposite, and I have been listening for 18 years, about the dirty thirties, Mr. Speaker, none of them can get up without speaking about the thirties. Some of them do not remember about the thirties — they weren't even here. Mind you there are two of them. Yes Mr. Speaker, I mention the thirties and so do they — they were not as old as I was, but they know what they were. The Provincial Treasurer said in his budget speech that never even during the thirties was there two dry years in succession. Now isn't that a terrible thing to say. Well that shows and explains and proves conclusively that he doesn't know any more about the historical background of this province than that chair does. Not a bit, but he is up there governing the people of the province of Saskatchewan.

We know that the thirties were the bad years. I was right in the midst of them. I came down to Regina one cold afternoon in the fall, Mr. Speaker, and it had snowed on the way down. I went into the relief office and Dr. Anderson was in control of the government at the time, I went into the fuel office to see the officials that handled the fuel business, and it was almost five o'clock, and he looked down at the paper and he didn't want to talk to me at all. He looked at the clock, I was an intruder, I got up and took my coat off, and sat down and said that I had come a hundred miles to talk to you and I am going to talk to you, and he talked to me then, and I talked to him.

It so happened that he had homesteaded up in the north, and he had helped build corduroy bridges, that is what they called them, for homesteaders. What do you know. But the next morning when I got there at nine o'clock I got 140 coal orders in my pocket to take home to the people in my municipality. These are the men that know all about the thirties.

I don't need to explain what happened in the thirties. The Premier of this province, and Tommy Douglas have done that more effectively and more clearly than I can tell you, and I am going to use his own words. In 1950 Mr. Menzies, mayor of the City of Regina, required water and they had to bring it from Buffalo Pound Lake, and the question was finance. He came here and asked the Premier and demanded a certain amount of money to finance this project, the discussion between the two parties was printed in the Regina Leader-Post, and this is what it said: Premier Douglas speaking —

“The provincial government of Saskatchewan is prepared to assume the responsibility of repayment of one third of the cost up to \$2 million, provided the federal government is prepared to loan this sum to the province at an interest rate of not more than 3 per cent, and provided that this sum shall be liquidated out of the revenue received from the water.

That was the loan, then it goes on: (and he speaks to Mr. Menzies)

“As you are no doubt aware from 1932 to 1946 the province of Saskatchewan was unable to borrow a single dollar for capital purposes, except for refunding. This situation was brought about by the economic condition facing the province in the thirties. From this situation, Saskatchewan has not yet recovered. Other provinces are able to borrow money at 3 per cent — Saskatchewan on the other hand paid 4 per cent on the last loan.”

This is on January 6, 1950, not 1944, Mr. Speaker. That is the big tin god of the CCF that speaks here.

Now then that answers your question about the thirties. That answers it better than I can do. Between 1932 and 1946 — that is 14 years, and that is a long time,

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no government could borrow a single dollar except for the debenture issues that were renewed from year to year. The total revenue of the province for one year was \$11,700 thousand. Now the Premier said, when he was elected leader of this government that one of the things — one of the tasks of the future will be to not let the people forget the dismal record of the Liberal party, past and present in Saskatchewan and in Canada. But I say to you, that after 18 years in office in this province with this policy in his platform — God help Saskatchewan. There has never been a more bankrupt organization — what you call government in existence anywhere, and with their constructive program of continuing to do what they already have done for 18 years of pointing out the shortcomings of the Liberal government then I fear for the worst as far as the people of the province of Saskatchewan are concerned.

After all sometimes even these fellows who are trying to belittle, to contradict, to minimize and to discredit everybody else except themselves, sometimes they happen to tell the truth. There is always a nigger in the woodpile and before they get through they will try and turn that truth to their own advantage and say that they did this or that. In an editorial appearing in the Leader-Post on March 16, 1958, that was during the federal election campaign, Mr. Speaker, the Premier of Saskatchewan speaking on the hustings in this campaign and he referred to the policies of the last Liberal government as most commendable and he referred to P.F.A.A. the water conservation board, P.F.R.A. and also to the old age pension, family allowances, unemployment insurance, federal hospitalization legislation, the wheat board, and he might well have added the federal payment for wheat stored accounting to over \$30 million a year, also the subsidy payment some years ago of \$65 million. Also freight assistance on coarse grains of \$260 million and a number of other assistances that have been given the prairie provinces during that period. But he goes further and he attempts to give the credit to the CCF for all these measures. Well he can't. There wasn't a solitary thing connected with any of these measures or any of these benefits that come to us from the federal government that the CCF government had anything to do with. Not a one. So you see, sometimes they tell the truth, but as I said they do all they can to twist and turn and to distort the facts so that the credit will fall on them.

