

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Fourteenth Legislature
13th Day

Monday, March 4, 1963

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

On the Orders of the Day:

BIRTHDAY CONGRATULATIONS

Hon. J.H. Brockelbank (Provincial Treasurer): — Before the orders of the day are proceeded with, I would like to make some very brief comments on two or three things. First is that one of my constituents, Mr. Ely Lindsay of Arborfield, celebrated his 104th birthday last Thursday. I am sure that all hon. members will join me in wishing him continued good health. He has very fair health now.

NEWS REPORTING

Hon. Mr. Brockelbank: — I have been reading the papers, Mr. Speaker, to some extent and I want to mention the members of the press gallery in regard to the reporting of the budget speech. I don't do this because it was my speech, but because the speech is an important document for the province of Saskatchewan, and I want to express my appreciation to the members of the press gallery for the very excellent job that they did, insofar as I read the papers, in reporting on this speech . . .

Hon. Members: — Hear, hear!

Hon. Mr. Brockelbank: — . . . and on the budget. And I want also to say to all members of the legislature that there are copies of the budget speech available. If hon. members wish to send out some copies to their constituents, they will be available to you.

Hon. Members: — Hear, hear!

LA RONGE WINTER FESTIVAL

Mr. A.R. Guy (Athabaska): — Mr. Speaker, before the orders of the day, I would like to bring to the attention of this house that this Friday, March 8, is the

March 4, 1963

fourth annual La Ronge Winter Festival. Now, this gala event consists of dog sled racing, tea boiling, ice chiselling, snow shoeing, portaging, and so on, and there is an ice show and crowning of a carnival queen, and a snow queen ball in the evening. I would like to extend a warm welcome to all members on both sides of the house, as well as all southerners, to make their way north on this Friday, and be in for some real northern hospitality and a good time.

BUDGET DEBATE

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

That Mr. Speaker do now leave the Chair.

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, when I adjourned this debate on Friday last the press were also kind enough to include in the week-end newspaper some of the comments that I made at that time and I'm not sure whether I made a mistake or whether the press made one — I suppose neither of us is infallible — but when I referred to tax cuts I hope I didn't leave the impression with everyone that I meant only that income taxes ought to be cut in the province of Saskatchewan. I note in the write-up in the Leader-Post of Saturday, March 2, the only reference to tax cuts concerns income tax, and it seems to me, Mr. Speaker, that there are many fields in which taxation could be reduced, probably with greater benefit to the majority of people in our province than in the income tax field, and I want to apologize if I made a mistake, and if the press made it then I am sure that they will rectify it.

I was rather interested in the remarks of the Provincial Treasurer this afternoon when he made the offer of sending out copies of the budget speech to constituents, and I wonder if I could move an amendment, and that is that they send my address along with it. Because it seems to me that this is typical government attitude — they would like to distribute, at public cost, the arguments presented by government members, but to send little or nothing of the arguments presented by the opposition in our house.

I am a little surprised at the member for Athabaska (Mr. Guy) inviting members of the legislature to take part in an ice chiselling contest at Lac la Ronge. It seems to me the experience we have had in this house would indicate that the local citizens would have little hope of success if we, the members of this house, took part in this chiselling of ice, or any other commodity.

There was an article in the Leader-Post of Friday last with a picture of our jovial Provincial Treasurer that I rather take exception to. Mr. Speaker, I wear the tie of the Liberal party; the tie my hon. friend wore was too pink for the Liberals.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — And I object, Mr. Speaker, to being called reactionary, I imagine as much as the Provincial Treasurer would if I were to call him a Communist. There are some people in our midst, in Saskatchewan and in other parts of Canada, who I think are rather reactionary in their thinking, but I do not believe that the policy and the beliefs and the arguments put forward by the Liberal party deserve the title of reactionary. I do not believe that the members of the Liberal party who sit to your left are reactionary. I think if the government would take into consideration many of the suggestions that have been made by the opposition from time to time we would have a much better province in which to live. And on Friday last I gave credit to the government for having some changed attitudes towards the industrial development of our province, as presented in the budget of Friday last, an attitude that is changed considerably from the attitude they possessed a few short years ago. And I think this changed attitude is because of the fact that Liberals have been pounding for this government to make certain changes, and they have indicated in the budget address that some of these changes may be made. I do not believe that this is the result of a reactionary group in the house. I believe this is the result of progressive thinking, as represented by the Liberal opposition in this house.

At the opening of the Provincial Treasurer's address he commented on Saskatchewan's economy, and I am not going to say too much about his words on that occasion, other than to say the majority are agreed. I think Saskatchewan has made tremendous progress, not only since 1944, but Saskatchewan has made tremendous progress since 1905, and every government that occupied this chamber has contributed to that progress. Some of the greatest progress this province ever made was in the early days of our province. I think governments of the early days made the greatest contribution with what they had to work with of any government that has occupied this chamber.

I believe that we have a tremendous future in Saskatchewan. We have been blessed with some of the finest natural resources, stretching from the southern part of our province to the north, that exist any place in the world, Mr. Speaker. They have been here, the CCF tell us, from time immemorial; they were even here when Liberals were in power. I admit that. But I want to point out that all governments

March 4, 1963

have played their part in the development of our resources, but it is most difficult during times of depression and during times of war, which we have experienced, to develop the resources of our province to the same extent that one can develop the resources of our province to the same extent that one can develop them under good economic conditions and in peace time.

And this government I think, if they want to be honest with themselves, recognize that they have held office during the best years that Saskatchewan has ever known. We came out of the depression, as we all know, in the thirties and into a war that taxed the ability of not only the Saskatchewan government, but taxed the ability of Canadians to pursue that war effort to a successful conclusion.

