

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Fourteenth Legislature
17th Day

Friday, March 16, 1962

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

ON ORDERS OF THE DAY

ANNOUNCEMENT: EASTER SEALS

Premier Lloyd: — Mr. Speaker, before the orders of the day there are two announcements that I would like to make. The first is a very pleasant one, and I am pleased that there are a number of visitors from some of our schools in the gallery to hear the announcement. Hon. members will all be aware of the activities of Camp Easter Seal and of the facilities which it provides for a number of young people who are handicapped with some kind of physical disability. You will know too of the activities of organizations in the province, chief among them I think, the Council for Crippled Children and Adults, in raising funds to support this and other activities. It is the custom each year to select one of these young people as representative of the group. We owe a great deal to this group Mr. Speaker, and we have a reason to exert a considerable amount of activity on behalf of them.

The youngster selected as Timmy for this year is Gerald (Gerry) Bryce, who is age 11. He comes from Saskatoon and he is in Grade VI. I wanted to introduce "Timmy" to the members of the legislature this afternoon, I knew they would want to meet him. He is in the gallery, may all of us say how pleased we are to have him with us and how much we wish him and all his fellows well.

I think if Timmy would just wave to us. He is accompanied by Mr. Milton Orris of Saskatoon who is the provincial secretary of the Easter Seal Fund.

CONDOLENCE

Premier Lloyd: — The second announcement to which I refer Mr. Speaker, is one which is not at all a happy one, it is the sort of announcement which has to be drawn to the attention of members of the legislature from time to time.

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Hon. members will all learn with great regret and sadness of the death last evening of the father of the Leader of the Opposition.

He was, as I understand it, 72 or 73 years of age and died as a result of a heart attack while travelling along with Mrs. Thatcher outside of Canada. This is complicated the matter considerably of course and it will be appreciated that the hon. Leader of the Opposition will of necessity be absent from the house for several days. I know that the assembly would want to join me in expressing to Mr. Thatcher and the members of the bereaved family our very sincere sympathy at this very sudden loss of their father.

Consequently, Mr. Speaker, I should like to move, seconded by Mr. McDonald:

“That this assembly learns with profound regret of the loss suffered by the Leader of the Opposition, the hon. member for Morse, Mr. Thatcher, by the death of his father, Mr. Wilbur Thatcher and extends to him and to members of his family the sincerest condolences, praying that divine providence can sustain them in their bereavement.”

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, before the motion is passed I would like to take this opportunity in associating myself and my colleagues with the remarks of the Premier in regard to Timmy and also with regard to the motion that we are now dealing with.

Mr. Thatcher has asked me to convey to the house his apologies for not being present for the next two days. As the Premier mentioned to you, Mr. Thatcher's father passed away while on a world cruise and he died while Mr. and Mrs. Thatcher, Sr. were on the Indian Ocean, which has certainly complicated matters as you all realize the difficulties communicating to anyone aboard ship. I understand that arrangements have been made to fly the body home and I expect the funeral will be held in the city of Moose Jaw as soon as it is possible to have the body returned to that city. In the meantime I expect that Mr. Thatcher will not be in the house and I know that you all will agree with me that he would like to be with us but on this occasion he feels that he should remain at his home in Moose Jaw.

Motion agreed to.

WELCOME TO STUDENTS

Mr. F. Meakes (Touchwood): — Mr. Speaker, before the orders of the day I would like to, on behalf of you Mr. Speaker, welcome and draw the attention of this legislature to a group of high school students, twenty-four of them, from Grade XII class at Quill Lake. This, the house will realize, is from Mr. Speaker's constituency. They are accompanied by their principal Mr. Gabriel and the bus driver Mr. Walters and Mr. Payton.

I am sure that all members of this house will agree with me and wish them a very pleasant and informative afternoon, and we wish them a good trip on their way home.

Mr. A. Thibault (Kinistino): — Mr. Speaker, before the orders of the day I would like to introduce a fine group of students from the Kinistino High School, sitting in the galleries on your left. They are led by their teacher, Mr. Geotz and their bus driver Mr. Bland and his wife.

I hope that their trip here this afternoon will be both educational and a pleasant one.

TRIBUTE TO ST. PATRICK

Mr. R.A. McCarthy (Cannington): — Mr. Speaker, I beg your indulgence while I pay tribute to that vulnerable patron saint of Ireland, St. Patrick. I had intended to give you quite a little talk, but owing to the fact of our recent loss in the person of Mr. Thatcher's father, I don't feel like being frivolous at the moment, so I think I will leave it at that.

BUDGET DEBATE

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

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

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Hon. C.C. Williams (Regina City): — Mr. Speaker, may I first draw your attention to the last part of the statement in the 'Banks of the Wascana' in this mornings Leader-Post which refers to a statement I made yesterday to the effect that \$361,000 had been paid by this government to the city of Regina in grants in lieu of taxes during 1961, and which I said amounted to about 4 mills.

Speaking to someone just the other day, a few weeks ago perhaps it was, I indicated that 1 mill in Regina was now worth approximately \$80 thousand, I didn't check the figure but apparently it is up around \$156 thousand so I wish to thank the column 'The Banks of the Wascana' for that correction.

I notice that almost everyone in the legislature is wearing a green tie or a green ribbon in honour of St. Patrick's Day with the exception of myself. While I am not following example of the provincial treasurer, I am wearing a special tie in appreciation of the fact that I have received \$47,700 more in my estimates this year than I did last year. I appreciate it very much. It is a tie that I got 10 or 12 years ago. Some enterprising manufacturer in the east one year got out ties with all the provincial coats of arms on and mine as you will notice has the Saskatchewan coat of arms, the lion rampant, the three wheat sheaves. When my children were small they used to refer to this as the kitten with three brushes, which is a fair description at that. Well so much for haberdashery Mr. Chairman, I will get along with my speech and I have as I see just exactly 30 minutes.

On Monday, the member for Moosomin (Mr. McDonald) claimed that the assistance policy of the Department of Telephones, rural branch was not workable, he used that very term, not workable. He further stated that the rural companies, big enough, were provided with grants but none for the smaller companies. His own company could not qualify, so he said and also, that hundreds of companies in Saskatchewan could not qualify. He concluded by urging that we correct our mistakes and make grants to all companies, these are quite serious charges Mr. Speaker, and must be corrected.

In the first place, all companies regardless of size, receive these pole grants. Only last Tuesday I had an order in council passed totalling \$41,170 for 97 companies the largest amount was \$2,447 for the Watson Rural Telephone Company of Englefeld and the smallest was

\$8.48 for the Lockwood Company. So there is absolutely nothing to the claim that small companies do not receive this grant, which is one-third the cost of the poles.

I have taken the trouble to check the area where the member from Moosomin (Mr. McDonald) lives and find that some years ago there were twelve rural companies connected to the Moosomin exchange. Between 1950-55 eleven of these companies amalgamated to form the Moosomin Rural Telephone Company, this company has taken advantage of both the construction and maintenance grants and I am very pleased that they have done so. One small company, the Moosomin East Company with nine subscribers has not as yet amalgamated with the local larger company although the department hopes that this will be accomplished in the future. This company has not applied at any time for either grant. There are two rural companies connected to Fleming, the Fleming South and the Fleming North Rural Companies. Neither of these companies have applied at any time for either grant.

The department pays a minimum grant of \$2.50 per subscriber to any rural company which brings its system up to a certain standard or will agree to bring it up to a certain standard. This is necessary in order to ensure that the subscribers receive good service. Obviously smaller companies should go in with neighbouring companies in order to hire a maintenance man between them, but this is not absolutely necessary. A total of approximately 400 subscribers is about right. Last year 73 companies did not get this grant, the only reason being that their systems were not up to reasonable standards, some of which were, broken or missing poles, poor anchors, broken or missing guy wires, excessive sag of wiring spans, inadequate clearance over roads, highways and railways and a number of others that I have not time to enumerate. The charge that hundreds of companies in Saskatchewan could not qualify is simply not correct.

The department in 1961 paid out in maintenance grants to 206 companies the sum of \$56 thousand. We have in our budget for next year the sum of \$225 thousand for pole and maintenance grants to rural companies and an additional \$141 thousand for other assistance to rural companies. I might say at this time that I am going to devote a few moments to matters pertaining to telephones and then I will turn to labour legislation in perhaps four or five minutes.

Last Monday the member for Moosomin (Mr. McDonald) and I see he is now in his seat, claimed that the treasury

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had taken the profits made by Saskatchewan Government Telephones away from me. Poor Charlie Williams, I think he said — left the impression that I was left bleeding by the roadside with my wallet gone. He made the same crack last year and got away with it but not this time. There are always two sides to these stories and the true one has been explained several times. S.G.T. is a member of the Trans Canada system as are all other telephone companies, eight of them altogether, from coast to coast. The interprovincial long distance revenue which accumulates in the head office in Montreal is divided among these eight companies by a rather complicated procedure which I will not endeavour to explain here. The privately-owned companies like the Bell in Ontario and Quebec, the Maritime Telephone Company in the eastern provinces, the B.C. Company are allowed to deduct income taxes as an expense and therefore receive a larger share from the 'pooled' revenues, but government owned systems do not pay income tax. For many years the Saskatchewan system felt that we were not getting our just due. In 1958 we presented our case to a special meeting in Regina at which Mr. Eady, at that time president of the Trans Canada System, was present. We worked out a method whereby we could by turning our profits over to the provincial treasury, corresponding with income tax paid by the privately owned companies, show it as an expense, and thereby receive a larger share of the trans Canada melon, amounting to well over \$100 thousand a year.

During the past 3½ years we have therefore received \$453,214 we would have otherwise never have received. It is merely in another pocket of government, and used somewhere for the benefit of the people of Saskatchewan. The member for Moosomin (Mr. McDonald) may not think this is worth bothering about but we do. The situation has been explained a number of times but each year some opposition member tries to make something out of it. Treasury never put the squeeze on the Telephone System for these profits, the board of directors voluntarily offered to turn the money over for the reasons just stated. This money has been put to good use for citizens of the province. It may be used for roads in the Moosomin constituency (I notice the Department of Highways has a program there this year) or up near Meadow Lake, or perhaps to build a mental hospital in Yorkton. Personally I would rather have seen this hospital built in the city of Melville where payrolls over the years have been reduced for one reason or another. Also if a technical school is to be built in that area at some future time, I would prefer to see it built in the city of Melville. The city of Yorkton should not get

everything in that part of the province.

It is a number of years Mr. Speaker, since I made a resume of labour legislation in this house and in that time a new generation has grown up and entered the labour force. These young people have no recollection of the various situations under which people worked previous to 1944, and are inclined to take advantages they now enjoy as a matter of course. It should be understood that the province of Saskatchewan provides the highest minimum wage rates in the dominion of Canada, namely, \$32 per week for persons over 18 years of age and \$30 per week for those under 18. These rates apply in every city, village, town and hamlet and are the same for male and female employees. Other provinces have lower rates for girls and women and lower rates in the smaller centres. The rates I have just quoted, \$32 and \$30 which obviously do not seem very big but do however provide a base for higher rates and a floor below which wages cannot fall. We have an excellent Hours of Work Act which provides a 44 hour week in the cities and larger towns and 48 hour week over the balance of the province. No other province, with the exception of British Columbia has as favourable hours of work protection for the wage earner.

We pioneered the two weeks holiday with pay in 1944 and other provinces have one by one followed suit. We also provide three weeks holidays for employees with over five years service with the same employer. Also eight statutory holidays per year, the employee who does not work on these days cannot have his wages docked. If she or he does work they are paid at the rate of time and a half. No other province protects the wage earner on these last two provisions. unions usually provide in their contracts for such matters just referred to but we have legislation to ensure this protection to wage earners who do not have unions with reasonable work standards and benefits.

Saskatchewan has the most advantageous Workmens' Compensation Act in Canada. It is favourable to the injured employee or his family in the case of a fatal accident. I am pleased to be able to say that the farmer members on the government side have supported the legislation referred to over the years. I regret Mr. Speaker, that there is insufficient time to go into other legislation but will leave that for a future occasion.

Out of the \$174 million budget, the Department

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of Labour will spend \$1,272,000 made up as follows. Administration — 21 employees, \$98 thousand, research and planning — \$27 thousand, labour relations conciliation services, industrial standards the cost is \$51 thousand.