There has been some discussion, every session I think, about the population in the province of Saskatchewan, and why it hasn't increased. I listened on September 26th,



1948 to Mr. Higginbotham and he is a pretty good entertainer on the radio and what he said made common sense. He said this — Mr. Higginbotham speaking on the radio from CKCK when discussing the economic and industrial future of Saskatchewan — speaking particularly of the proposed steel mill plant he said this:

“Saskatchewan had now reached the point where the population had stabilized. The increase during the last year was 1300 people. However, Saskatchewan had not to date been able to retain all her increase because of the reduction in farm population, and this could not be avoided, and about 25 per cent of all the farmers still on the land had to go because of the economic situation of the farmers.”

The Baker commission was appointed for that purpose — to clean the farmers off the land in Saskatchewan. Read the report. Now the Minister of Agriculture and all the fellows who line up with him stand up and say — oh we are trying to preserve the family farm. We have done everything. Mr. Speaker, they have done everything in the world to clean them off the farms.

**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — Read the report of the commission — and here is Mr. Higginbotham — he is voicing government policy. It has only been the last year or two since they have commenced to talk about the family farm and how they tried to save the family farm. That is all a bunch of hooey. They have done everything possible to try and get the people off the farms.

Now, there are other things that prove that my statements are correct Mr. Speaker. I just want to mention one thing before I forget about it. These CCF fellows are trying to make the people believe that they are the friends of the farmer. You remember a few years ago when they cleaned up the balance on the old four year British wheat agreement. When there was some difficulty getting the amount of money that Canada thought they should have from the British government, because they were dealing with a labour and a socialist government over there. The dominion government said we will vote a supplementary payment, that \$65 million goes to western

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Canada. They did that and you know what happened? Every CCF member in the House of Commons, east of the Great Lakes voted against it . . . Voted against that \$65 million. And there were many of the western members at that time that walked out of the house and didn't vote at all. Now that is the record of my hon. friends — these are the farmers friends.

We as an opposition for years, were trying to get the government to do something that would assist young people to get started on the farms, by helping them financially. I remember one time in the crown corporation committee when Mr. Fines handed \$75 thousand of the people's money to build an outdoor movie theatre. I used to call it the P.P.P., but they didn't like it. When we pointed out to him that this \$75 thousand might be better spent to start some kind of loan board which would be for the purpose of assisting young farmers in getting started — assist them with machinery and things of that kind to get started on the land — and do you know what he said. He said — oh no. We would have to charge them 12 or 13 per cent interest if we give it to them. But there is where the CCF expresses their real sentiments. Mr. Douglas said that the suggestion by the Leader of the Opposition is ridiculous, that the government should institute a method of farm credit in Saskatchewan is ridiculous. This from a farmer's government. Mr. Nollet said this — this farm loan board was the most foolhardy venture that was ever undertaken by any government. That from Nollet. He has been crying over the farmers here for 18 years.

We had a gentleman sitting here, Mr. C.T. Howe from Kelvington, I think he was whip at that time and he said this, "That anyone who had done anything to help set up a young man on the farm was doing that man a disservice." Now this is the record of help to farmers by this government. Are you proud of it? Are you proud of it?

Another thing that politics has always predominated when it comes to an expression of anything by this party. A few years ago, about 1951, Mr. Toby Nollet said — both Toby and Douglas told the farmers of Saskatchewan that the initial payment on the wheat crop for that year was all they would get. They said — you have it. You will remember other things. Douglas and Fines were the gold-dust twins at that time and they said this — that if a solitary person lost his home under the CCF government that he would resign. Well 1600 have lost their homes by foreclosure and otherwise since this government has been in office.