Many of Saskatchewan's resources were exploited during those years to pursue the war effort, and I do not believe that anyone in this chamber will criticize that government for having done so. I think they acted in the best interest of the dominion of Canada, and the free world, when they adopted and pursued programs as they did during the last World War.

But I am not one who wants to compare conditions in Saskatchewan in the 1930's or the 1940's with conditions in Saskatchewan in the 1950's or the 1960's, and people who do this are either afraid of making fair comparisons or they are stupid, and they can take their choice.

Mr. Speaker, what farmer would compare a pre-war combine, we'll say a Massey-Harris no. 15 with a Massey-Harris no. 927. You don't compare a Massey Harris no. 15 with a Massey-Harris no. 92. You compare that model 15 combine with other makes of the same vintage, and you compare the 92 combine that is on the market today with other makes of the same vintage. And this can be demonstrated by comparing the first computers, or comptometers as they were called, with a modern IBM machine. There isn't any comparison. You wouldn't compare an old scrub board and a wash tub with a modern automatic washing machine. This is what my friends opposite want to do.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — What I want to do, and what the Liberal party insists will be done, is to compare models of today. We will compare the Saskatchewan of today with our neighboring provinces of today, and I noted when the Provincial Treasurer was discussing Saskatchewan's economy, he pointed out the value of factory shipments in Saskatchewan had increased up to \$370 million from a figure of \$350 million. This is a true statement, but, Mr. Speaker, it is meaningless unless you compare this value of manufacturing shipments in Saskatchewan with the value of

manufacturing shipments in our two neighboring provinces. And again, I am not going to compare Saskatchewan to Ontario. That would be most unfair, or even to British Columbia, or even to any other part of the world. I'll compare Saskatchewan with our neighbors, the province to the east of us and the province to the west of us. Provinces that, I suggest, have almost identical natural resources to what we have in the province of Saskatchewan. Provinces that have almost similar people, I suggest. Provinces that have similar climates. Provinces that have similar transportation facilities, and, as a matter of fact, Mr. Speaker, I am sure that you will agree with me that the conditions that exist between the Rocky Mountains and the head of the lakes are almost identical.

Now, let us take a look at what is going on in our neighbouring provinces in the industrial field and in the manufacturing field especially.

I think that if we look at manufacturing, what has happened in Saskatchewan as we find on page 36 of the budget, illustrated both by graph and by a table, you will see that the investment in manufacturing over the last several years has varied quite a degree, even in the province of Saskatchewan. You will note that the amount of money being invested in manufacturing in Saskatchewan has dropped 50 percent over the last three years. Three years ago we were investing \$28 million in manufacturing industries in Saskatchewan. We have dropped this year to \$15 million. But Mr. Speaker, that in itself is bad, to have dropped by 50 percent in Saskatchewan in this particular investment over a period of three or four years.

But, Mr. Speaker, at this point, where we now expect to invest \$15.4 million in the manufacturing industries in Saskatchewan, what is going on in our two neighboring provinces? Well, in the province of Manitoba, they will not invest \$15 million; they will invest \$35 million. In the province of Alberta, they will not invest \$15 million; they will invest \$72 million. Now, Mr. Speaker, surely this conveys to my friends' eyes and to the people of our province, that Saskatchewan is not keeping pace with our neighboring provinces.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — A \$15 million investment in Saskatchewan compared to \$35 million in Manitoba and \$72 million in the province of Alberta.

Mr. Speaker, I want to go on to another set of figures. Comparing Saskatchewan with other areas of Canada today, our neighboring provinces, what about the number of people employed in the manufacturing industry? In Saskatchewan,

March 4, 1963

10,650 people. In Manitoba, 39,700 people. In Alberta, 34,118 people. Again, Mr. Speaker, if we are only able to provide jobs for 25 percent of the people in manufacturing, compared to what our sister province of Manitoba can do, and 33 percent of what our sister province of Alberta can do, again, this is not a very good record. And, I don't want anyone to think that I revel in this fact. If there is anything that I as a Liberal, or any other member of the Liberal party as far as I know, could do to help to rectify this situation, all they need do is ask.

Mr. Speaker, what about these figures that I referred to a moment ago, about the value of factory shipments. Three hundred and seventy million dollars for Saskatchewan, according to the Provincial Treasurer, for this year. I have been unable to locate the figures for the provinces of Manitoba and Alberta for this year; as far as I know they have not been made public. But the figures for a year ago are there, and, therefore, I will use the figures that were available on March 23, 1962, and at that time, as the Provincial Treasurer pointed out, the value of shipments from Saskatchewan amounted to about \$345 million. But this doesn't compare very favorably with Manitoba who had a value of manufactured products, not of \$345 million, but of \$770 million, and in the province of Alberta, \$920 million. Well, again, Mr. Speaker, a figure of \$345 million for Saskatchewan, compared to \$770 million for Manitoba and \$920 million for Alberta, doesn't speak very well for the province of Saskatchewan.

Surely this government will be better off to admit that this position in which we find ourselves at the moment and to work with all members of this house and to work with people outside of this house, who are just as concerned as the government in endeavoring to rectify this particular matter. Some reference was made in the speech from the throne to this type of co-operation and I will refer to that later on in my address.

Mr. Speaker, I wonder what progress we have made in Saskatchewan over the last 15 years. Here, if the government insists on comparing Saskatchewan with Saskatchewan 15 years ago, all right let us do that for a moment. If you take the figure as used by the Provincial Treasurer, and I don't dispute it, the value of manufactured shipments at \$370 million, and if you convert this to constant dollar values, that is the value of the dollar 15 years ago, you will find that not \$370 million constant dollars but a \$192 million would be the value of factory shipments.