It should be understood here that the seven members of the Labour Relations Board are not employees of this department or of this government but are private citizens who receive so much per meeting plus expenses. The same applies to the chairman and members of conciliation boards, set up from time to time at the request of either the employee or the employer. There were 17 of these boards last year. Over the years I have appointed a number of well-known citizens of this province to act as chairmen of these boards when the two parties, the employer and the employee, could not agree on one. For a few years we were able to get judges to act as chairmen, with considerable success. Judge McPhee acted a number of times, so did Judge Graham. Judge Harold Thomson handled some very difficult boards for us. However, about four years ago the Department of Justice at Ottawa indicated that members of the judiciary were not to act in this capacity any longer. Other well-known persons appointed were Dean Cronkite, Professor Muir, Professor McLeod, Professor Fowke, Dr. Norman Ward of the University, Mr. F.B. Bagshaw, Q.C. of Regina, Gordon Grant, Mr. Pollard, principal of Sheldon-Williams and others have acted as chairmen from time to time.

The Labour Standards branch Mr. Speaker, which administrates the Minimum Wage Act, Hours of Work Act, Holidays with Pay Act, One Days Rest in Seven Act, and so forth, is one of the most important branches in the department. Ten inspectors located in various centres throughout the province make routine inspections of business places in their territories to see that employees are receiving what they are entitled to according to our legislation. They also investigate individual complaints and are doing an excellent job diplomatically, and with very little offence to the business people. There are a total of 16 employees in this branch and the budget amounts to \$104 thousand. Last year a little over \$201 thousand was collected for 3,495 wage earners by the department itself and \$4,200 through the courts. I am not being critical of the employer group, most of whom wish to treat their employees fairly, but are not aware of the governing legislation. However, this \$200 thousand would never have been received by these 3,500 employees had our department not taken some action.

It also may be of interest to note that a provision in the Employees Wage Act which came into force on July 1, 1961 has had the distinct effect of making the work of our inspectors much more effective. There is a provision in the Act which holds the prime contractor on any project responsible for the payment of wages to the employees of any sub-contractor employed on the project. The prime contractors have been most co-operative in insisting the sub-contractor maintain strict compliance with our various pieces of legislation. This is a marked improvement over the past experience and the benefits to employees has been most evident.

Now let us turn for a moment to the Safety Services, Boilers and Pressure Vessels Branch, the Electrical and Elevator Branch, Gas Inspection Branch, fire prevention and in theatres, apprenticeship and tradesmen qualifications, I have left out the number of employees and amounts in the interest of saving time Mr. Speaker. The total number of employees in the department is 172 all of whom are hard working and dedicated. A number of them were in the government service previous to 1944. I wish to publicly thank them for the work they have done and are doing. While an occasional mistake may creep in, these are kept to a minimum and the department is operating efficiently with an excellent reputation for good public relations. I do not go along with a suggestion made a few days ago that the Department of Labour needs an overhauling. No such report appeared in the Leader-Post although it was on the radio a few minutes later and was also on several times through the afternoon. I suggest the employees of the Department of Labour need not be alarmed.

The Fire Commissioner's office and theatre's division continue to perform in the field of inspection by eliminating fire hazards through inspection, education, advertisement and the dissemination of fire prevention knowledge generally. The fire inspectors in 1960-61 made 6700 inspections and in the course of those inspections required 1,666 improvements be made. I have no doubt that these inspections through personal contacts had a good deal to do with the reduced number of fires occurring in 1961 and in the previous year.

I am sure we all deplore the loss of life that occurs from year to year, in this respect the 10 year average is 25 persons, a large number of whom are women and children. I regret that the 1961 report which has not been formally presented to me will include 37

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lives lost, nine of them being children. Every effort is being made by the Fire Commission Branch, fire chiefs and fire officials throughout the province by lectures and providing other information to parents, adults and children.

In this respect I am happy to report that a 9 year old boy in Regina recently saved his own life and the lives of several other children by acting on his own initiative and behaving properly in an emergency, because of information he had seen in a fire safety film supplied by the Fire Commission in his school.

Fire schools are being held in towns and villages at an average of 25 per year. Many towns and villages are requiring equipment and are having the volunteer firemen train in an effort to reduce loss. Over 20 rural fire protection districts have been organized in the past several years with a view to providing equipment to extinguish fires on farms and isolated communities. The improvement of access roads, grid road plans help tremendously in this respect, especially during winter months and in inclement weather.

It is my belief that most fires can be prevented and even when fires do occur that pre-planning and forethought especially with regard to children and their tendencies that fire fatalities and property loss could be greatly reduced. Smoking continues to be the main cause of fire and several persons have lost their lives during last year by smoking in bed and asleep on a chesterfield — a dangerous practice.

I want now to refer for a moment to telephone rates, and I am pleased to inform this house that Saskatchewan has the lowest telephone rates in Canada, telephone residence rates, Mr. Speaker.

Government Members: — Hear! Hear!

Hon. Mr. Williams: — Excepting Calgary and Edmonton which are a little lower than Regina and Saskatoon rates, considerably less than British Columbia and eastern provinces. Business rates in Saskatchewan compare favourably to the other prairie provinces.

There has been two general increases during the past number of years Mr. Speaker. In 1953 the average residence rate increased 14¢ a month, business rates 79¢ a month.

In 1960 the average residence telephone rate was increased 17¢ a month, the business rate 66¢ per month.

For years the mayor of Saskatoon, good naturedly of course, poked fun at Regina for its narrow streets, the dried up lake, the flat prairie and so forth, but one story that has passed through a succession of mayors is that the dogs in Regina had to wag their tails up and down instead of sideways because of the narrow streets.

We of course have come to realize the importance of the city of Saskatoon and a few weeks ago we increased the telephone rates to the same level as they are in Regina. I am sure the people of that city will appreciate being brought up to the equal of that of the capital city insofar as telephone rates are concerned. Actually what has happened Mr. Speaker, is that the city of Saskatoon recently came into the 40 thousand station group which automatically raised the rate slightly. The Star-Phoenix wrote an editorial about it. I am sure many subscribers in the four larger cities will remember in 1960 we did away with the excess distance from head office charge, which reduced many residential rates.

There is every justification for these occasional increases. Here are some of the reasons. In 1944 telephone operators in Regina and Saskatoon had a starting rate of \$50.50 per month and a maximum up to \$95.50 a month. Now the same positions have a starting rate of \$180 and a maximum of \$289 per month. A cableman in 1944 started with \$75 per month, he could go up to \$200. Now he starts at \$260 and the maximum is \$488. A stenographer in 1944 started at \$67.50 per month and could get up as high as \$122.50. Now she starts at \$216 and can go up to \$303. Our warehousemen started at \$100 per month in 1944 and could get up to \$150. Now he starts at \$265 per month and can go up to \$341.

I am glad that these employees are now receiving a decent wage, which enables them to purchase better homes, raise and educate their children more comfortably and improve their standard of living to a greater degree.

I might just add here that in 1944 the cost of installing a telephone was \$2.80 now the cost is \$7.50. The cost of materials is a way up and I can give two or three examples. A 15 pair cable in 1944 cost \$9.24 per 100 feet, now it is \$20.63 per 100 feet; an increase of 123%. A 50 pair cable \$19.30 per 100 feet in 1944; now

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it is \$42.63 per 100 feet an increase of 121%. Cable terminals, 15 pair \$11.07 each in 1944, now \$19.41 each, an increase of 75.4%. Obviously these small rate increases can be justified. We lose money on many exchanges throughout the province but make up for it on our portion of trans Canada revenue, long distance from other provinces that go through the equipment of our province.

I am pleased to be able to report that we plan on starting a new telephone building on the property on the northwest corner of College Avenue and Albert Street extending back to Angus Street. Our staff is badly scattered over the city and the new building will get us all under one roof. We will build with anticipated space requirements projected for the next 50 to 75 years. During this period some government agencies will occupy the extra space on a rental basis.

We bought this piece of property seven years ago knowing we had to have a larger office building but actual construction has been deferred from year to year. I am very pleased that we are now in a position to proceed sometime this year and that it is expected the building will be opened sometime during the end of 1963 or the beginning of 1964. We plan on the type of building to complement the museum and once it is up will be a credit to this city and to the province.

Mr. Speaker, the Rural Telephone Act is due for re-enactment this year to be brought up to date. Over the years many companies have adopted practices outside the provision of the act which we wish to correct and get all companies back on a proper basis.

Many years ago the department had a superintendent who perhaps adopting the line of least resistance would when requested by a certain company, say in effect, what you wish to do is not in accordance with regulations but go ahead and do it and I will not say anything about it — neither will I put it in writing. Obviously then many practices grew up which could have been legally questioned. I do not intend to discuss the contents of the bill, which has had its first reading, but may I express on behalf of the Department of Telephones and the government thanks and appreciation to the officers and members of all rural telephone companies for the time and energy they have given in order to provide the greater part of the inhabited part of the province with telephone service on the farms. Many companies today have good boards of directors, well-built lines, good

equipment and provide their subscribers with excellent service at reasonable rates. Where these situations do not exist it is usually because of the financial situation of that area. May I say here that we have consulted the Saskatchewan Association of rural Telephone Companies on several occasions. The officers of the Department of Telephones and myself have attended their annual convention held in Saskatoon for a number of years. In December last we met their board of directors, ten out of twelve members were present, in Regina and went into all proposals of the new act with them. They were in wholehearted agreement with our proposals and in fact recommended some changes which we accepted.

Well, I had promised to stop when I got to approximately 3:15 so rather than start on a new tack I will take my seat, but before I do I wish to say that I will not support the amendment but will support the main motion.

Mr. M. Semchuk (Meadow Lake): — Mr. Speaker, the Provincial Treasurer has brought down a realistic and a forward looking budget and I certainly want to congratulate him. This government, as always is aware of the needs of the people, the needs of good health and welfare services of the best education facilities and opportunities for our children and of course have the courage to budget accordingly.

Government Members: — Hear! Hear!

Mr. Semchuk: — I want to point out what proper educational facilities and opportunities should mean to our young people. Sir Richard Livingstone said that there are three aims of education: first, training for life's work; second, a sense of the place of science in civilization; third, and most important, a philosophy of life in a sense of value by which to judge and use the gift of material civilization.

Sometime ago sir, I had occasion to be present at the opening of a new school at Goodsoil, this is in the Meadow Lake constituency. It is a very modern school and the people are very proud of these facilities. One of the speakers at the opening of this school was Father Bermel and what he said impressed me very much. He spoke about education of course and he spoke about the need of closer co-operation of the home and the school and the church and the government. He said, give our children a complete

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education. Educate the whole man. What impressed me most was what he said in respect to what is happening to our young people today. He said, what would it profit us to teach our children to read if what we read is the comics and the trash that normally appears in the news stands today? What would it profit us to teach our children arithmetic, yes and even the arts and the sciences if they used this knowledge to exploit and defraud our fellow men? What would it profit us if our young people's minds are cluttered up with ideas that they must keep up to the Joneses, that they must drive a bigger and better car? What would it profit us if they worshipped the almighty dollar and showed no concern for our fellow men?

Now Mr. Speaker, many of our young people today are bewildered and concerned. They are fearful because they are not sure there is a real place for them, a positive purpose in life, in this mixed up and materialistic world. Why shouldn't they be fearful? Even if they do complete their high school education, what can they do? Sure, they can get some technical training, some trade training, that is provided to a limited degree by the federal and provincial governments but this does not mean that when they do get this training they will find work and a useful place in today's society. This indeed, I say Sir, must appear strange to our young people, because wherever they look they see unlimited work needing to be done — development work, maintenance work, services to be rendered public buildings to be built and beautification to be undertaken. There is more work needing to be done than Canada's existing population can accomplish. And yet Canada's limited population amidst rich natural resources is suffering from serious unemployment. The material losses to our country are tremendous, but even more important than the great financial losses that our country must experience are the heartaches and frustrations of thousands of families who must depend on welfare and on unemployment insurance for a minimum standard of living. This age-old weakness sir, in a profit-motivated society, can be corrected by a truly democratic government at Ottawa . . .

Government Members: — Hear! Hear!

Mr. Semchuk: — . . . a government willing to acknowledge the motivating power of people and prepared to legislate a greater measure of economic security for all people. The federal governments of the past and the present have failed to

live up to these responsibilities, and until the time that we have a government at Ottawa that is in tune with the needs and the hopes and the aspirations and yes the rights of the average man little will be done to secure for our people their rightful place in this world of accelerated technical change. I submit sir, that 17th-century ideas and concepts of politics and economics should not be expected to work effectively in a 20th century world.