Then about the payment on the coarse grain — this was in August 1948 — if any farmer had secured any additional payment on coarse grain sold before August 1, 1948 he would present him with the cabinet minister's head on a platter stuffed with celery. Well you know you don't have to stuff these heads, they are all stuffed something like that now. These expressions and sentiments indicate to me that this government opposite have absolutely no sympathy — they have no concern at all as far as the rural population of this province is concerned. This is clear in many ways. It is clear in your program of building roads, and many, many other things.

This government is a city government and a labour union government. They are just for these two organizations. You just keep proving that that is correct.

What have you fellows done about education. That has been another topic thrown around the political arena. It was brought in there before the election in 1944, and the CCF platform was that the first thing the CCF government would do was realize that the education was the responsibility of the provincial government to pass the buck to the rural municipality and the local school board to provide educational facilities. The time has come when we must recognize that Canada's constitution places the responsibility for the teaching of our children squarely on the provincial government, and it cannot be passed to any other body. That was the CCF platform.

Then, we have the 'Commonwealth' and it says this:

“The British North America Act, which is Canada's constitution, makes education a provincial, not a municipal or local responsibility. All along the provincial government has been evading its duty. It has made grants to schools, outlined courses of study, and provided for inspection of schools, but left the main burden of maintaining school services, upon the municipality and the school board. The main burden does not belong there — the C.C.F. government accept the responsibility laid down by our constitution.”

Then we go one step further and look at the whole group. Here we have the Premier, at that time Minister of Education,

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speaking at Estevan February 6, 1945, he said this:

“This ideal way of financing education in Canada would be to secure the money from the parts of Canada where wealth exists and spend it where there was need for that money.”

Hon. Woodrow Lloyd told a gathering of parents and teachers in the Legion hall. Then Mr. Lloyd continued:

“We can’t go that far in Saskatchewan, of course. But we hope to make education a provincial responsibility for it is quite as important to make sure someone else’s child is educated as well as his own.”

Here we have it from the Premier, the Minister of Education and the ‘Commonwealth’ the official organ of this party — all holding the same views and informing the people to look forward to the day when they would put this program into effect.

Well now about three years ago this was discussed in this house, and these promises and many, many others were pointed out and the Minister of Education tried to get the Premier off the hook when he got up and said that no intelligent person would interpret the Premier’s promise to mean that the province would pay the entire cost of education. What do you think about that? No intelligent person would agree with the Premier when he said that he would — that is what he meant. He was trying to take him off the hook. The only man that didn’t believe him was the Minister of Education — he must have known his partner and his adherence to truth and honesty in political life. I hardly think that this ever happened before in public life when the Minister of Education gets up on his feet in the house, and tells the house and tells the people that you shouldn’t believe the Premier when he tells you that. That is what he did, in spite of what the member for Regina says.

I am going to say a few words about the medical scheme. Not very much because there is not much to say, but we heard hostile sentiments expressed over the medical profession and I hold no brief for the medical profession, not by any means. One thing I want to say and that is about administration. That without any reason and without any explanation this government has seen fit to upset and break the contract between the municipality and the hospital board and the debenture holders, by coming forward

and telling the hospital board — the whole thing is illegal and if you haven't had legal advice you get it. That from now on, from the beginning of 1961 that they arbitrarily were going to take and make the cash — principal payment on the debenture issues of the hospital boards throughout Saskatchewan. That was a solemn contract entered into by the individual that supplied the money and the municipality and the hospital board who gave the security. Under the act passed by this government it is made for that purpose. But what did they do? Coupled with this announcement and it has never been published so the people would know about it — for some reason they didn't try and get any publicity out of it and I know why they didn't — they said in return for paying the principal payment on the debenture, not the interest mind you — we have to pay that ourselves — we are going to cut you off all depreciation payments on your buildings and equipment in the hospitals. Through this the government gained a million or two at the least. They pay less now than they did before when they paid depreciation on the buildings. That is illegal. It has no foundation in law — you cannot break a contract without doing so legally by legislation and then I question it. Because if it is legal the security that is given to all investors by towns, cities, villages, municipalities and school districts isn't worth the paper it is written on.

Why did they do it? We haven't had any decent answers from them to that yet and it will soon be two years. I say to you, the actions speak of a totalitarian regime. You haven't been decent enough to tell the people concerned why it was done. I know why it was done. This saved the government, according to officials of the hospital organizations in this province, at least over \$1½ million a year, and this was pushed onto the taxpayers of the province to pay. That is why you did it.