In 1944, the value of factory shipments was a \$175 million; therefore, Mr. Speaker, we have increased that value of factory shipments in Saskatchewan \$17 million in 15 years. This is an increase of ten percent — not ten percent annually, but a ten percent increase during the life of this government, which is 16 years.

I wouldn't crow too much about that either if I were a member of the government, and I want to repeat again that if the opposition can be helpful to better this picture, then all they need do is ask. That's all. Now, they are coming around and suggesting that they do some of the things that the opposition have not only advocated in this house but have advocated in one election after another, on public platform — such as co-operation with private enterprise to produce a better result in the province of Saskatchewan — and which they have ignored and pooh-poohed all through the years, until the budget was delivered here in this house Friday last.

Now, what manufacturing industries have been located in Saskatchewan over the last many years? We have two of them. Two major industries. Saskatchewan Cement and Interprovincial Steel, and it looks to me, as a matter of fact as far as one of them is concerned — the cement plant — it is doing very, very well. The only complaint that I have, as far as the cement industry in Saskatchewan is concerned, is that, despite the fact that that cement industry is located in Saskatchewan and located just outside of the city of Regina, a barrel of cement costs more money in the city of Regina than in any other community in the North American continent. Now what asset is this to the people of the city of Regina, or any place else in Saskatchewan? Certainly it has provided employment. Certainly it is using a resource. But, Mr. Speaker, it ought to have meant that cement would have been cheaper to the citizens of Regina and the people of Saskatchewan because of the location of this plant.

Interprovincial Steel and Pipe have experienced some difficulty, and I think that this is to be expected. I don't think any industry the size of the steel mill that is located in Saskatchewan can get into production without many difficulties, and I believe the steel and pipe plant has experienced those difficulties. But if the information that I have, and all the information I have is what we read in the daily press, and if this information is correct, and I have every reason to believe that it is, then it seems to me this industry has a great future in our province and I sincerely hope that not only this industry will be successful but that it will mean the location of many other industries in and around the site of the steel mill.

It is most difficult to attract any industry that needs steel to manufacture, without first having the basic steel mill in the area, and I, for one, want to take this opportunity of saying not only to this government but to the people of Saskatchewan that I am sure in my own mind that this mill will be successful, and I am positive that the people of Saskatchewan are pleased that this mill is located in our province, and we hope that it will be able to expand and to attract subsidiary industries so that we can have a steel complex some day in the province of Saskatchewan.

March 4, 1963

But it seems to me there are other industries that ought to have located here in the last few years, and the one that the government seems to have exerted the greatest effort to attract is a pulp mill. Now, my understanding is that there is sufficient timber in northern Saskatchewan to support not one pulp mill but probably six in perpetuity. But we have been unsuccessful to date in attracting a pulp mill to our province. People who are interested in the construction of a mill in our province have told me that the offer the government have made to them is attractive enough, but somebody is going to build a pulp mill here, but nobody has built it yet. Some of the excuses that are given to us by the government will not hold water because the mills are continuing to be built in our neighboring provinces, and we haven't a pulp mill.

And again, if there is anything the Liberal party or the opposition in this house can do to help to bring a pulp mill to Saskatchewan, even under a CCF regime, we will be more than pleased to do so. Conditions are such in northern Saskatchewan, Mr. Speaker, and I am sure the members on the other side of the house, who represent constituencies from northern Saskatchewan, realize just as well as I do that the people of that area of the province of Saskatchewan haven't sufficient work, and because they haven't sufficient work they are have too low an income, and some have no income at all. If we are going to provide work and a decent standard of living for the natives and for the other people who have moved into that area, then I think the construction of one or more pulp mills would have more effect than any other one single move we could make, and I hope that we will not be announcing the construction of pulp mills for political purposes prior to general elections in the future but that we will be working together on both sides of the house in an endeavor to provide employment and to increase and better the standard of living of the people who live in northern Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — The other major industry that I have mentioned before, and I want to mention again today, that I feel should be located in the province of Saskatchewan is a petrochemical industry. But again, Mr. Speaker, we have not been successful. I don't know why. . .

An Hon. Member: — I do.

Mr. McDonald: — . . . petrochemical industries are located on both sides of us, part of the raw product is here, in fact all of the raw product that is used to support a petrochemical industry in Ontario

flows through this province, or around it, but we have no petrochemical industry here. Why? There is only one reason that they haven't located here, Mr. Speaker, and that is because of the philosophy and the attitude to date of my friends opposite, with their philosophy of wanting to eradicate capitalism on one hand and, on the other hand, they announce in the budget that they are going to get together with the capitalists and endeavor to solve some of our problems. The first attitude I deplore and the second attitude I congratulate them for. I hope that they put their heart where their mouth was on Friday.

Mr. Speaker, there are other reasons why industry has been hesitant to locate in our province to the same extent that they have located in our neighboring provinces, and that is not only because of some of the speeches that my friends opposite made on different occasions in the past but it has also been because of some of the harassment of industries that are located in Saskatchewan by the government that sits to your right.

I want to repeat, Mr. Speaker, that it has not only been the speeches of the ex-Premier when he went up and down the length and breadth of Saskatchewan and talked to one class of people and called these industrialists "quick buck artists" and several other very unpopular names. And, on the other hand, when he spoke to the industrialists he welcomed them. We didn't have a two-faced coin, we had a two-faced Premier who told different stories depending on the audience that happened to be listening to the address.