Government Members: — Hear! Hear!

Mr. Semchuk: — I say Mr. Speaker, we must guard against the weaknesses in our way of life if we are to remain strong and free, and I am gravely concerned Sir, that the Canadian Chamber of Commerce instead of pointing to these weaknesses and the way and means to correct them, has taken the lead from the ultra-rightists, the John Birch Society of the United States, and under the pretext of fighting communism are striving to deprive the lower income people of the small measure of social and economic justice that has been won through the democratic processes of government.

Government Members: — Hear! Hear!

Mr. Semchuk: — I would like to say Sir, if I may I would like to quote rather, from an article that I read in the Canadian Commentator of February this year. It is entitled ‘Operation Freedom For What’ and I quote:

“The basic fault of the program however is its narrow archaic outlook on such matters as social welfare. People have always looked to the state for aid. The chamber itself is constantly appealing to the government for support, social welfare represents the conscience of the body politic and in this enlightened age only Canute-like creatures living in the age of the Industrial revolution can believe that social welfare is socialism. Like many closely-knit patriotic groups the chamber alienates many of its potential supporters by its wild hyperbole. Thus under need for Operation Freedom the Canadian Chamber of Commerce say, the communist sells communist newspapers and communist agents are working harder than ever to bring about the eventual goal of communism.”

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This sounds like a typical John Birch bull, although it is obviously meant to be taken seriously. What communist newspaper (if there are any) have the slightest influence on the political thinking of Canadians. Certainly the Tribune has no such influence.

Hon. Mr. Guy: — The Commonwealth.

Mr. Semchuk: — Has the number of communist candidates in provincial or federal elections increased within the past ten years? The answer can only be a categorical, no. Communist influence in Canada is barely in the order of a political whisper. There is in fact less need to fear communism than there is to fear the awakening monster that is right-wingism.

I might say Sir, that under the guise of fighting communism the Chamber of Commerce is simply confusing people. I feel this is unfortunate because of the fact that this organization has done much good work in the past on behalf of the business community. I know, I have been a member of a Board of Trade for over 20 years and president for almost half of that time.

Government Members: — Hear! Hear!

Mr. Semchuk: — However, in this campaign they are definitely and completely ignoring the average person, they are ignoring the farmer, the contractor, the retailer, and the workers, these people are finding it more and more difficult to make a living and to stay in business.

Mr. Foley: — Are you going to resign from the Chamber of Commerce?

Mr. Semchuk: — This is due to the ever increasing concentration of economic power in our country in fewer and fewer hands, I submit sir, that corporations and monopolies in our country are not helping the situation in the least.

I think that the drug industry and sections of our food industry are prime examples and of course there are many others. These monopolies and corporations keep telling the small business man that competition is the life blood of business. They say, it is good for you, it is good for business, but of course for them there is none of that; they want freedom to exploit, freedom

to fix prices and freedom to eliminate competition as quickly as possible.

Government Members: — Hear! Hear!

Mr. Semchuk: — Investigations into the sugar industry, the brewing industry, the meat packing industry are just a few examples and there are many, many more. You see evidence of this in the press quite frequently Sir.

Just how fair is this competitive enterprise to the average retailer, be he a hardware merchant, a furniture dealer, a clothing store or a food merchant, the average grocer today must try to compete with the corporation which usually owns and operates a grocery store in his community, owns and operates the wholesale house from which he must buy and probably owns and has full control of much of the packaging and processing of the food that he must sell in order to make a living. I submit that this type of competition is not fair, and is like expecting the hon. member from Touchwood (Mr. Meakes) to go into a foot race with the world champion miler and to say that by putting a 50 pound weight on the hon. member's back that this would give him added momentum and thus make it a fair race.

Mr. Speaker, the retail merchant helped build our communities. It is the grocer, the druggist, the hardware merchant and others who are usually active on the local board of trade, of the chamber of commerce and the town council and in the service of organizations with other people. They take an active part in building the community in the interests of all people, and I certainly give them credit for it, but when this community is built to a reasonable service centre, in come the food chains, and hardware chain and the mail order house, and the independent merchant is often time forced out of business. He is forced to go out and start building another community or try and find employment if he can. Now, the Canadian Chamber of Commerce attacks government action and in its introductory pamphlet state, I quote:

“The unwarranted and arbitrary exercise of power by government often influenced by collectiveness theories, destroys initiative and curtails the dynamic qualities which are essential to the productive operation of private enterprise.”

Mr. Speaker, I submit, that only through government

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action can an ordinary working individual achieve any freedom of opportunity. The chamber says, that as the power and influence of government grows the power and influence of the individual shrinks, this is what they say, and they go on to say, the extent of government interference must be measured against the loss of personal liberties. Now, how much personal liberty does the average person earning less than \$4 thousand a year have by himself, and there are many millions in our country. At the present time government spends over \$5,600 on each student during elementary and high school, does the chamber suggest that the persons freedom would be greater if each parent had to spend this \$5,600 himself? What happens in fact is that the government by acting in everyone's interest insures that all children rich or poor will receive at least a basic educational opportunity. It seems that personal freedom as defined by the chamber means freedom only for the wealthy.

Many government aids for industry are available, does the chamber feel that businesses that take advantage of these services are losing their freedom. Such aids are loans to small business men and advisory services, the Industrial Development Bank and provisions of extensive information on foreign trade opportunities.

The comments of Walter Young, instructor in political science at the University of Toronto are worth noting and I quote from the Toronto Globe and Mail of February 19th, of this year.

“The Chamber has equated freedom to compete with liberty, and democracy with open and unabashed competition. Economically there is no equality in our society and no liberty. To defend the existing system is to take a position far closer to the attitude adopted by the 17th-century political theorists. The Chamber of Commerce does itself and the Canadian community a disservice when it displays what must be described as a completely selfish and narrow approach to the problems of democracy.”

In its pamphlet the chamber says that Canadians must beware of looking to the state to provide security to the extent that the individual loses incentive to provide for himself. In its brief to the federal government in February 1962, the chamber says it would be unwise

to make further extensions of the present welfare program. The chamber attacks welfare legislation indirectly by labelling it socialist, communist or collectivist, ideas which it describes as being violations of competitive free enterprise. I might say that an even more straight forward condemnation of welfare legislation appears in the booklet 'Fallacies of Socialism', this will be found on page 1, 4 and 5, and here they say that the extent that social welfare benefits are provided by the state there is indeed a redistribution of wealth, and I say yes. They go on to state, to gear our taxation objectives towards the redistribution of wealth would snap the main spring of a dynamic system which offers an ever-rising standard of living for all, and that is not right. It is legitimate of course to ask whether the chamber favours abolition of our present welfare measures such as hospital insurance, family allowances, and pensions. Are these redistributions of wealth endangering our standard of living? Definitely not.

Now Mr. Speaker, just recently I enjoyed discussions with a number of business men who had been in the audience during one of Mr. Kirpatrick's western appearances, it was pointed out to me by several of these men that many within the Chamber of Commerce group hearing Mr. Kirpatrick believed fundamentally in the honoured traditions of free speech and fair play. Within a few short hours after Mr. Kirpatrick's presentation they were expressing deep concern over the chamber's chosen method of operation. One is reminded of the fact that even President Kennedy has accused the John Birch Society of being too fast on the draw in its search for communists.

This sort of program inspires in society the deadly game of look again and more closely at your neighbours. Surely the new whip of the Canadian Chamber of Commerce is not going to become the late Senator Joseph R. McCarthy, the lamented prophet of communist witch-hunting Mr. Speaker.

Canadians have no need for any program which is organized to whip up unrest and suspicions on the Canadian political scene. To foment vicious suspicion of our neighbours in Canada I say, is to sabotage our Canadian morale.

Government Members: — Hear! Hear!

Mr. Semchuk: — And in summary Sir, it seems to me that the chamber's

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program confuses the struggle for civil rights. When we talk about political freedom within our North American democratic tradition, then we speak also of the freedom of the communist and the socialist, yes sir, we speak even of the freedom of the Canadian Chamber of Commerce. These kind of programs represent a form of irritation but Sir, that is part of the price . . .

Mr. Foley: — Mr. Speaker, on a point of order.

Mr. Speaker: — What is your point of order?

Mr. Foley: — Why doesn't he tell us something about the infringement on political . . .

Mr. Speaker: — Order! Order! That is out of order, that is just an interruption.

Mr. Semchuk: — Mr. Speaker, I wanted to end up, before I was interrupted, that this is part of the price that we must pay for freedom itself. Now Sir, I will not support the amendment, and am very pleased to support the motion.

Mr. J.W. Horsman (Wilkie): — Mr. Speaker, in rising to take part in this debate I would like to congratulate you on your appointment to the Speaker's chair in this legislature. I am quite confident that you will be able to carry out your duties with honour to yourself and with fairness and impartiality to all members of this legislature.

I also wish to congratulate some of the people who have spoken before me, especially the Leader of the Opposition, our financial critic and some others, and I would also like to mention our new member from Weyburn (Mr. Staveley). I thought he did a very masterful job when he addressed the house in his maiden speech.

I would also like to say a few words to some of the people in my constituency who may be listening this afternoon. You all know where my constituency is, I call it God's country. I think it is the best constituency in the province, I suppose every member takes that attitude about his own constituency. What makes me proud of my constituency, it is the wonderful

class of people that live there — and I am very proud to represent them.

I am pretty well hemmed in you know, although I have some very important neighbours too. On the east I am bounded by the constituency of Biggar, represented by the present Premier, and on the north by Cut Knife, represented by the Minister of Agriculture, and on the south Kerrobert-Kindersley, represented by Eldon Johnson — he is not a cabinet minister but I think probably they should find a place for him in the cabinet. I think he would probably be an improvement on what they have. On the west I am bound by the Alberta border — Social Credit. I am pretty well hemmed in on all sides. I don't know how I stay there — some people wonder, but we seem to get along somehow.

I have been a member of this assembly for a long time — 14 years in fact, and I have seen many changes here since the first year I sat in this house. I remember the many people that have come and gone, after every election, new faces, and there aren't too many of the old gang left on either side of the house.

I have seen other changes besides that too. I have seen many changes in the attitude of the present government. When we first came to this assembly, or when I first came here, I thought the group to your right Mr. Speaker were pretty far to the left. They condemned free enterprise, capitalism, large corporations, and everything else except socialism. They had a favorite whipping boy in those days — it was the United States. They talked about the great capitalistic, imperialistic United States, almost as though they were an evil, an evil thing to have in the world. During those years as I remember I never heard any of them criticize Russia, I don't think I heard one of them do it, but speaker after speaker would denounce the United States, and I often thought, even at that time, how fortunate we were that we had a great friendly nation like the United States across the imaginary boundary instead of a nation like Russia. I wonder how long we would have survived in that case.

As time went on and when the great oil boom started in Alberta, then the government here wanted the oil drillers to come in and search for oil in Saskatchewan. I saw a change in their attitude, I saw it swing to the right. I remember Tommy Douglas, when he was Premier, standing here and telling all and sundry that there was lot of room in Saskatchewan for private enterprise,

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let them work right along with government enterprise and co-operative enterprise, and we would get along just fine. They did have some success — they got quite a few people attracted who came in here to search for oil, and they had a very good and successful operation, and I want to say this, I think the government gave the oil men just as good a deal as any other government did. I think they did, and these discoveries have been very important, and everyone is very pleased about that.

Here again I notice another swing — the oil business is slacked up for one thing and they tell us there is a great industrial boom here, but I don't see much evidence of it. However, I do see another swing to the left from the members on your right, Mr. Speaker. I think they have made a complete left turn, and I don't think they ever waited until the light changed. They went right against the red light. I have heard more condemnation from that side of the house Mr. Speaker, of the private enterprise system during this session than I think I ever did before while a member here. Speaker after speaker got up and denounced private enterprise as though it was a bad and evil thing, private enterprise was an evil thing, and one gentleman across there speaking the other day, referring to the Liberal opposition, and he talked about the Liberals and their free enterprise friends. I don't know whether he meant it for an insult, I took it as a compliment. Those are the kind of people I want to be friends with, and now I want to say something else.

Mr. Thatcher, Leader of the Opposition, has been accused of sabotaging Saskatchewan industry, because he said we were in a state of industrial stagnation in Saskatchewan and blamed it on the government. Suppose he did, I don't think it had any effect at all. I think the people who are sabotaging Saskatchewan industry today Mr. Speaker, are the hon. members to your right, who never let up for one moment on the private enterprise system. Where are you going to get money to develop the country if you don't get it from private enterprise? Where are you going to get it? Are you going to get it from the communists or the socialists, or who? You have to get it from private enterprise people, and as long as you condemn them the way they are being condemned now, you won't have much luck getting industry into this province.