Now what about this mess you are in about this medical health plan? It is a mess and there is no question about it. Then they say sometimes — we have been so kind and we are being so decent about this medical plan and we can't understand it. It isn't very long since the election. There wasn't anything in the world that you could have said about the medical men then that you didn't say — belittle and ridicule them. A man from Manitoba came up here and he said the medical doctors in the province were creating such an opposition to the proposed CCF medical health plan because they would be forced to pay their legal income tax, since all payments to the doctors would be made by cheque.

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Fred Zaplitnie, M.P. from Dauphin told a political gathering in the community city hall.

Here we have the dignified Mr. Coldwell, speaking at Unity and he said this:

“Doctors are more concerned with maintaining fees than serving the people of Saskatchewan.”

He told the audience that Canada and the United States were the only democratic countries in the world without national health care. He covered the history of the health service which has been instigated by the CCF in Saskatchewan, such as the anti-tuberculosis league — free cancer treatment, the hospitalization plan and research which resulted in the development of a Cobalt treatment for cancer. He and Tommy Douglas — they did it all!

I hope before this session is over that the Premier — silence isn't good enough — will tell us why they came in and upset the legal payments from contracts in the hospital board, the municipalities and the debenture holders in this province so far as hospital debentures are concerned. On what legal enactment in this province do you base your actions? Tell us! We are willing to learn. Or tell us the legal advice you got that told you to carry out such an action as that. I don't think we will hear anything about it.

When I look back over the years I recall — it goes back to 1934 when we came into power. The total revenue of the province was \$11,700,000. We knew the people couldn't pay that so we made certain tax reductions and reductions in payments which individuals had to make. They maybe looked small, but these were the days when a dollar was worth some money. We reduced the motor license fee by \$2.50. We reduced the telephone fee by \$2.00. We abolished the \$5 surtax on the income tax, which had been put on by the Anderson government. If you didn't pay any other taxes you still paid the \$5.00. That was the surtax, we abolished it. The total reduction that we made amounted to \$19.50 on a small farmer. But that was a reduction in 1934.

I have another thing and I can just imagine how these fellows are going to holler that it isn't true. The Saskatchewan highways system in 1944, that is 10 years after we had been in office, the system consisted of 8,000 miles. From 1934 to 1944 we constructed to standard 1227 miles of new earth roads.

We gravelled 2,842 miles of highway. We hard-surfaced 110 miles. We constructed 1168 miles of worn-out highway and we re-gravelled 667 miles of that mileage.

**Hon. Mr. Willis:** — He is boasting.

**Mr. Danielson:** — You just wait now. You haven't got sense to listen till you find out what it is all about. If you are through laughing I will finish.

**Hon. Mr. Willis:** — Keep on boasting Herman.

**Mr. Danielson:** — We constructed 819 miles of secondary highway. The member for Cannington (Mr. McCarthy) has told you about them — the ones you threw back to the municipalities. That is what you did. This government when they came in, threw them back on the municipalities.

**Hon. Mr. Willis:** — We have 8300 miles . . .

**Mr. Danielson:** — I don't give a darn what you have now. You can tell us that when you get up. I am telling you what we did in this 10 years.

Every dollar of this expense was made without borrowing one dollar or issuing a debenture for it. Mr. Douglas, the Minister of Highways was in the house when I quoted these figures. He said, "where did you get these figures?" I went over and handed them to him. I said I got it from the Deputy Minister of Highways and that is where they came from. They are not my figures. You can laugh if you want to.

**Hon. Mr. Willis:** — They are your figures. You are proud of them.

**Mr. Danielson:** — That is what we did. That is what was done in those days without any increase in taxes.

There is another thing I am going to mention, it is late but I don't care much about that, the day is gone anyhow.

**An Hon. Member:** — It has been gone for an hour now.

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**Mr. Danielson:** — I am going to show you again your neglect, your definite hostility to the rural people of this province that rather than pass on the beneficial legislation passed by the federal government for the benefit of the people, it was withheld from the rural people of the province of Saskatchewan by this government. I am referring to the Central Mortgage and Housing Act. When you look at the action, the dirty, despicable action — you deliberately sat there for four years and said to the people of Saskatchewan we will not amend the Farm Security Act to permit the federal legislation to operate in the rural areas of the province of Saskatchewan. That is what you did, and I am going to prove it to you right now.