This didn't do Saskatchewan any good. Any my friends opposite criticized myself and my colleagues when we point out these mistakes to the government, they say that we are chasing industry from the province of Saskatchewan.

Mr. Speaker, I don't believe that the opposition or any other speaker can confuse gentlemen of that type to that extent. But I also believe that people who have had the ability to finance industry in other parts of Canada are not going to come to the province of Saskatchewan until the government are prepared to tell the same story to all the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — I believe, Mr. Speaker, when this government insisted that the gas that was found, the natural gas that is located and developed in our province, had to be sold to the Saskatchewan Power Corporation, I think that was a step in the wrong direction. I do not believe that those people who were interested in exploring and locating gas in our province were given any encouragement

March 4, 1963

the day they were told that they must sell all of that gas to the Saskatchewan Power Corporation. I believe they would have been happier if they had been allowed to search out alternative markets. I don't know whether they would have found better prices. I don't know, but I do know this, that most people in business throughout Canada and throughout the free world like very much to have an alternative market for the product that they must spend millions and billions to locate and to develop.

I don't believe that we created any additional incentive to the oil industry when we passed legislation in this house which virtually increased the royalties to the oil companies. And I refer to the payment of certain additional fees to the provincial government for the oil that was found under road allowances.

I do not believe that when this government gave concessions to the co-operative movement, right out of the heart of oil fields, that they did anything to help the search for oil in our province. I agree that the co-operative movement are not nearly as strong in the oil industry as some of the independent oil companies; I think they have gone a long way, especially in the manufacturing and marketing of oil in our province. But surely to goodness other methods could have been found to see that the co-operative movement of this province was able to grow without interfering with the development of the oil industry in Saskatchewan.

And, Mr. Speaker, I am not surmising when I say that I think that this hurt the oil industry. The heads of many companies who spent millions of dollars in the province of Saskatchewan came to me when this thing happened and complained. This is no incentive for additional millions of risked dollars to be spent in the province of Saskatchewan. What has been the result? Numerous oil companies have moved their staffs out of Saskatchewan, closed their offices. We have fewer working people for oil companies to tax in the province of Saskatchewan; we have fewer of them spending money here; consequently this has hurt our province. Every time you have a group of people, no matter that occupation in life they may follow, pull up stakes, lock, stock and barrel, and leave our province, it hurts us, and it hurts the general revenues of the province.

Exploration, Mr. Speaker, has been almost at a standstill for the past number of years. Certainly oil fields that have been outlined through exploration and drilling, well production drilling has continued, but wildcatting over the past several years has been almost non-existent.

Now again we have been given indications, in one previous debate and in this address that was read on Friday,

that there may be some incentives for wildcat drilling and exploration in Saskatchewan in the coming season. I sincerely hope this is true. It seems to me what is needed in our province is the incentive to oil companies to encourage them to drill to deeper depths. They have been successful across the line to the south of us at some wells that have been drilled to a considerable depth and I would hope that the oil companies would follow such a pattern in our province, and I hope that the new Minister of Mineral resources would see to it that the conditions which our oil companies must meet will be competitive in the province of Saskatchewan with our neighboring provinces and also with those states to the south.

I want to turn for a moment, Mr. Speaker, to base metals. You will have noted from previous speakers on previous occasions that since 1941 Saskatchewan has surpassed Manitoba in the production of base metals. But I suggest to you that it is very likely that this trend will reverse in the very near future because in the province of Manitoba over the past several months a new development has been almost completed where \$175 billion has been invested in Thompson, Manitoba, and of course they will mine base metals in that area.

I am pleased to see that Manitoba has been able to develop this resource but I only wish that this concern could have located in the province of Saskatchewan rather than in the province of Manitoba.

Hon. C.G. Willis (Minister of Highways and Transportation): — Where, Hammy?

Mr. McDonald: — I am glad you asked me where, because I notice that the leader of the New Democratic Party in Canada is now telling the people of Canada that he is going to locate the industries where they are needed. But I suggest to you that we needed the industry here, and if your national leader, Tommy Douglas, can move mines around, and one thing and another, surely Mr. Lloyd ought to have gone over to Manitoba and got that mine and moved it into Saskatchewan.

All I am asking is that you, as a government do what your national leader says he is going to do when he is in the opposition. He may not even be there after April 8.

An Hon. Member: — He'll not be there.

Mr. McDonald: — It is funny when you think that back in 1943-44 that there were 34 million pounds of base metals, 34 million more pounds of base metals produced in Saskatchewan than there were last year. I wonder how the Minister of Highways can explain that away. He has been in this government for a good number of years. The

March 4, 1963

Provincial Treasurer used to be the Minister of Mineral Resources; he has now been replaced by the commissar from the north. But during all of this time, Mr. Speaker, that we have had this tremendous development of our resources, Saskatchewan has prospered to the nth degree, and yet we have produced 34 million pounds less base metal last year than we did 15 years ago. This is progress, progress in reverse.

Let us turn from base metals to population. One would think, and especially after the phrase that was used so often by the Provincial Treasurer on Friday last when he wanted to know if this interfered with the freedoms of the people of Saskatchewan, one would have thought that if the Provincial Treasurer and his cohorts had created such a heaven on earth, here in Saskatchewan, we would have had people flocking in from all over Canada and all over the free world, to take part and to share in these benefits that the Provincial Treasurer endeavored to leave the impression were only available Saskatchewan. But, Mr. Speaker, rather than have a movement of people into Saskatchewan, we have had a movement of people out of Saskatchewan. We have had an exodus from this province that compares to the exodus of Germans from East Germany into West Germany — just about the same proportion. And I want to repeat, if you created such a beautiful place to live, services to Saskatchewan people that are not available to people in other parts of Canada or other parts of the world, then why have people continued to pack up their goods and their possessions and leave Saskatchewan in thousands? Why?