Opposition Members: — Hear! Hear!

Mr. Horsman: — We have heard a lot about this great industrial development — there has been some development — everyone is very pleased about that — but it is a strange thing to me to think that this industrial development is anything like the extent that hon. members opposite claim it to be, why is it that our unemployment figures are at an all time high in Saskatchewan? Why is it that our population does not increase? What becomes of our young people? Our population has been static for years, and we are the slowest growing province in Canada outside of Prince Edward Island, and Prince Edward Island has no place to expand. They are just a little island out in the sea, with no place to expand.

Our young people leave the country, go to other provinces and other places, where opportunities are greater, and I think this government must take their share of the blame for that. I think their policy and their attitude toward business and business people has had something to do with keeping industry out of this province. Why haven't we got a pulp mill? They have been talking about it for years. Nobody has made up their mind yet to spend millions of dollars here, and I doubt if they will, as long as hon. members to your right continue to condemn free enterprise.

Now Mr. Speaker, I don't know for sure whether this government knows what name they should be called by. I remember when they would stand up here anytime and be counted as socialists, they were proud of it. Then a few days ago one member over there resented the fact that we were calling them socialists. I don't think there is any stigma to the name socialists. I don't think there is. But they are a mixture now that they have joined up with the labour group, whether they are NDP or CCF I just don't know. I would like to know for sure what their name is. They talk about the old parties and what a terrible group they are. How they never did anything right, the Liberals and the Tories. I want to say this, Mr. Speaker, that ever since this country was formed, ever since Confederation, we have had either a Liberal or a Conservative government at Ottawa, and I think the way the country has gone ahead and prospered should be proof to anyone that the business of the country has been fairly well handled. At least there is a history behind them, the Liberal party has a history that we are very proud of Mr. Speaker, that is more than can be said about the hon. gentlemen to your right, because they have no history, they still remind me of a Missouri mule, you

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know, they have no pride of ancestry, and no hope of posterity.

Opposition Members: — Hear! Hear!

Mr. Horsman: — As time goes on and certain regulations and rules and laws are passed here, putting a little more power in the hands of some officials of the government and some minister, these things creep up on you and the latest thing of course is the medical services plan.

Now Mr. Speaker, I don't suppose there is a person in this house that is more in favour of a medical services plan than I am. I don't suppose there is anyone in this house that has had any more experience with medical services in a small way than I have. We have had medical services in my municipality for over thirty years now. It has worked out fine. But the government here seems to have run into a snag with the medical profession for some reason. It is a reason that is hard for me to understand, as I have dealt with doctors a good many times on our municipal plan, and never at any time did we have any trouble in making a deal with members of the medical profession, and even when we couldn't pay them, when we owed them thousands of dollars at the end of the 1930's they never turned down one of our patients. I think a plan could be worked out if they would sit down with the doctors and figure out a plan that was acceptable to them. If you could have a province-wide medical plan that would work out to everyone's satisfaction.

Now to go back again, I don't go back in history very often, but I am just going to go back for a few minutes — you know it is a favorite topic of members to your right, to go back and talk about the 1930's and about the governments of that day. How they did nothing to help the people and all that sort of stuff. Of course that is a lot of eye wash as far as that goes. They say that the governments of the day never did anything to help the people, to help the farmers. The farmers were in desperate circumstances, there is no question about that. Everybody knows it — they owed taxes, they owed store bills, they owed interest on mortgages, bank loans, and they could pay nothing, and they were worse than bankrupt in a lot of cases.

The government of those days passed two acts, one was the Farmers' Creditors Arrangement Act, passed by the federal government, and under the terms of that

act farmers had thousands and thousands of their debts written off, and the provincial debt legislation was something the same. Many farmers got relief under those acts. But what was the CCF cure for all the ills that beset the farmers in those days. What was it? You go back to the election of 1934, and their cure was the use-lease, that is what they advocated, we will take title to your land, and pay your debts, we will pay your debts, pay your taxes, but we will take title to your land, and then we will lease it back on a use-lease basis. Thank God the people of Saskatchewan didn't fall for that. If they had and elected that government at that time, I venture to say that more than half the farmers of this province would still be tenants of the government.

Now Mr. Speaker, I see my time is just about up, and I am going to be followed by my young friend from Athabasca (Mr. Guy). He was born in my country, and we are very proud of him up there, and I know all the members of this side of the house too are very proud of Allan Guy. I will just sit down and let him take over from here.

I wish I had more time, but unfortunately I am something like the people to your right Mr. Speaker, my time has just been run out, but I will not support the motion.

Mr. A.R. Guy (Athabasca): — Mr. Speaker, first of all I would like to convey greetings to my constituency of Athabasca and hope this finds them all in good health.

I must confess that when the wind blows down here on the corner of Hamilton and 11th Avenue, there are many days I wish I was back up in that good old country.

I would also like to say hello to the people of the Senlac area, in the constituency which Mr. Horsman just mentioned, my home town, and I still have many fond memories of that area.

For the first few minutes this afternoon I wish to refer to some of the problems which we have in the constituency of Athabasca. The year 1961, Mr. Speaker, was not a particularly good one for the people of my constituency, or for the north as a whole. It was marred by one of the worst fire seasons in Saskatchewan's history.

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It interfered to a great extent with the summer fishing season. There were many days when the commercial fishermen were forced to bring in their nets, passing up the opportunity of making forty, fifty, sixty, seventy dollars a day, and go fighting forest fires. Now the people of my area are resigned to the fact that these fires must be fought to protect their natural resources. What they cannot resign themselves to is the fact that they can be forced by the Department of Natural Resources to give up a profitable occupation to fight forest fires for a wage of \$4.00 a day. This pittance I have mentioned so many times doesn't even buy the clothes these people wear, and one can hardly believe that a government that has one ounce of respect for fair play and justice can sit back and see these people exploited year after year. I have stood here in this house for three sessions and condemned the government that sits on your right, and yet not one blush of shame appears on their cheeks. Their stolid indifference to the exploitation of these forest fire fighters is hardly compatible to their slogan of humanity first. I had been hoping that the Minister of Natural Resources would stand up in this house and say that conditions are going to be improved, and that there will be an increase in forest fire wages. To date there has been no such announcement.

Now another pressing problem in my constituency is the need for increased transportation and communication facilities. I think we all agree that the time is long gone when communities should be isolated for long periods of the year. Yet we have areas in our northern part of the province such as Fond-du-lac and Wollaston Lake, Stanley, Pelican Narrows, South End Reindeer, to mention a few, that can be completely isolated for six weeks in the fall and six weeks in the spring, when break up and freeze up takes place. During this time no one can enter or leave the community. This is particularly serious in the case of illness, as these areas do not have doctors and many of them do not have nurses. Now if the statement of some members opposite that in the thirties under the Liberals if you got sick you died is true, it is even more true in these northern communities today under the socialists.

Hon. A.G. Kuziak (Minister of Natural Resources): — Oh go on . . . Liberals today.

Mr. Guy: — Now while it is true that in some of these cases a road is not feasible, it is also true that an air field is

feasible in all cases. There is not one of the communities that I have mentioned where an air field could not be built, in fact many areas have requested the government to consider the construction of such landing strips, and they have even offered to help with as much of the clearing and construction as possible, but again the plea for equal treatment with the southern part of the province falls on deaf ears. Many of these communities could be reached by road, and it is to be hoped they will be in the near future. I was pleased with the return I received last fall stating that preliminary work would be done on the road to Sandy Bay and Island Falls. A road to these settlements is long overdue, particularly when you consider that in the last six years alone the government has received more than \$438 thousand in revenue from the Churchill River Power Company at Island Falls. Now other settlements are just as deserving and have waited patiently for outside links whether it be by road or air. However, I am sorry to have to report that the outlook for the coming year is not a bright one. The estimates for 1962-63 for roads and air fields, in the northern part of the province have been decreased by \$385 thousand over the previous year.

Now before leaving the topic of roads, I wish to refer to four specific roads in my area. One road is known as the Bittern Lake Road. It was started as a winter road in 1957. We were told at this time that the road joining No. 2 highway north of Prince Albert National Park to No. 2 highway south and east of the park would be completed as an all-weather road. The D.N.R. have spent more than \$68 thousand on this road, but today it lies in disuse, and the trees are already growing up to cover it. This is the type of efficient planning for which this government has become famous.

Now several years ago the settlement of La Ronge was pressed by the government into incorporating as a village. Prior to that time it was administered by the Department of Natural Resources. The main street and the only street in La Ronge that winds along the lake, was a disgrace, when the village took it over. Unfortunately the village did not get a firm commitment that this street would be constructed to a suitable standard before the government was through. Since that time the Department of Highways have refused to reconstruct this street. La Ronge has a small assessment — thus a very low tax revenue so they are not and will never be in a position to reconstruct this road on their own, the result being that this village, the greatest tourist settlement in Saskatchewan, has a street that is dangerous

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due to the extreme dust in the summertime, rough from all the drainage water crossing it as it flows into the lake, and at times impassable due to washouts, and their request for assistance go unheeded.

Now Uranium City has a similar problem with their road to Eldorado. This is a dangerous road that runs along many deep lakes. Already there has been many deaths from cars going off the road into the lake and people drowning. Many requests have been made by the community and by myself for erection of barriers at the more dangerous areas. In spite of promises to look into the situation, the last word that I received was that nothing has been done. Although the government did say they would supply plenty of signs stating this was a dangerous road, which of course is cold comfort to those who have lost loved ones on this road.

Finally in regard to roads, I want to say that my belief that the announcement last spring that the Uranium City road was to be changed was a smoke screen to hide the fact that the road will not go beyond the Churchill River, was borne out by the Minister of Highways the other day. For the next fiscal year only \$20 thousand has been allotted for this project. It would appear to me that by stopping construction they are breaking their agreement with the federal government, and this could well affect any future program proposed by this government. A government that can't honour one agreement is not likely to honour another.

Now before leaving the topic of communication and transportation, I must say that I was pleased to receive a return last fall stating that long distance telephone services would be extended to the communities of La Ronge and Uranium City in the year 1962. I hope this program will be carried out as stated. I was waiting today for the Minister of Telephones to make such a statement in this house. Perhaps it will be carried out but I am just a little surprised that he didn't make the statement when reviewing the work of his department for the coming year.

Now during the throne speech debate I made some reference to the northern co-ops in Saskatchewan. I do not intend to repeat what I said then. However, a report in the Prince Albert Herald stating that production increased 13 per cent over 1959-60, makes me want to publicly congratulate the members of these local co-ops. It shows how hard these people are working to make the co-ops a success. It is unfortunate that the report goes

on to say that although production is up 13 per cent, that dollar value of sales dropped 4 per cent, and I will say now what I have said again, that I contend the fishermen of northern Saskatchewan are the victims of mismanagement and inefficiency by the government in charge of marketing their fish and administrating the central agency. Now last year and this year has also been a very difficult year for the trappers in the north. The spring hunt brought lower prices last fall due to adverse weather conditions, the catch was reduced by 50 per cent. In view of this it was to be expected that the trappers would be concerned about the low returns for their hard work, and it was with this in mind that at the trappers' convention in Prince Albert the trappers passed a resolution advocating the lowering of provincial government royalties on furs, and lowering of the handling charges in order to provide a higher return to the trappers. Now this would appear to be a reasonable request under the prevailing circumstances. What was the government's reply to such a request? Well, according to a report carried in the Prince Albert Herald, the manager of the Fur Marketing Service, told the trappers they must try to take more beaver pelts during cold weather and raise their finishing quality. Not an answer of yes or no to their requests or anything else, but dodging the problem like the socialists have a habit of doing. This was hardly a reply to be treated enthusiastically by the assembled trappers.