You amended the act and permitted the operation of this mortgage and housing act to operate in the urban areas of this province in 1954. It was not until the last part of 1960 that you amended the act so a farmer on the land could apply for a loan to build a house on his farm or repair an old house that he had. This isn't my word. I have it here a piece from the 'Country Guide' page 67, March 1959. There is an article there written by a man and he covers the whole of Canada in the operation of this act. I am not going to burden the house in reading it all, but I am going to read part of it Mr. Speaker.

“For the farm wife who has convinced her husband they really need a new home, there are a number of useful publications available without charge from the nearest office of the Central Housing and Mortgage Corporation. These included a book 'Small House Design'. A catalogue of houses designed by a Canadian architect, which can be purchased from the C.M.H.C. at \$10 a set.”

Then the book showing the house designs which provides information on the many problems of home ownership. Under the National Housing Act a farmer may arrange a loan up to \$10 thousand for new farm home construction, take up to thirty years to repay the loan with interest at 6 per cent per annum, calculated semi-annually a month in advance, repay his loan in annual, semi-annual and quarterly or monthly instalments of principal and interest, apply to any of the lending agencies authorized to make a national housing loan, apply direct to the Central Mortgage and Housing Corporation for a loan when it is not available from authorized agencies, receive the



loan as building proceeds or in a lump sum when construction is completed. Mr. Hunt is chief information officer of the Central Mortgage and Housing Corporation and that is his editorial notation.

Now, listen to this:

“Province of Saskatchewan under the Farm Security Act excludes the making of loans for farm houses in that province. This is an act for the protection of certain mortgagors and purchasers of farm lands. This situation does not arise in Saskatchewan urban areas since loans in these areas are protected under the provision of the Farm Security Act by the Housing Act, chapter 246 of the revised statutes of Saskatchewan, chapter 63, section 12 in 1954.”

There you have it.

March 23, 1960, and this comes from Ottawa.

“Federal works minister Walker has blamed the Saskatchewan CCF government for holding up the applications of national housing act loans providing for loans for farm homes. During the House of Commons debate of the past week, Mr. Walker put the responsibility on the Saskatchewan Farm Security Act, which prevents foreclosure for default of payment. Mr. Walker spoke at the same time as the CCF government was running into heavy opposition and being criticized in the Saskatchewan legislature for waiting so many years till they finally introduced a bill to permit the federal housing legislation to apply in the rural areas. The federal works minister declared boastfully, “As soon as the socialist government gets rid of the restrictions on collecting farm mortgages we would be very glad to take applications from Saskatchewan.”

There you have it.

For four years when material, labour and all that goes with building houses was at a reasonable figure this government sat here like a dummy on a log and you couldn't budge them. Do you know what I think? I think your minds are so small and warped and so miserable that you couldn't stand to see the farmer getting any benefit from Liberal federal legislation.

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**Opposition Members:** — Hear! Hear!

**Mr. Danielson:** — Well then what was the reason? It didn't cost you anything. Then you go out and try to soft-soap these farmers. Well any farmer that votes for you is twisted. Farmers are in the worst need, but in the cities — well they spend \$31 million in the cities in one year for homes in the cities. I can see the lady member for Regina (Mrs. Cooper) smiling and I am happy for you. You have some houses here. And you didn't get them from the CCF government. You got them from the federal government. Sure you did. You know Sturdy got into the housing corporation and started painting buildings a few years ago, and he had 180 thousand houses to paint. He was working away at it one year and he lost \$90 thousand of the taxpayer's money. He said they only have three spraying outfits and when they painted all the public buildings down at Weyburn they were going out and they had 182 thousand farm buildings to paint in the next five years. What a dream! This is your record. The Premier stood up and said to the people of the province of Saskatchewan the day he was elected leader of this government, that from now on his first duty was to remind the people of the miserable years of the 'thirties'. We want to point out some of the things. You had \$113 million a year for the last 18 years to spend and you increased the public debt by \$330 million (unrecorded interjection). Who said that? Well you go back to the backwoods; that is where you belong. That is the right place for you; right in the backwoods. If you haven't got the brains to understand, you ought not to sit in this house.