An Hon. Member: — That's a good question, Hammy.

Mr. McDonald: — The 1962 census, Mr. Speaker, shows that in the past 15 years Saskatchewan's population has increased by 94,000 people. Ninety-four thousand people in 15 years. During that 15-year period, there were 301,000 more babies born in Saskatchewan than there were people died. In other words, if the people born in Saskatchewan had stayed here, we wouldn't have had an increase of 94,000, we would have had an increase of 301,000. But during the same period, there were 53,900 — to keep it in round figures we will say 54,000 immigrants came into Saskatchewan. If all of these people had stayed here we would have had a population increase, not of 94,000, but of 355,000 people. What happened to the immigrants, the great bulk of them that came into Saskatchewan? What happened to them? They stayed here for a few weeks or a few months, packed their bags and went on. The great bulk of immigrants that came to our province didn't stay here. Once they found out what working conditions and job opportunities existed in Saskatchewan, they took off, and I don't blame them. And roughly 200,000 people born here also took off. Why? So they could be gainfully employed where employment was available in other parts of Canada and in the United States. To the everlasting shame of

a government that sits opposite. This province has not prospered so far as population is concerned to the same extent as provinces in other parts of Canada.

As a matter of fact, what has happened in the dominion of Canada, Mr. Speaker? The dominion of Canada has had an increase in their population of some 57 percent in the past 15 years. The province of Saskatchewan had an increase of 11 percent. Now, if all of the services that the Provincial Treasurer referred to on Friday last, were only available in Saskatchewan, as he indicated they were, then how come that the population of Canada increased by 57 percent and the population of this socialist Utopia increased by 11 percent.

An Hon. Member: — They can't explain that.

Mr. McDonald: — Mr. Speaker, it goes without saying that if the opportunity to work had existed in Saskatchewan then we would have had our fair share of the increased population in Canada. But again my friends opposite seem to think that you can legislate the working man into prosperity. Mr. Speaker, I have no complaint with Hours of Work Act, the Minimum Wage Act, the Double Time and Double Pay Act, or any other act that is put on the statute books to benefit labor. But I want to repeat, you cannot legislate labor or any other class of people or any other occupation of people into prosperity. You can only have prosperity for labor or of any other group of people when you have management competing with management for the services of labor. What good is the Minimum Wage Act to a man who is unemployed? What good is the Hours of Work Act to the man who has no work at all? What good is equal pay for equal work, what good is that when neither the male or the female sex have work? And, Mr. Speaker, this has been the condition that has prevailed in Saskatchewan, not only in the 1930's but in the 1960's as well. How many people have we unemployed today, not only in the cities of Regina, Moose Jaw, Saskatoon, Prince Albert, and so on, but in the small towns? I can think of no better example than my own home town. The number of people that are unemployed today is approaching conditions as they existed in the 1930's. What has this government done to locate industries in the smaller communities of our province? Nothing. Far less even than they have done for our cities. Mr. Speaker, I am going to refer to this condition again later on in my remarks.

But having pointed out what the facts are with regard to Saskatchewan's progress compared to other parts of Canada, and especially comparing it to our two neighboring provinces, I want to again point out to the government that sit opposite the program of the party that I adhere to for the 1960 election. And I want, at the same time, for them to take the budget speech

March 4, 1963

that was read in this house on Friday last, and compare it to that program. It is not very difficult to see where this final and this new thought of this originated, this new look, and I am not blaming you for this new look. I am glad you've got it. Congratulations to you. You stole it, but that's fine with me.

Mr. J.W. Erb (Milestone): — The new look but the last hope.

Mr. McDonald: — It's a new look, yes, but I am afraid it's the last hope also. Read what the Liberal party program contained for the 1960 election and compare it to the budget speech. A Liberal government will adopt all practical and feasible methods to encourage investment in industrial enterprises in Saskatchewan, including (a) creating a political and economic climate favorable to investment in industry. Well, Mr. Speaker, the words of the Provincial Treasurer on Friday last, I suggest, were much more acceptable to those people who have the necessary finances to bring industry to our province than the words that the Provincial Treasurer used on previous occasions, than his seat-mate has used on most occasions. Apparently you have had a change of heart. Congratulations to you. You have come part way, now let's go on the rest of the way.

Now, what about (b). Industrial loans for sound businesses or industrial ventures in all parts of the province. Well, some indication in the budget that this may be done, but we say in all parts of the province, and I hope that when the legislation is brought forward to bring into effect the announcement made in the speech from the throne, that these loans will be available, not only in our large cities, but they will be available to our smaller communities as well.

(c) Power and gas rates at competitive prices with our neighboring provinces. Now, my friends opposite haven't gone that far. Even in the budget address. But I will deal with that also a little later on in my remarks.

(d) Co-operation with municipal governments to provide land at cost and sewer and water on local improvement basis. Again, it has been announced. Again I am not angry about it, I congratulate them for it.

Now, what about (e) Tax concessions where necessary during the period of establishment. Well, they didn't go quite that far in the budget speech, in the budget address, but then the leader of the New Democratic Party in Canada has gone that far. Speaking in Windsor, just last week, he talks of concessions, the same as (e) in the plank of the Liberal program in 1960.

Finally, (f) under the program. Removal of unfair competition from government-subsidized crown corporations, and I suppose that is too much to expect from my friends that sit opposite.