Last summer while making a tour of my constituency I was shocked by the number of people who were unemployed. You would find men and boys in the prime of life sitting in front of the local store with nothing to do, and almost without exception they told me they wished they had some work. They were tired of living on rations and social aid. They wanted to be gainfully employed. They are proud people and they do not like to be forced into accepting rations and social aid from our provincial and federal governments. When this government that sits opposite sing their swan song two years from now, they will stand condemned above all for their failure to institute programs that will put our northern people to work. The development of our resources, improving of their communities, and the raising of their standard of living, must all to be done, and they sit there with no solutions. There is no reason in the world, when there are so many resources to be developed, when there are so many roads and air strips that could be built, so many homes to be constructed and improvements to be made in their standard of living, that these northern residents

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should be forced to accept the indignity of receiving social aid. If this government would adopt a new approach, would stop treating these people like guinea pigs with their community and social surveys and treat them as men who have the right and the desire to help themselves, many of our social and economic problems would be solved.

Opposition Members: — Hear! Hear!

Mr. Guy: — Before concluding my remarks concerning my constituency in the north half of the province, I would like to refer to two articles which appeared in the Leader-Post on September 16, 1961, and September 23, 1961. These articles sum up concisely and well what I have just said about the governments, both provincial and federal, in their failure to solve the basic problems of the north. I would like to quote a few excerpts from these two stories. The writer here has pointed out the failure of both provincial and federal governments to help our Metis and Indian people. Some of the comments were the following:

“The Federation of Saskatchewan Indians complained recently the Indians were conscripted to fight fires during the fishing season, robbing them of their only summer opportunity to make a living. The tourist industry and development of mineral resources has not been sufficient to make any worthwhile contribution to alleviating the economic difficulty of the natives. The number of roads into the north are few and little employment is created. There is not one agricultural expert paid by the federal government. There is only one job placement officer for nine Indian agents only one social worker . . .

It goes on and on, and finally concludes:

“As can be seen much of what is being done is haphazard, merely acting as stop gaps, something more comprehensive must be done. When will this happen?”

These statements Mr. Speaker, are all true, particularly the last one about the haphazard planning of the socialists. When will something more be done? By the look of the budget of 1962-63, it won't be this year.

One can find little in the budget to suggest the government has become concerned with the decreasing revenues of these people. There is plenty of evidence, however, that the people of the north half of the province, like those of the south half will be crushed by the burden of heavy taxation. Already they are paying increased licenses, royalties on their natural resources, they are paying an extra two per cent education and health tax, and an extra \$24 a head for health and medical plan from which they will receive little benefit. This is sure proof that the socialists are more concerned with what revenue they get, than the services they can give our northern people. I might add that these remarks that were made in the Leader-Post on those two dates, were written by a chap by the name of Mr. Myron Kuziak, and I would like to suggest that here is a man to whom the Minister of Natural Resources could go for a great deal of help.

Now I would like to turn to the tourist industry in this province for a few minutes. I said the other day in public accounts that I was afraid Saskatchewan was not keeping up with the rest of Canada in developing her tourist industry, and I would like to enlarge on this a little further today. First of all, we cannot deny that tourism is big business in Canada today, and I would like to refer to a clipping by the Hon. Mr. Dinsdale, Minister of Northern Affairs, where he states that tourism earns more cash than wheat.

“Tourism has moved into second place ahead of wheat, as an earner of export dollars, and the tourist population explosion is resulting in growing pains in the federal national parks, Hon. Walter Dinsdale, Federal Minister of Northern Affairs and Natural Resources told a press conference here Tuesday.”

Now it has been estimated that the tourist industry is worth \$1½ billion a year in Canada, and I think all provinces have awakened to this tourist explosion and it is my hope that Saskatchewan will not be left behind as she is in so many other industries under the socialists. At present, Mr. T.K. Shoyama in the Saskatoon Star-Phoenix, Monday, December 4, 1961, said, “How important is the tourist industry in Saskatchewan?” He was addressing the Saskatchewan Chamber of Commerce, and he stated that last summer tourists produced more dollars in northern Saskatchewan than forestry, fishing and

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trapping combined. However, in comparing Saskatchewan's effort along with the other provinces, it would appear that we are not holding our own or we will not continue to hold our own unless the government is prepared to acknowledge to a much greater extent its responsibility in promoting its tourist industry.

Now I realize that all provinces do not have the same natural attractions. For instance Alberta, British Columbia, with their mountains are in perhaps a more favourable position than Saskatchewan and Manitoba. However, I feel we must do the best job possible to sell what attractions we do have. I would submit that Saskatchewan and Manitoba are in a very similar position and therefore I became somewhat alarmed when I read some statistics on Canada's tourist industry released at the federal-provincial tourist conference in Ottawa late in 1961. These statistics showed that in 1961 Manitoba estimated 1,300,000 tourists spent \$37¾ million in the province. During the same time Saskatchewan estimated their number of tourists at 650,000, just half who spent \$12 million or one third as much as in Manitoba. The report went on to say that Manitoba spent ten times as much in promotion, and it appears this promotion is paying off.

Now I was further disturbed by a report in the Leader-Post on November 13, 1961, "Government support limited through lack of funds." This was by the Industry and Information Minister Mr. Russ Brown, who said provincial government support for tourist industry is limited by lack of funds and personnel, but he told the concluding session of the Saskatchewan Tourist Association, first annual meeting, that his department would continue to press for every dollar we can get our hands on. He went on further and said a formal tourist survey likely would be conducted in the province in 1963, to relate tourism to other industry. But I would like to submit Mr. Speaker, 1963 will be too late. This survey should have been taken last year or the year before, and now it should be taken immediately. It is imperative that tourism is related to other industries as well as to other departments of this government. The D.N.R. must know what facilities can be expected to be needed during the next year because it appears already they are falling behind in providing the necessary facilities for campers and other visitors.

Now I realize I will probably be criticized by the members opposite for suggesting an increase in

expenditure, but I submit that increased expenditures are needed and will pay big dividends. The tourist dollar, don't forget, is an extra special dollar for this province — it is special because it circulates quickly; it purchases goods that are not otherwise purchased; it pays cash; and it is earned elsewhere but adds to the wealth of your community. Tourism is truly an industry which is worth encouraging as it will generate employment and economic activity from one end of the province to the other.

I will go so far as to suggest that the budget for tourist expenditure be increased by \$250,000 and I will go even further and suggest where this money can come from. We can get \$135,000 from the Centre for Community Studies and \$121,000 from the Economic Advisory and Planning Board, neither of which contributes anything to the prosperity of this province.

Opposition Members: — Hear! Hear!

Mr. Guy: — Now a few minutes ago the member from Meadow Lake (Mr. Semchuk) suggested that 17th-century policy was not suitable for 20th-century living. Well I would like to suggest further that 19th-century socialism and communism is not needed in the 20th century. It would appear from recent events that the zenith of the NDP has been reached in Canada and in Saskatchewan. When a prominent member of the NDP has the courage and the fortitude to face the truth and act according to his conscience, one can do nothing but commend him. Saskatchewan can feel proud and especially the farmers, that one of her native sons saw fit to risk his political career for the welfare of the farmers of this province.

Of course there are those who condemn him. Among those who condemn him are those who believe as Mr. Argue does, that the NDP is not good for Canada, but unlike Mr. Argue they have not the courage to openly repudiate the NDP. The greatest tribute that has been paid to date to Mr. Argue was paid him by a former colleague, Douglas Fisher, CCF M.P. for Port Arthur, when he spoke in the House of Commons on behalf of the remaining CCF members or NDP members after Mr. Argue's defection. Now while it was a tribute to Mr. Argue it was also an acknowledgment of the fact that the NDP was through as a political party in Canada, because he concluded his speech with the following words, found on page 1135 of the Hansard, February 22, 1962, when he said:

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“I should like to imagine the hon. member back in this house in a growing Liberal party, as the heir of Jimmy Gardiner. I may be here to watch it, but perhaps I shall be back in a schoolroom teaching some children. I think I can tell those children that he was a very likeable fellow.”

Now I can see that in the next few months members opposite as well as federal M.P.s will be rushing to search the Hansard for the past speeches of the M.P. for Assiniboia to use against him. This will not be a new game for them, because they have been doing this for three sessions, since our own Leader of the Opposition entered this house. It would appear here in Saskatchewan that the sport of reading speeches of our leader before he saw the light has become rather dull. They have found that since his stock has risen by leaps and bounds across the country, that they must now assume their true identity and become the cowardly name-callers that we saw evidence of the other day.

Mr. Speaker, three speakers in a row the other day made deliberate, disgraceful attacks against the personal character of our leader. I was not surprised to hear the remarks from the members from Shaunavon (Mr. Kluzak) and Redberry (Mr. Michayluk) attacking our leader. It was a case here of monkey see, monkey do, but when a minister of the crown, and I refer to the Minister of Highways, who was supposed to be outlining the work of his department, had to spend his time on a personal attack on the Leader of the Opposition by accusing him of sabotaging Saskatchewan for personal ambition, it is a sure sign of the fear of defeat. These increasing personal attacks upon members of our side of the house show signs that we are striking home in our uncovering of the multitude of sins of this government. The only line of defense now appears to be personal attack. When a government cannot stand the criticism of the opposition, it is time for them to resign and let the people of the province decide their fate.

After the derogatory remarks of the Minister of Highways he had the nerve to go into the heavenly realm of miracles. I looked up the meaning of the word “miracle” in the dictionary and found that a miracle was a wonderful happening contrary to the known laws of nature, or a feat or occurrence so unusual as to seem miraculous.

Now I would like to refer again to a remark or two that was made by the member from Meadow Lake (Mr. Senchuk). He made some derogatory remarks concerning the chamber of commerce. I was rather surprised to hear that, because I understood that at one time he was a very active member of the Meadow Lake Chamber of Commerce, and I would like to remind the member from Meadow Lake as well as all members in this house, that the chamber of commerce and our local boards of trade are the last bulwark against socialist and communist control of local government.

Opposition Members: — Hear! Hear!

Mr. Guy: — You can laugh Toby. Now his statement that there is more need to fear right wing theories than to fear communism, and his suggestion that communism need not be feared in Canada must be very welcome to the communist party in Saskatchewan and in Canada. I think we all know there is no country in the free western world that does not need to fear the aggression and ravages of communism, and Saskatchewan has become a particular haven for these people who hide under the guise of being socialists. From time to time I must admit that speeches from members on that side of the house seem to show where their true sympathies lie.

Now Mr. Speaker, I think that is about all I wish to say on this particular occasion. I know the members on the other side of the house will be very sorry to hear that. I will support the amendment but I certainly will not support the motion, because it is not one that would be acceptable to the people of my constituency, and it is not one that is going to bring any renewed industry or resource development in my part of the province.

Hon. Russell Brown (Minister of Industry and Information): — Mr. Speaker, I had thought that I would not have an opportunity to enter this debate, but I am rather pleased to have that opportunity, because there are one or two things that I would like to deal with today.

I would like to start first by joining everyone else on congratulating you on your election to the office of Speaker. Like most members in the house I am sure you will do a very fine job, and having sat in this house together for quite some time I am quite sure it is

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needless for me to say to you that you need have no worries as far as I am concerned in maintaining the dignity and decorum which we usually expect in a chamber of this kind.

Although he isn't in his seat, I would like to offer my personal congratulations to the latest addition to the house, the hon. member from Weyburn (Mr. Staveley). I have had the privilege of knowing the hon. member for quite some time. I worked with him at times when he was in the municipal field and I found he has always been a very likeable fellow and I am sure he will add something to the deliberations in this chamber and I wish him well during the time he may serve.

I would like to say thank you to my hon. friends opposite for their thoughtfulness in sending me a very lovely bouquet of flowers during the time I spent in the hospital. I appreciated it no end. I might suggest that certainly after I received these flowers I broke out with an allergy and some of my friends on this side of the house were unkind enough to suggest that somebody had dusted the flowers in order that I would catch this particular ailment, but I want you to know I don't really believe that and I did very much appreciate the kind thoughts expressed by the members in sending these flowers to me.

There are a lot of things that one could discuss in this debate and a lot of remarks which have been made in this house by the members in this house which could be debated, a lot of the statements made could be corrected. The first thing that I want to do this afternoon because I think it is important is to say something with respect to this government's views on the proposal for a conference on the long distance power transmission grid, which is being proposed by Prime Minister of Canada. As all members know sometime ago the Prime Minister announced it was the intention of the government of Canada to propose to the provinces that a federal-provincial conference be held to discuss the question of long distance transmission of electric energy. An invitation to such a conference was duly received by the government and the Prime Minister was advised that when the conference was called, most certainly Saskatchewan would be represented. In his letter to Premier Lloyd the Prime Minister suggested there were three questions which might well be considered at such a meeting — one was the general advantages to be derived from regional and inter-regional and in certain circumstances inter-national inter-connection of electrical facilities —

the second was the principal problems involved in long distance power transmission and the nature of the steps that might be taken to overcome these problems, and three, the role which the federal and provincial governments should play in the planning, research and development required in order to obtain the greatest benefit to the provinces and the nation.