Mr. Speaker, in view of what I have said I don't think I need to tell you that I will vote for the amendment but not for the motion.

**Hon. C.C. Williams (Minister of Labour and Telephones):** — Mr. Speaker, I have already congratulated you on your appointment to the high office of Speaker, and at the same time I congratulated my seat-mate the member for Touchwood (Mr. Meakes) on being appointed Deputy Speaker. I was a little ahead of myself for he wasn't actually appointed till several days after. But I don't think any harm was done.

I must give credit to the opposition, because in this present session they have not on one occasion tried to link in some mysterious way Jimmy Hoffa with this government. They are getting smarter all the time.

Yesterday the member for Gravelbourg (Mr. Coderre) did give us quite a lecture on the labour situation. He referred to communists two or three times but I don't know what that has to do with it. I do hope for his own sake that he wasn't on the air. I did jot down one of the statements he made and this is it. That there were 200 labour organizers getting between \$15 and \$20 thousand a year each to "peddle purely political propaganda". I have no idea Mr. Speaker, who these 200 organizers are and I have never heard of anyone on a salary of \$15 to \$20 thousand a year being paid to peddle political propaganda. I can assure my friends that there are a good many Liberals and Conservatives and Social Creditors in the labour force — not every one of them is supporting the CCF as much as we would like them to do so.

The member from Notukeu-Willowbunch (Mr. Klein) went to some trouble to show that labour and this government were quarrelling. He referred to a bride and groom situation and quoted a number of statements from this pamphlet, 'A Case for Unemployment in Saskatchewan'. At first he claimed it was put out by the provincial Department of Labour, but later admitted that it was published by the Saskatchewan Federation of Labour. There were some very interesting things in there Mr. Speaker, and with your permission I would like to quote three or four of them. I will try and not take too much time. The first one is on page 10. There is some very good information here and it refers to the labour-farmer groups and unemployment. I realize that there is a motion on the order paper relating to unemployment and I am not going to mention anything about that. Here is what it says and it is titled "Farm Population Trend."

"Farmers presently represent about 14 per cent of Canada's population. By 1980, according to the Gordon Commission report on Canada's economic prospects, farmers can expect to represent only 8 per cent of Canada's population. Over 86 per cent of Canada's population is now non-agricultural and 65 per cent of Saskatchewan's population is now non-agricultural. Due largely to mechanization and depressed markets, Canada's farm population declined 12 per cent in the last 10 years, from 217 million in 1951 to approximately 2.4 million at the present time. Agricultural population in Saskatchewan dropped during the same period from 398 thousand to

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“approximately 320 thousand, or at the rate of about 8 thousand a year.”

This is quite an interesting observation Mr. Speaker. Here is another item. It is titled ‘Workers and Farmers Short Changed’.

“From 1949 to 1958 production for wage earners in Saskatchewan increased by 191.2 per cent. Yet labour’s income rose by less than 50 per cent.”

Listen to this Mr. Speaker:

“Prices of farm implements rose over 77 per cent during the same period, but the wage scale rose only 6 per cent in the farm implement industry. According to a statement appearing in the Leader-Post, January 23, 1961 — two million wage earners did not make enough money last year to pay income tax. One third of Canada’s total wage earners.”

According to a statement recently attributed to Dr. M. Andal, economist of the federal Department of Agriculture — 272 thousand farms don’t provide an acceptable living standard and about one-third of all Canadian farms are uneconomic.” A rather gloomy picture.

Here is the bright light of the whole pamphlet, Mr. Speaker, and I am glad the Leader of the Opposition is in his seat. This is the white-haired boy of the Liberal party, Walter Gordon, and he is going to be down at Assiniboia next week sometime. Here is a statement of his.

“Walter Gordon, chairman of the 1956 royal commission on Canada’s economic prospects told the Canadian Manufacturers Association in June that it should not be your sole preoccupation to safeguard the capital investors in your companies and to increase your profits every year. It is even more important to preserve jobs of your employees and to provide jobs for others who seek work and who cannot find it.”

That is a very good statement coming from Mr. Gordon and I congratulate him on his viewpoint.