I am pleased that the government have announced that they intend to set up an industrial advisory council. Mr. Speaker, that council can do a worthwhile job in Saskatchewan. I think it is something that we have needed over the past many years. But, Mr. Speaker, this council will be as effective as the people that are appointed to it. For goodness sakes, let's not import some fuzzy-headed socialist from some place overseas to sit on this council. Let us go out and get business and industrial men from Canada and from Saskatchewan to sit on this council. Yes, I don't think we should go to Britain and bring out another Cadbury. I don't think we should go to Ontario and get another defeated CCF candidate. Surely we should go to the industrial and financial world to pick these people out. People who have made a contribution to Canada in the employment of people and in the creation of wealth in this nation.

The same thing with regard to SEDCO. I think more emphasis should be given to the processing of agricultural products in Saskatchewan. Mr. Speaker, surely you can remember back a few years ago when my friends that sit opposite were talking about the processing of agricultural products in Saskatchewan. Man, what they couldn't do when they were in opposition, but they haven't done anything since they got into government. You will recall they were even going to make plastic houses and plastic furniture, and they went so far as to say, Well, if you make yourself some plastic furniture and if in a year or two the style changes, you just bring it back in and we will blow it into another style. And if you want me to read the commitments they made I can do that. I will just send the page boy in case someone wants me to read it. I will just bring them in. I am not going to threaten to read them because it would take too long.

And again, Mr. Speaker, I want to appeal to this government to not only endeavor to bring industry into our cities but what is needed in most of our small towns is some industrial development. And I note the Minister of Highways, the member from Melfort (Mr. Willis) sitting there grinning like a Cheshire cat, but I think the people who live in Melfort would appreciate some small industry and I hope that the member for Melfort and the Minister of Highways will do his best to have SEDCO and this industrial advisory council decide on building some new industries in his constituency whether it is in the town of Melfort or some other town in that community.

Now, I noted in the budget address the reference again to the so-called profits of the crown corporations. As a matter of fact, the usual claim was that substantial profits

March 4, 1963

had been made from the CCF crown corporations. Mr. Speaker, it was left there. Why didn't the Provincial Treasurer go on and say that this was claim profits before they had paid any interest on the investment, on the money that he had loaned them. He didn't say that. As a matter of fact, if you want to refer to the chart on page 11 of the budget address, you will find the story about the crown corporations according to the Provincial Treasurer. And you will note at the top in very large type — Summary of results of operations of crown corporations for the fiscal year 1962. And then if you get out your magnifying glass you can read under there, in very small type, "before interest". Well, I have received now the promises of the CCF party and if anybody wants me to read them I can do so. I have two books about 16 by 18 inches square, and the two books together about eight inches deep, so I hope nobody asks me to read them.

Mr. Speaker, the Provincial Treasurer also referred to the profits of the Saskatchewan Government Insurance Office. But he knows, and I know, that if you take out the premium that he and his government have paid to the Saskatchewan Government Insurance Office on fire-proof buildings, there isn't any profit left. Look at the premium they pay on this building, Mr. Speaker. I don't think the arsonist has ever been born that could burn this building down. They tried it one time and they burnt the front door off.

Hon. E. Kramer (Minister of Natural Resources): — They didn't kick it off . . .

Mr. McDonald: — Mr. Speaker, I want to repeat that if you were to take out of the so-called profits of the Saskatchewan Government Insurance Office the premiums that have been paid by this government on virtually fire-proof buildings, there wouldn't be a nickel's worth of profit left.

Then they talk also in the budget about the profits of power and telephones. Mr. Speaker, these are gross profits. And again, if you take out the interest that is charged on the money that has been borrowed and plowed into telephone and power corporations, you have little or no profit left — and I'm not wrong there. Not even you as the minister appreciate or understand the financial position your corporation is in as far as profits are concerned. You are as far off base on your profits, your claim profits for corporations as you are in the public debt.

And I want to go into these public debt figures again. Well, I hope you have taken out your pencil and make a few notations and go to your office and get the records to substantiate the figures I am going to use with regard to the public debt.

The government this year are continuing to use a method of subtraction and multiplication and division to arrive at a figure of \$22.6 million as the net public debt. Mr. Speaker, this isn't really a figment of someone's imagination. I'm not going to deny that you cannot arrive at this figure of \$22.6 million if you partake in some very unorthodox arithmetic. But if the Provincial Treasurer, the present Provincial Treasurer, his predecessor who is now Minister of Health, and his predecessor who is now the Premier will go back and take a look at the first seven budgets that this government presented to the house and use the same method that the then provincial treasurer, Mr. C.M. Fines, if they will use the same method that he used, to arrive at net debt until he arrived at the position where he could no longer do it and sell it to the people of Saskatchewan, but if they will use that method, the debt of this province today is not \$22.6 million but it is \$475.5 million, and if they will do it, use the same method as the first CCF provincial treasurer for seven consecutive years, use that method and you will arrive at a figure of \$475.5 million. Mr. Speaker, this is an increase of \$33 million over last year, using this method. And this is an increase of \$331 million from the low figure, as far as public debt is concerned, of 1948. The lowest point of our public debt since this government came to power has been at the end of their first term in 1948. And I can recall when I first came into this house, they used to boast at no length on having decreased the public debt by some \$70,772,000 the first four years they were in office.

But again, Mr. Speaker, they didn't tell all of the story. It's true the public debt went down by almost \$71 million the first four years that this government were in power but who should the credit go to? Who paid off this public debt? Not the people that sit opposite but the \$71 million of debt that was paid off, they didn't pay off one nickel of it. Now I will tell you who paid it off. Before Premier Patterson left office he paid out \$5,213,000 of the public debt. Relief loans cancelled by the dominion government \$36,337,000.