On March 12th the Premier received a telegram from the Prime Minister advising a conference would be held Monday, March 19th, at 10:00 A.M. and expected to conclude by 5:00 P.M. the same day. The Premier immediately replied to the Prime Minister, expressing surprise and concern that only one day had been set aside to discuss this very important matter. The Premier suggested that we felt a matter of this kind should be given plenty of time for consideration and discussion. However, we were advised that the meeting will go on as planned, and it is still expected that it can be concluded by 5:00 in the afternoon. We take strong exception to the cavalier approach to a matter of this importance by the federal government. As a matter of fact it makes one wonder whether or not this is just once again a bit of window dressing which the Prime Minister is dragging out at this time to suit his own purpose. I most sincerely hope not Mr. Speaker, because the province of Saskatchewan, the government of Saskatchewan is very happy to see this kind of a conference called. We feel very strongly that the deliberations at this meeting should be directed towards the formulation of a national power policy, which would enable the present and future requirements of all provinces to be met in the most economical manner. This I would suggest, will involve a very thorough review of the many technical problems involved, as well as the clearer formulation of our respective responsibilities in this field.

We will also, I suggest, require a positive assurance by all representatives at the conference of their readiness to participate in a joint program of development. I think it is well if we take a look at the importance of power to a nation such as Canada. No nation in this modern age can be disinterested about the supply and the cost of electrical energy. Power is the very sinews of its industry and the source of comfort and convenience to its people. It is of particular interest to Canada Mr. Speaker, as per capita consumption of electricity is the second highest of any country in

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the world, and several of whose industries are dependent for their very existence on large supplies of inexpensive power. Fortunately Canada has in the past been able to rely on power which next to that of Norway has been the cheapest in the world. However, there are now indications that some of the relative advantages that Canada has enjoyed in this form of energy are being lost. Particularly as far as the United States is concerned. The frontiers of the relatively sceptical abundance of cheap hydro resources upon which the pre-eminent position of Canada in the power world has been based, are now being reached, and it will be increasingly necessary to turn to higher cost power, whether it be from more remote hydro sources or from thermal generating stations. It seems then to us very essential that this be one of the matters discussed at the federal-provincial conference. This is particularly important in view of the indication that electric power will constitute an increasingly important element in Canada's energy requirements.

For example on the basis of the Gordon commission forecast of the 4.5 per cent annual rate of growth in the gross national product in the period from 1955 to 1980, it was indicated that the total energy consumption of Canada would be expected to rise on an annual basis at the rate of about 4 per cent over the same period, but electrical energy is expected to rise at an annual rate of some 7 per cent.

In the past significant economies in electrical power costs have resulted by the step by step integration of isolated units into a single provincial system. This process now appears to be largely completed. Then to receive more savings of this nature interprovincial integration of power systems will be required. If then the expanding Canadian requirements for power are to be met in the most economic manner a very considerable measure of federal-provincial and interprovincial co-operation must be forthcoming. Co-operation along these lines is of particular importance to the province of Saskatchewan.

Saskatchewan, along with some other provinces, has not been favoured with low cost electric power during the past. In recent years however, the establishment of an almost completely integrated provincial power system has resulted in very considerable reductions in power costs in spite of the very considerable distances involved in the province. Further economies may be expected as the years go by. As we are able to utilize larger and more economic generating plants, then our power costs will

continue to come down.

I would suggest, Mr. Speaker, that there are at least four basic objectives of a national power policy for Canada. One to achieve the production and transmission of electric power at the lowest possible cost, and to reduce disparity of cost between the different regions throughout Canada; two, to promote the fullest utilization of Canadian rather than imported energy resources by connecting presently undeveloped energy resources in some areas with growing energy shortages in other areas; three, to promote the optimum balancing of hydro electric and consumptive needs of water; and four, to enhance the economic growth and development of Canada and of its various regions.

The Trans Canada Power grid then, we suggest, can play a key role in helping to meet these four objectives. In our opinion it is an appropriate and indeed an essential aspect of national power policy to promote the greater equalization of the cost of electrical energy throughout Canada. We do not suggest this should be done at the price of raising costs in the present low cost power areas above the levels which normally prevail, but rather we believe there are now opportunities for a national power program that will provide benefits to all the provinces. One of the anomalies of Canadian economic development Mr. Speaker, has been the fact that the most highly industrialized and the most populous central regions and accordingly the highest consuming areas of Canada have been deficient in energy resources, with the exception of hydro electricity.

At the same time very abundant energy resources in the form of coal, petroleum and natural gas are found in the less populous regions of the dominion of Canada. Moreover, because of the distances from these resources to central Canada these Canadian resources have until comparatively recently been relatively undeveloped and the energy required in central Canada has been largely imported. We believe one of the purposes of a national power policy can achieve and facilitate the development of these more remote energy resources, largely by conversion to electric power for transmission to meet the Canadian requirements in other areas, and in this way to meet the energy demands of the nation with newly developed sources of supply.

Electricity has been a significant exception

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to the fact that basic energy costs in central Canada and indeed the average for all Canada have been considerably above those of the United States.

However, there are now signs that the relative advantage enjoyed in respect to electricity, particularly by Ontario, is being diminished. It is now possible to visualize a reversal of the present relative position in power costs. With virtually full utilization of suitable hydro sites in Ontario it would seem then it would be necessary to turn the United States coal for fuel for thermal plants. This would indicate that additional increments of electric power will be produced at costs above those in the United States. We do not think that the development of nuclear energy for power generation appears to assure a continuing advantage in power costs in Canada. The maintenance of an advantage in power costs depends then on utilization of Canadian energy sources which may be developed more economically than the United States energy sources. This we believe is an important role of any national power policy.

The government of Saskatchewan feels too, Mr. Speaker, that a national power policy should also be considered in relation to a broad national energy policy. For example it seems to us difficult to justify the relatively free export of natural gas when the export of electricity is authorized only under very restricted conditions. Natural gas, I would point out is a non-renewable resource, not available in over-abundant supply. While electric power when generated by water power is based on a constantly renewing resource. The energy from which if not utilized today is lost forever. It should be remembered to Mr. Speaker, that a large portion of the natural gas now being exported is being used for electricity generation. This I would suggest is a very low priority use. We feel then that the whole matter of energy export policy should be thoroughly re-examined with a view to establishing it on a national and consistent basis.

There are, I would suggest, several implications of a national power policy with respect to the regional economic development of the various parts of Canada. The implications that a national power policy will have for regional economic development are very profound. To cite one example — the large scale conversion of Saskatchewan lignite coal into electric power for transmission to central Canada under a national power program will have a very considerable impact on the economy of this province.

While some additional employment will be created directly, the principal effect would be in the realm of power costs and indirectly on industrial development. The incremental cost of power to Saskatchewan for the first time in the history of the province would be actually lower than that in Ontario. For any industry, which is a heavy user of electric energy this could be a critical factor in determining whether or not to locate in this province.

Similarly, the development of a national power program should be integrated with water development and use policies. It is apparent that as consumptive uses of water increase there will be a reduction in hydro potential. Obviously a multi-purpose use of water should be taken into account in a national power policy.

It is the opinion of the government of Saskatchewan, Mr. Speaker that one of the first essentials of a national power program is an adequate and detailed knowledge of the level of possible demand and the resources available to meet it. We suggest that such an assessment of power requirements and inventory of power resources should be undertaken as soon as possible as a federal-provincial project. An inventory of power resources, we suggest, would probably deal with substantial surpluses of potential power while they are still available. We suggest that such an inventory should include the lignite coal fields of Saskatchewan, the coal fields and the tar-sands of the province of Alberta, the Hamilton Falls in Labrador, the Saskatchewan-Nelson River basin, the Columbia and the Peace River and tidal power and coal in the maritime provinces.

It would be unwise, I would suggest Mr. Speaker, to proceed with partial development or sections or what might become a national transmission system without having a relatively complete plan based on this kind of study for the optimum use of the total electric resources in the dominion of Canada. A national power program should assure full utilization of appropriate Canadian sources of fuel. For instance the tremendous coal reserves in Canada are virtually unusable except as a source of electric power and accordingly very serious study should be given to the possibility of exploiting this resource for Canadian development.

Of particular interest to Saskatchewan is the contribution that the abundant reserves of Estevan lignite coal could make in a national power program.

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Here there is a probable reserve, a recoverable reserve, of something like 6.6 billion tons from which electrical energy of the order of magnitude of a billion kilowatt years could be developed, or as much power as the Columbia and the Peace Rivers combined could generate in more than a century. This coal could be mined and delivered to a local power plant, using units of 500 megawatt capacity which could produce energy for less than three mills per kilowatt hour, including all labour and capital costs.

I don't think I need to point out Mr. Speaker, that an installation with generating units of 500 megawatt capacity, such as I have referred to, could not be supported, certainly at this time, by Saskatchewan alone. However, in view of the developing hydro power deficiencies in Ontario, there is every reason to believe that a market of sufficient magnitude to justify the construction of the necessary generating and transmission facilities could be found in that province. There are reasonable indications then, that on this basis the power generated at the cost which I have referred to, with Estevan coal could be economically transmitted to the province of Ontario at a price which would be competitive with power which they might generate based on the use of United States coal.

In our view then, the fulcrum of a national power policy is a trans Canada power grid. Upon it will depend the possibilities of transmitting surplus power from one region of Canada to another. It would provide opportunity for greater equalization of power costs throughout Canada and make it possible to achieve generally lower power costs throughout this nation. It will enable the utilization of presently undeveloped fuel resources and would be, I would suggest, of great assistance to the overall development of this great country of ours.

Studies have been instituted by this government and by the Saskatchewan Power Corporation — to date they are only preliminary. However, it is indicated to us that a trans Canada grid would be economic provided the amount of power transmitted were large enough. It is indicated that a minimum of something like a million kilowatts would seem to be required. While the grid would undoubtedly involve a very large capital expenditure which I am sure we can all visualize, we have every reason to believe that the savings involved in transmitting inexpensive surplus power to meet increased demand in other areas would justify these investments.

We believe that it could be economically justified by the savings alone, arising from a reduction in emergency reserve requirements, and a reduction of the total peak load capacity requirement, because of the diversity between the different provincial peak loads.

On the basis of preliminary studies made of the feasibility of developing power sites down stream on the South Saskatchewan River, it is our opinion that the entire head on the South Saskatchewan between the dam and the fork on the main river, between the fork and the Manitoba border could be developed. Since the flow of the river system is relatively small, it is understandable that the energy potential is small. Without an increase in the available flow of water in this river, interest will lie in the use of this for providing peaking power purposes. The ultimate installation for peaking power would seem to be in the order of three to five million kilowatts. Any additional water flowing into the Saskatchewan River system and particularly into the South Saskatchewan River would have considerable value in terms of the additional power that could be generated without any additional investment in generating plants.

When we look at the future consumptive demands on the waters of the Saskatchewan system, in relation to the available flow, it seems quite clear how limited the water supply really is. The problem is increased by the fact that the Saskatchewan-Nelson drainage basin is the major source of surface water in the prairie provinces. Because of the deficiency of other provincial water sources the government of Saskatchewan feels that it is important to consider ways and means by which the total flow of the Saskatchewan system can be increased. Preliminary studies of the possibilities of diverting water from other water-sheds into the Saskatchewan has already been undertaken. These studies Mr. Speaker indicate several very interesting possibilities. There is, for example, the Clearwater diversion in the south branch, and diversion from the Athabasca into the north branch. In addition to these there are several possible routes for diversion from the Peace or the Fraser, and the Columbia rivers. These preliminary studies indicate the probable feasibility of stage by stage diversion from these water-sheds to meet increasing consumptive needs and power requirements in the prairie area.

The importance of the Columbia and/or the Kootenay diversion lies in the fact that it appears to be the only direct means to augment the flow of the south

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branch of the river. For this reason it may be very desirable to undertake it prior to some of the others that have already been studied. The diversion from other water-sheds . . .

Mr. Speaker: — Order in the galleries.

Hon. Mr. Brown: — . . . would at least double the energy available at all power sites on the Saskatchewan River right down to Grand Rapids and would substantially increase the energy available on the Nelson River. Our preliminary examinations indicate the value of this energy, much of which could be secured from existing installations would pay for the diversion costs. We feel that the potential benefits of these diversions are so important to the long-term development of the prairies and if feasible — so clearly in the national interests that the matter warrants a very full and a very early study.