Here are a few words of public comment on housing. Here is what John Steel, former City Commissioner, says, January 30, 1958, 'Leader-Post':

“Regina is one of the worst cities in Canada for housing accommodation says John Steele, Regina City Planner. There is such an urgent demand for housing that many people are forced to accommodate with unrealistic rents.”

Here is a statement by the Hon. T.J. Bentley, which I will not read. That one might be considered prejudiced. Here is one from Dr. Walton, Regina City Medical Health Officer:

“Declared nearly 400 houses in Regina are non-modern and constitute a possible health hazard to the whole city. While 200 places are declared to be nuisances and placarded as unfit for occupation and many more were said to have required the same treatment.”

I won't go into the statistics. Just one more Mr. Speaker, page 22, Provincial Action:

“Organized labour acknowledges the many important measures taken by the Saskatchewan government since 1944 which have had the desired effect of creating employment. The passage of the Trade Union Act established a better climate for union organization. The trade union members have grown from 17 thousand in 1944 to the present 48 thousand. This not only brought a measure of industrial democracy, but through collective bargaining, wages have been improved and purchasing power increased. In 1946-47 the government enacted legislation providing for annual vacations with pay. (I will have something to say about that tomorrow). Eight paid statutory holidays. Hours of work were reduced to 44 per week in urban centres, 48 in the rural centres. Since the Minimum Wage Act was passed in 1946 several increases have been made to the minimum wage. All of this has meant increased purchasing power and better distribution of available employment. It has provided more time for leisure and for acquiring better education.

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“Other extremely important measures taken were the establishment of the hospital plan and other welfare schemes.”

There is a lot of interesting information here on the matter of pensions, and I would suggest to some of the members opposite that they drop into the C.L.C. office just across from the police station and talk with these very affable and well-informed people.

Now I spoke a moment ago of my own constituency and some of the poor housing conditions and we have heard a great deal in the house during the last two or three weeks about the terrific taxation and the burden of taxation that the people of Saskatchewan have been forced to bear by this present government. Here is a matter of interest concerning my own constituency, Regina City. Up until comparatively recent years the provincial government paid no taxes of any kind to the various rural and urban centres in the province. I have here the total number of grants in lieu of taxes paid to the city of Regina by the various departments, agencies and crown corporations for the years 1959 and 1961. In 1959 the total was \$218,295. In 1961 the total was \$361,405. Here is the list: Public Works paid \$19,100; Government Telephones \$102,416; Fur Marketing Services \$3,669; Government Transportation Company \$14,522; Government Printing \$7,097; Saskatchewan Government Insurance \$50,752; Saskatchewan Power Corporation \$163,849, coming to a total of \$361,405. I am sure that the citizens of Regina appreciate this change in policy which amounts to the equivalent of 4 mills. All other municipalities, large and small, where these grants are paid in lieu of large or small, where these grants are paid in lieu of taxes must also appreciate it. I wish I had the total that this provincial government paid over the entire province, I am sure it can be found somewhere and it would reach quite a staggering sum.

As you know Mr. Speaker, I am also Minister of Telephones and I am just going to make a brief statement in that regard. It has been stated in this house that there is a lack of progress in rural telephone service. Now that is a pretty bold statement in view of the services the Department of Telephones provides to 944 rural companies. Remember these companies have their own boards of directors and manage their own affairs. Of course they are linked to the government telephone system for the purpose of local and long distance service. Presuming that the member was directing his remarks at the officials of the rural companies, I am sure many of them in fact all of them, will have some resentment.

There are 944 rural companies in Saskatchewan, serving 57,806 subscribers. During the past year there have been three amalgamations of rural companies which the Department of Telephones encourages. Eighteen companies were changed over to dial service for 890 subscribers who were provided with new dial sets, free of charge, at a cost of \$40,099, to the Department of Telephones. Pole grants amounting to \$151,746 were made to 392 companies and maintenance grants of \$56 thousand were provided to 206 companies. It should be understood that in order to qualify for the maintenance grants, the rural line must be in reasonably good condition or the company must agree to bring the line up to a reasonably good condition. This is necessary to insure that the subscribers will have good service. Seventy-three companies did not qualify for these maintenance grants due to such reasons as broken or missing guy wires, poles requiring replacement, improper wire stringing, faulty station installation, and a number of other reasons that I haven't the time to list here this afternoon.

Mr. Speaker, I beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 5:32 o'clock p.m.