Hon. Mr. Brockelbank: — When?

Mr. McDonald: — When? Before you took office, my friend. And I'll tell you when, if you want the date. And I am not going to let you interfere with my radio time at the moment but if you want the date, I'll give it to you. Right here.

Then, what about the settlement of the natural resource question when the federal government paid to Saskatchewan — they didn't pay to Saskatchewan, they cancelled Saskatchewan indebtedness to the tune of \$8,031,000. Do you want the date for that? You should have it. You are the Provincial Treasurer.

March 4, 1963

What about the payments of the Saskatchewan Wheat Pool in contingent liabilities that, not this government, but previous governments had backed? The Saskatchewan Wheat Pool, during this period, paid off \$8,572,000. If you want the dates of those payments, and amounts, I can give you those as well.

What about the Department of Telephones? They paid off \$2,350,000. What about the Saskatchewan Co-operative Creameries? They paid off \$240,000. What about farmers' seed grain account of 1938 — \$4,973,000, and other contingent liabilities amounting to \$764,000. In total, Mr. Speaker, that comes up to almost \$71 million. This was the low point of Saskatchewan debt, was at the end of 1948. Payments that had been paid off, not by this government, but by concerns that previous governments had come to the rescue of and saved during the depression years. And they, to their everlasting credit, were the people who paid off their debt first to the government of the province of Saskatchewan.

Then the Provincial Treasurer endeavored to leave the opinion in this house, or to create the opinion in this house and abroad, that the Leader of the Opposition was the only person who couldn't figure out what net debt was, or gross debt. Well you know, again I would refer the Provincial Treasurer back to what the national leader says. As you know, the gentleman that is now national leader of the NDP was very vociferous back in those years 1942-43-44. And at that time he made a radio address and in that radio address he claimed that the interest on the public debt in Saskatchewan was some \$9 million. And some people in government at that time pointed out to him that if you subtracted some of the items that the now Provincial Treasurer is attempting to subtract, that the interest payment wouldn't be \$9 million but \$3 million, and the Premier, the past Premier, the Rev. Tommy Douglas of that day, said well, why interest is interest and it's on the debt whether it is self-liquidating, dead weight or what it is, Saskatchewan is paying \$9 million annually in debt. That is right, they were. And today we are not paying \$9 million interest. Last year we paid \$22 2/3 million, next year we will pay something over \$27 million. As a matter of fact, it isn't the Leader of the Opposition and myself who are confused. It's the people that sit opposite who are confused. There is one source of records that are available to both sides of the house, and both sides of the house have used them, and of course, we will continue to use them. And I refer to the Dominion Bureau of Statistics.

But, before I do that, I want to go back to this quotation of the Provincial Treasurer that he used in the budget when he said "we all know that taxes levied in Saskatchewan

are not the highest in Canada". I am not convinced that even he believes that. And if he does believe it, I am going to endeavor to change his thinking. In the next fiscal year, Mr. Speaker, which commences about a month from now, the average taxes levied per person in Saskatchewan will amount to \$96.60. This figure includes the revenues that are called taxes in the estimates, except those parts of the revenue which are from income and corporation taxes which were previously collected by the dominion government and paid to the province under the dominion-provincial taxation agreements. I want to make it perfectly clear that I am making this adjustment. These amounts would make the tax, the personal tax, much larger but I am leaving them out so as to keep the figures comparable with the figures for previous years. And I think the Provincial Treasurer and the Premier can follow why I have done that.

However, the figures that I am going to use do include the increased income and corporation taxes levied by the provincial government during the session of 1962. The figures that I use also include the head tax for hospitals, hospitalization and medical care. And I want to repeat, total provincial taxes for the next fiscal year, commencing April 1, will be \$96.60 per person. And I want to remind the house that 15 years ago similar taxes amounted to \$13.45 per person. Taxes of today, provincial government taxes, are seven times what they were 15 years ago. It should be pointed out that the sum paid to the provincial government by the government at Ottawa have also increased about sevenfold during this same period. Fifteen years ago this province received from the government at Ottawa about \$11.25 million annually. Next fiscal year they will receive something in the neighborhood of \$80 million. But in addition to taxes levied by the provincial government, we have taxes levied on our people by municipal governments and local governments. And municipal taxes are also extremely high in Saskatchewan, and the main reason for this is the fact that our local governments are still continuing to pay about 60 percent of the cost of the operation of our elementary and secondary school system from property taxation. But in 1962, Mr. Speaker, the average person municipal tax in Saskatchewan was \$92.50. Now, this figure also is much higher than it was 15 years ago. The comparable figure for 15 years ago was \$23.80 per person. Well, if you add together your taxes, municipal and provincial, in Saskatchewan, you will find a per person tax of \$189.00. Every man, woman and child in the province of Saskatchewan are paying \$189.00 a year municipal and provincial taxes. What does this mean for the average family of four? It means that they are paying \$756.00 a year. Do my hon. friends opposite think for one moment that the economy of this province can stand for the average of four to pay \$756.00 a year in taxation? If they think so, I am afraid the majority of the people of the province of Saskatchewan would disagree with them.