We feel Mr. Speaker, that we have already examined this matter sufficiently to urge that the Columbia Treaty should not be ratified without reserving the right to devote a reasonable portion of the flow into other basins in Canada. As the treaty now stands, it would appear to eliminate any diversion from that source for some 60 years. If the diversion from the Columbia is feasible and required in the future to meet increasing demands in the prairie regions, the choice would be between using the entire flow of the Columbia for power generation in British Columbia and the United States, or diverting a small portion of this flow into the Saskatchewan to satisfy hydro and consumptive needs. Water so diverted might generate just as much power in the course of its passage to Hudson Bay as it would en route to the Pacific, but the whole of it would be generated in Canada in the one case, while about half of it would be developed in the United States in the other.

Looking at the question, Mr. Speaker, of the sharing of the responsibility in the type of program which we feel should be undertaken, it seems quite obvious to us that if power development in Canada depended entirely on the individual and a separate action of the provinces, the economic benefits which could accrue to both the provinces and the nation as a whole from this kind of program would not be realized. We believe that the federal government has an over-riding responsibility for this kind of development and we argue that it must play its part in an effort to achieve those goals.

We would suggest then that the first state of a joint effort between the federal and provincial governments should be the initial planning of the whole national power program. I can assure this house that the government of Saskatchewan stands ready to participate in this work.

We feel that an important aspect of the joint effort is the sharing of the financial burden of this kind of a program. We would suggest that the case for federal participation is quite clear because many of the advantages resulting from a national power program will be felt outside the province in which the development actually takes place. For example, low-cost power, generated from the use of coal from the Estevan lignite fields will be enjoyed by industry in the province of Ontario. It should not then, I suggest, be expected that Saskatchewan will bear the full burden of financing the generating capacity that would be needed to make this kind of power exchange possible.

We suggest too, that one of the ways the federal responsibility for a national economic development should and could be discharged is through a program such as this. Federal participation in these projects, by actual investment, by provision of low cost money, even at subsidized interest rates, and by outright grants, can I would suggest, be fully justified. We believe that one of the first things that needs to be done is to conduct a very comprehensive study to examine the various aspects of a national power program such as I have referred to. It is our opinion that it would be desirable to have these studies planned and co-ordinated by some federal-provincial technical body, to assure that both a systematic approach to the national power plant and a common basis for analysis will be made. We feel then that such a body should be established as quickly as possible. We also suggest that such a body might well function as the continuing technical committee for regular power conferences of the federal and provincial governments.

With respect to the basic technical studies themselves, it is our opinion that a consortium of consultants should be established to include consultants normally employed by the various utilities, consultants who the utilities have confidence in and who are probably quite familiar with the operation of the various utilities. Terms of reference should, I would suggest, be formed in consultation with the various utilities and the various

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governments involved. Technical supervision of the work of the consultants might well be turned over to a continuing technical committee.

I want to say Mr. Speaker, that the government of Saskatchewan is most firmly convinced that out of the studies which could be carried on, as I have suggested, will emerge the beginnings of one of the most significant developments in resources planning and utilization that we have witnessed in Canada.

I wanted to say something about Saskatchewan's position on this matter because as members of the house probably know, I will be attending the meeting in Ottawa, accompanied by the general manager of the Saskatchewan Power Corporation and at least one other representative. I have a wire placed on my desk, it came to the Premier today from the Prime Minister, and he says: "Re your letter of March 14th, general discussion of federal-provincial meeting on long distance transmission expect to be completed on March 19th but the Minister of Northern Affairs and National Resources will be pleased to have further discussions on March 20th with Saskatchewan representatives on any specific proposals." This isn't exactly what we had in mind, Mr. Speaker, but it may turn out to be desirable for the Saskatchewan delegation to stay over and have some further discussions as suggested might be carried on by Mr. Diefenbaker.

There is still a little time left, and I don't want to take up too much of it, but during the course of this debate there have been some things said which I can't help but take exception to. Remarks such as, or the intimation at least that the natural gas extension policies of the Saskatchewan Power Corporation and of this government are decided strictly on political ground. There has been a lot said about the tremendous burden of debt which we are supposed to be carrying here in the province. The amount of money which we have borrowed, and things of that kind. There have been some statements made with respect to lack of industry. I don't want to take too much time — it would be rather useless for me to try and answer all of these silly criticisms which come from across the floor. I know that a lot of the gentlemen sitting over there, when they said these things they have their tongue in their cheek — they don't really believe them themselves, but they feel that they have to say them — that they have to get something in the paper showing that they are standing up and criticising the government. I appreciate this,

and I don't quarrel with it to any great extent. As a matter of fact there are times when I can sit here and almost kill myself laughing at some of the ridiculous things which are said. I am sure that the public are equally aware, as I am that a lot of things which come from across the floor are not only ridiculous but completely contrary to the facts.

There has been a lot of criticism about the new head office building which is being constructed for the Saskatchewan Power Corporation. I had a few laughs during the last few months when I found members of the opposition were finding more ways to spend the money which is going to be devoted to the construction of this building than you can shake a stick at. I didn't bother to total it all up, but I am sure that the amount of money which the new head office building is going to cost was spent on different projects at least 20 times by my friends opposite. Now I would like to suggest that you can only spend it once, so if you have one particular thing that you think it should be spent on let's stick to that and not spend it for roads, highways, natural gas, geriatric centres, mental hospitals and things of this kind. I would point out Mr. Speaker, that in most of the cases they are away off base because the money wouldn't be available for these projects even though it were not being spent on the head office building.

I want to say right here and now that I make no apology for the fact that we are spending several million dollars to construct in this city adequate head office facilities for the largest industry in this province. I think it rather ridiculous, for my friends opposite to suggest there is no need for a new head office building. I have said before in this house, that you can't operate this kind of utility from a pup tent pitched in Victoria park. You can't operate a utility of this kind efficiently when you have your personnel spread all over the city of Regina. You must be able to house your staff if you intend to employ them and if you intend to have them operate efficiently. This utility has grown a lot in the last few years. It is not the tiny little utility which it was when the Liberals operated it. It is now a very thriving utility, a utility doing well up in the \$40 million business a year, a utility because of its expanding activities finds it necessary to continually add numbers to the staff. I have a lot of figures which we have developed on the amount of space we will require in the future and I want to assure the house, particularly my friends opposite,

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it will not be too long before we will be filling this new head office building very well. I would point out that by the time we move into this building — by the time we have it fully occupied we would have to continue, up until that time to find more rental space. By the time we move into the building the amount of money, which we will be spending on rental will be more than adequate to pay the annual capital costs and interest costs on this building.

Government Members: — Hear! Hear!

Hon. Mr. Brown: — The only difference being we will be spending this money once again in paying for an asset on behalf of the people of this province and it will not be simply going down the drain in paying rentals to somebody else. There is a lot more that I could say about it. A lot of criticism has been made about the type of building — people have referred to it as being a fancy building, and I want to say again that it is no such thing. It is a very plain building, a building which has been designed in order to be made the utmost use of for the services which we require. The cost of this building has been kicked around a lot. I don't know how many times we have told my friends opposite this building is going to cost in the neighbourhood of \$6 million. They know, I am sure, that the contract has been called and the building is being built now for just slightly over \$6 million and yet they continually refer to a \$9 million head office building. I suppose, as usual, we must excuse them because it is about the normal exaggeration which we expect when they start talking about matters of this kind.

I want to say just a word, Mr. Speaker, about natural gas. I was rather tickled to listen to my good friend the hon. member from Gravelbourg (Mr. Coderre) the other day, doing somersaults when he started out blasting the government for the debt we have accumulated and the tax burden which we have imposed, as he says, and this sort of thing, and criticized the fact we have been borrowing substantial amounts of money. The hon. member forgot to say of course that by far the major part of the money which has been borrowed over the last few years has been borrowed in order that I could spend it, through the power corporation in continuing the expansion of the electric system in this province and the natural gas system.

Government Members: — Hear! Hear!

Hon. Mr. Brown: — Having done that Mr. Speaker, he then turned around and chastised me because natural gas was not going to be taken to the towns of Gravelbourg and Lafleche in 1962. He did a very good job Mr. Speaker, of telling the house of the very great benefits of natural gas to the communities, such as he referred to. I have been telling them this for years, but they still stand up and criticize the fact that we borrow money in order to take natural gas to the communities such as this. He said that these things were dealt with on a political basis. This is an attack which I cannot let go unanswered and I know that most of my hon. friends sitting over there will agree with me on this. I want to tell you Mr. Speaker, what has happened in the past. I want to suggest to you that if these decisions were made on a political basis that instead of having 16 communities which are getting gas this year being in Liberal ridings — there wouldn't be any. But there are 10 out of 16 in opposition seats. I would ask my hon. friends to take a look at the number of communities which are serviced with natural gas which are in their ridings and compare them to the number in ridings represented by my friends on this side of the house.

I want to say this Mr. Speaker, that if these decisions were made on a political basis, you Mr. Speaker, would not have to come to see me every few weeks and ask me when I was going to get around to putting natural gas in your constituency, in some of those very fine towns which you represent. I want to say Mr. Speaker, that your deputy, the hon. member for Touchwood (Mr. Meakes) would not have to come and see me about getting gas to Touchwood constituency. Above all Mr. Speaker, I want to suggest this to you, that if these decisions were made on a political basis there wouldn't be a riding called Last Mountain, which is represented by myself, the minister in charge, that hasn't one community with natural gas. I say that is just a little bit disgusting when my hon. friends sit over there and tell me that the way I decide where to put natural gas is by who represents that constituency. I sat here the other day when my hon. friend from Gravelbourg (Mr. Coderre) was saying these things and I watched the hon. member for Melville (Mr. Gardiner) who had just been advised that three more communities in his constituency were to get natural gas. I watched the hon. member for Maple Creek (Mr. Cameron) who had just been advised that he was getting

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more natural gas this year, and I watched the hon. member for Moosomin (Mr. McDonald) who has hardly any places left that need natural gas — all sit there and practically kill themselves laughing.

Mr. McCarthy: — What about Cannington?

Hon. Mr. Brown: — We'll get around to you one of these days.

Mr. McCarthy: — . . . North pole.

Hon. Mr. Brown: — You are so right. However, I don't think my hon. friends opposite are being quite fair. I can forgive them for a lot of things, because I know they think there is nothing else to do, but by George fellows, you should be just a little reasonable. I have to live over here, remember.

An Opposition Member: — You can join the exodus.

Hon. Mr. Brown: — Incidentally, just one other thing on this Mr. Speaker. My hon. friend from Gravelbourg (Mr. Coderre) also said that this \$9 million he said the head office building was going to cost, and which he knows is quite incorrect. Anyway he said that this \$9 million could be better spent in taking natural gas, as he said to 90 more communities. Well I want to say this Mr. Speaker, that from the studies which we have continually conducted in the power corporation, looking to the future development of our natural gas system, I would doubt very much whether or not there are 90 more communities in this province that could be served with natural gas economically. We are getting toward the end of the communities which we can go to and still not operate those particular systems at a loss.

Mr. McCarthy: — Cannington ought to be in line right away then.

Hon. Mr. Brown: — I will say a word about the problems down in your area — my friend from Cannington. The hon. member for Estevan (Mr. MacDougall) can listen to this too, because some of the communities in his constituency are not going to get natural gas this year — and he said, why we are sitting right on it. Well if he is sitting right on it I wish somebody would use a match. However, I again take exception to this because the hon. member was in my office

not too long ago with a delegation from that area.

Mr. McCarthy: — Who?

Hon. Mr. Brown: — Not you, the hon. member for Estevan. We had explained to him at that time that there was a problem which we are confronted with before we can service that area. He knows full well that the gas referred to has a heavy sulphur content and because of it there are a considerable number of problems to be overcome before you can utilize that gas. He also overlooked the fact — or forgot to remind the house, it isn't quite sufficient to just build an iddy-biddy short line as he says from the plant into these communities. We can't operate a gas system that way, leaving them hanging on just that one particular source of supply. We have to look a little further in the future and make sure when we do take gas to communities that they are going to have a good source of gas and good gas to burn when it gets into their burners.

However, I am hoping that as the years go by that the hon. Provincial Treasurer will be able to find a little more money and that we will be able to continue to expand the natural gas program. In view of what I have just said I am sure that my hon. friends opposite have no worries, really no worries about whether or not the communities in their constituencies will get gas because they know full well that politics have never entered into the development of this great utility. There is only one hitch that I can see, Mr. Speaker, if my hon. friends opposite, with all the talking they are doing about the tremendous debt, convince the Provincial Treasurer that they are right, then I am afraid I won't have any more money to spend on gas.

Now I just want to take another moment or two and it won't be very long, but we have had a lot of talk in the house about industry and keeping industry out. A lot of silly statements have been made. Probably some of the ones that I am making now can be classified as such Mr. Speaker. I don't want to take too much of the time of the house dealing with these matters, but I want to say this: again I make no apologies for the Department of Industry and Information on the job which we have been doing and will continue to do with respect to attracting new industries to the province. While my friends opposite may say that we are away behind the other provinces as far as attracting new industry is concerned. In Alberta some of the people there seem to think that we are doing much better than the province of Alberta because here is

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a clipping of a story from the Calgary Herald, March 17, 1959 which said Alberta is running third in the race to lure new industry to the prairies. He said in the race to entice industry to the west, it appears that Alberta is running third. In the lead and running abreast are Saskatchewan and Manitoba. I could read you a lot more of it, but I don't think it is necessary.

I want to go back and say again what I said in the public accounts committee last Monday. I feel that the gentlemen opposite, particularly the Leader of the Opposition are doing a disservice to the province of Saskatchewan when they continually go around, not only in this province but in Canada and elsewhere telling the people that we are rapidly becoming a depressed area and that they shouldn't by any means come and settle in the province of Saskatchewan. Fortunately I have found that as time goes by more and more people, industrial people, are beginning to pay less and less attention to the ridiculous statements which emanate from my friends across the floor.

Government Members: — Hear! Hear!

Hon. Mr. Brown: — I have sat down with business men across Canada and the United States, talking to them about the prospects of various industries in this province. I have said to them, would you tell me whether you can have any serious worries with respect to settling in the province of Saskatchewan. They have said, what do you mean Mr. Brown. I have said well I am sure you must have heard the things which are said by the opposing political party in our province. Generally they all said the same thing. Mr. Brown, we do not intend to be misled by such ridiculous statements as may come from people of that kind from time to time.

Government Members: — Hear! Hear!

Hon. Mr. Brown: — I want to say Mr. Speaker, that some of the present supporters of the opportunities in the province of Saskatchewan are the people who came here and have dealt with this government and established industry and have gone away into other provinces and told their friends and associates that you can't get a better deal or a better reception anywhere in Canada than you can in the province of Saskatchewan.

Government Members: — Hear! Hear!

Hon. Mr. Brown: — I want to say Mr. Speaker, that some of the things which are said by some of my friends opposite can be very definitely proven as far from being factual and truthful. I remember the hon. Leader of the Opposition coming back from overseas a little over a year ago, after going over for a rest after his strenuous efforts in this house, coming back and making statements in the northern part of this province, that he had been told by German potash interests that they would never undertake any project in Saskatchewan as long as the CCF government was in office. I want to say Mr. Speaker, that I can show that there wasn't anybody actually said that to the Leader of the Opposition. The only German company that was active in the potash field in Saskatchewan at that time was a company known as Alwinal. This is a company which is comprised of German and French interests. This company intends to stay in Saskatchewan and it is that company which is referred to in this story in the Leader-Post not so long ago — that they intend to go ahead with a \$30 million potash development in Saskatchewan.

Government Members: — Hear! Hear!

Hon. Mr. Brown: — This I say Mr. Speaker is a disservice to this province when this kind of talk is thrown around. I understand how my friends feel. They think this might lead to some political hay for them. I have no quarrel with any party trying to make a little bit of political hay. But I want to ask them — they should accept some responsibility and they should not be prepared to sacrifice the future welfare of this province simply for political purposes. I would hope that my friends opposite would be bigger than that, they should be satisfied to find other issues on which to try to make a little political hay.

I asked the hon. Leader of the Opposition the other day, or suggested to him that I would hope that he would make my job a little easier for me — that he would help me try to promote the economy of this province rather than making my job that much more difficult and rather than going around trying to keep people from coming into this province and establishing their business. I know that a lot of these statements which have been made across the way, and again mainly by the Leader of the Opposition, have had a very serious detrimental effect on one of the industries in Saskatchewan and Regina — Interprovincial Steel. I know that that company has lost

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business because of some of the criticisms which have been levelled by my friends across the way. They have had orders cancelled because the customer said, from the things that we hear, the things which are said about this company, we are not too sure that you can produce.

Mr. McFarlane: — Are you prepared to table them in this house? Will you table a copy of the orders that were refused?

Hon. Mr. Brown: — It is a fact Mr. Speaker, and I want to suggest to my hon. friend and I mean this in all sincerity. I don't blame you really, if you can make some political capital out of Interprovincial Steel, but I am going to suggest that your timing isn't too good because as this industry succeeds you are going to look awfully ridiculous because of all this criticism which you have made and it will be proven very definitely that you are out to crucify it for your own end. I am going to suggest to you that you don't need to make it difficult for this industry — all you have to do gentlemen is sit back and wait, if it falls on its face you have it made, all you have to do is go around and say 'well there you go, they did it again.' In the meantime why don't you give the industry a chance. It means a lot to this province. It is going to be a success. It is going to be a success in spite of all the difficulties it has had. It is going to be a success in spite of all the things and all of the unfair criticism that has been levelled by my friends across the way.

Mr. Speaker, I could go on all afternoon and talk about these things. I don't think I want to take up too much more time. Mr. Speaker, as I say I could go on all afternoon, and somebody said I had, it is probably true, but I want to say this in closing that reference has been made to other industries which we should get here in the province of Saskatchewan, reference has been made particularly about pulp mills. My hon. friend from Arm River (Mr. Danielson) was talking about one I believe.

Mr. Danielson: — No, no . . .

Hon. Mr. Brown: — . . . about a year ago when my hon. friend chided us because we didn't have a pulp mill at that time and here he said, "look four mills in Alberta." Well I told the public accounts committee the other morning, Mr. Speaker, that these mills were much like Mr. Diefenbaker's vision — they really didn't amount to very much. I have checked,

just last night before I went to public accounts and what did I find — I couldn't find four pulp mills in Alberta, I couldn't even find one, I found one that had turned a little bit of sod on their site in the hope that they would be able to then get out and finance it because they hadn't been able to raise the money yet, as far as the other three are concerned, nobody knows but they are still not in sight. The pulp mill which they had in Alberta for a number of years has had difficulties ever since it became established. It has lost a terrific amount of money. What the future holds for it, I don't know.

Mr. Danielson: — That reminds me of the mill you started to build before the 1956 election.

Hon. Mr. Brown: — Every effort is being made to induce the establishment of a pulp mill in the province of Saskatchewan. I want to say this, that it is not an easy task because of the situation which we are facing. We know that we can put together a proposition, as far as the pulp industry is concerned which is second to none, it could be very attractive indeed, but there are factors Mr. Speaker, over which we have no control. These are the deciding factors, the question of markets and particularly the question of transportation costs. These are the things which have prevented the establishment of a pulp mill in Saskatchewan. We intend to keep on working on both of these problems, we are continually negotiating and talking to interested parties. I hope one of these days that we will get a pulp mill. I can assure my friends, as long as I am minister, do not intend to say one word about it until the mill is actually under construction. You won't hear anything from me.

We have been doing a considerable amount of work Mr. Speaker, on petro-chemical and iron ore projects for Saskatchewan and that sort of thing. I might say that some of these things look very hopeful. I hope that in the not too distant future there will be developments taking place in the province which I will be very pleased indeed to announce.

I have left just about time to carry out one or two other little pieces of business, so Mr. Speaker, I will close by saying I don't think I could really support the amendment, and I must support the motion.

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Mr. Robert Perkins (Nipawin): — Mr. Speaker, I wish to make a few additional comments in support of the expenditures as outlined in the budget brought down on March 9th last. I would like to carry on the debate at the next sitting and I move for leave to adjourn the debate.

Debate adjourned.

MOTION: ALLOWANCES PAID TO MEMBERS

Premier Lloyd moved:

“That this Assembly is of the opinion that all matter pertaining to allowances paid to the Members of the Legislative Assembly, to the Speaker, to the Deputy Speaker and to the Leader of the Opposition under authority of the Legislative Assembly Act and salaries paid to the President and Members of the Executive Council, should be submitted to a Committee consisting of five persons, the recommendations of the said Committee to be laid before this Assembly.”

Premier Lloyd: — Mr. Speaker, I think it is generally agreed by most people in the public who have given consideration to it and by most members of the legislature that there ought not to be any financial barriers which prevent the legislature and the public from having the services of the best available people in the province. It is also generally agreed by all members of the legislature that the duties which members have to perform in order to carry out their responsibilities to their constituencies and all the people of the province are steadily becoming more onerous. It is always a problem which members discuss and come to conclusions on with considerable reluctance and diffidence and difficulty because it is in a fact a matter of setting their own remuneration or at least their own compensation for time given.

Consequently it is suggested that there is value in having this matter reviewed by a group of persons outside of the legislative chambers. This resolution proposes that such a group would be established and they would then report back to us. It would of course then

be the final responsibility for the legislature to accept this or to modify the recommendations made. The final decision is in our hands but it is felt there is advantage in having a group of public citizens look at this problem which is indeed an important one. I therefore move this resolution, seconded by the member for Moosomin (Mr. McDonald).

Mr. Speaker, I cannot of course guarantee that the committee will be able to report during this session, although I think it is of great advantage if they could do so. I will try and arrange it that way. They will, among other matters, have to compare the existing arrangements in the province of Saskatchewan with those of other provinces, and of course, they will have to give some individual and group study to the entire situation. I am pleased to move the motion, Mr. Speaker.

Mr. A.H. McDonald (Moosomin): — I think the motion is a good one. I agree with the remarks the Premier has made, because I am familiar with the fact that it is becoming more difficult for political parties to obtain the services of those people they would like to have as their candidate, from one election to another, and I am sure all political parties are finding the same difficulty.

The main reason seems to be that people are hesitant to enter public life, because of the remuneration they receive for their services, and I think this is very important Mr. Speaker. I don't think anyone should be prohibited from entering public service, because they feel the financial reward is not adequate, and I am afraid many people in Saskatchewan and elsewhere do not realize the financial burden the members face and the financial burden is growing from year to year, and this is a matter I am sure members on both sides of the house are hesitant to vote themselves either increases or decreases in salary, but there are people in the general public who are familiar with the problem that confronts members, and I think the suggestion of placing it in the hands of people outside of this house is an excellent one.

Of course the final decision will be made by the members of the house, and I would hope the committee will find it possible to make its recommendations known to this assembly before we prorogue so that some action

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may be taken. We are only some two years away from a provincial election in Saskatchewan, and some people are probably making up their mind now whether they are going to be candidates or not, and I think the sooner this matter is taken care of the better.

I am one of those who believe the salaries in Saskatchewan are getting out of line, especially the salaries paid to the members of the Executive Council, and the salary that is paid to the Premier. The Premier of this province heads the biggest business in the province of Saskatchewan, and I think he deserves to be paid for it. Perhaps the salary of the Attorney General is a little too large . . . I wouldn't go that far . . .

There are people even on the other side of the house Mr. Speaker that could get a bigger salary in the business or industrial world, but I do think the main reason for looking at this problem is to compensate people adequately for the services they give to our province, and make it possible for people from all walks of life as far as finances are concerned to play their proper role in the legislature of our province.

Some of the other provinces have taken a look at the salaries and indemnities that have been paid, and gracious, when the news was announced, I think the people that were going to receive these salaries and indemnities must have been shocked. This was in the province of Ontario. I understand that the salary of the Leader of the Opposition is now \$21,000 and I have no complaint with that, Ontario is a big province, and anyone who shoulders the responsibility of leading the opposition in a province the size of Ontario earns that amount of money. If we bring our salaries and our indemnities up to the level where they should be, then we are going to attract people into this assembly and into other assemblies, who can make a great contribution to the government of this province and the government of Canada, and I have great pleasure in seconding the resolution.

Motion agreed to.

Premier Lloyd: — Mr. Speaker, before moving the motion for adjournment if I might announce to the house, that we are now developing quite a list on the order paper, and I suggest that beginning with Monday we start evening sittings.

Mr. Speaker, I move the house do now adjourn.

The Assembly adjourned at 5:35 p.m.