March 4, 1963

We feel that this figure is too high and we feel that especially in a year like this, when the Provincial Treasurer was able to come in and announce in this house on Friday last that he has received almost \$20 million in revenues that were unexpected a year ago. And yet he has the audacity to present a budget to this house calling for the largest taxation of any people on the North American continent. Do you know why, Mr. Speaker: I can imagine about a year from now, when the budget will be presented, the final budget before an election, I wouldn't be surprised if the five percent tax was reduced to four, or three, or maybe two for the one year. I wouldn't be surprised, Mr. Speaker, if they lopped off the head tax for medical care or hospitalization for one year. You know this is what they were doing for years with the rates for automobile insurance and the hospital plan. Why, you can remember the old Provincial Treasurer, the way he used to swagger and tell us how he had built up profits and he could now cut the rate. And the cut only lasted until the count of the ballots. Sometimes it didn't even last that long. They increased it in between when the people had balloted and when they counted.

Mr. Speaker, I would almost wager that this government are preparing themselves by over-taxation today to cut taxes immediately before the next provincial election in the hopes that they can buy their way into the hearts of the people of this province.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — It has been pointed out in this house, and I want to point it out again, this is the sister to the return that we asked for a few days ago and got into a little hassle about. This is the return listing all of the taxes, new taxes imposed by this administration since they came into power, and in addition to old taxes. There are about 1,200 taxes in here. 600 of them put on the statute books by my friends that sit opposite. And there are 600 additional old taxes, added over a period of 15 years.

I repeat, Mr. Speaker, we are not the most wealthy people in the world who live in Saskatchewan but we are the highest taxed.

You will recall, Mr. Speaker, that a year ago the Premier stood in his place in this house and said that we were not the highest taxed people in Canada, we were the third highest. Now I thought that was an admission. I doubt very much if the average income of the average individual in our province is the third highest in Canada. And I think if we were the third highest taxed people in Canada, that, even that

would be too high. But, Mr. Speaker, I make the charge that we are the highest taxed people in Canada, and not only in Canada but on the North American continent. And I intend to prove it.

Hon. Mr. Meakes (Minister of Co-operation and Co-operative Development): — Why not the world?

Mr. MacDonald: — Well, I have no doubt that we are approaching it. But there are places in the world where it is difficult to get any statistics from, even more difficult than it is to get them in Saskatchewan.

Mr. Speaker, I want to repeat that even if we were the third highest, I think that is too high. I think the average citizen in Saskatchewan will agree with me. And I wish sometimes that my friends who sit opposite would recall some of the statements they made themselves a few years ago. The Provincial Treasurer, in his budget address, referred to the statements that had been made by the CCF's in years gone by. Well, I want to refer to some statements that were also made by CCF's in the years gone by. I've got quite a few of them but first we will read as follows, and I quote:

It is hardly possible that increased taxation will help this government or any succeeding government to lift the load of private indebtedness off the shoulders of our people.

I think that statement was true the day it was made and I think it is true today. Statement no. 2:

The people, after all, have only a certain amount of money to spend and if you are going to take away any further proportion of that purchasing power by increased taxation, it will inevitably result in the slowing up of business within the province.

That was true when the statement was made and it's true today. And I am not the originator of that statement — they are. Now, let's go on to another one. Statement no. 3, and I quote:

It would, therefore, seem only the part of wisdom for the government to attempt to increase the incomes of the people in order later on to increase revenue to the government.

March 4, 1963

How true. This was true when you are in opposition and it is true when you are in government. But you won't follow your own advice. Let's go on to quotation no. 4:

The most obvious means where by the government can increase the income of the people is to control or take control of some of the monopolistic industries now gouging the people.

Now, they were going to take control of these monopolistic industries that were gouging the people. They have. They've taken control of several monopolies, and the gouge is bigger and deeper here in Saskatchewan under a CCF government than any place else in the rest of Canada.

Then they go on to talk about — in the same quotation — extracting tremendous profits from the people and cause to be provided — they should cause to be provided state marketing boards which would market products off the farm in a manner to return the greatest amount to the people of the province.

How many marketing boards have you set up? I don't know whether marketing boards are the answer or whether they are not. You said they were.

Now let us go to another quotation:

Altogether too much is made of the cry, if you want services you must pay for them.

How often have we heard that? If you want services you must pay for them. That is the cry of this government. That is its excuse for extending taxation. When you realize that we have a public debt of \$192 million, and an annual interest payment of \$6 million, peanuts compared today, it becomes quite obvious that the money paid by our people in taxes is not going to pay for social services. It is going to the bondholders as interest on the public debt to a large degree at least. Well, it's \$6 million in interest on a debt of \$192 million. Was legislation in favor of bondholders. What on earth is the payment of \$27.5 million on the public debt as it exists today. Again I wish that they had the same spirit today when they have responsibility as the spirit they had when they sat in opposition.

An Hon. Member: — They'll have to revive it, they are going back to . . . They'll have to revive the spirit.

Mr. McDonald: — I referred a moment ago to the fact that the Premier, the Leader of the Opposition, myself and several other people have used the publications of the Dominion Bureau of Statistics, or one

of their publications, Financial Statistics of Provincial Governments Revenue and Expenditure, to endeavor to show what taxes are in our province of Saskatchewan compared to other parts of Canada.

The first important fact about this particular report, Mr. Speaker, is that the tax collected in each province is not comparable. One cannot take all of the provinces of Canada and take the taxes that were collected in each province and divide it by the population and come up with a comparable statement. And I am sure the Premier and the Provincial Treasurer will agree with me when I say that. Because there are certain taxes appearing in provinces such as Quebec and Ontario which do not appear in provinces such as Saskatchewan. Under the dominion-provincial taxation agreement, most of the provinces surrendered the right to collect income, corporation and estate taxes. Most of the provinces. Quebec continued to collect all three taxes, and it is listed in this D.B.S. account. Ontario continued to collect two of them. For the other provinces the revenue from these taxes are not shown in the D.B.S. They are shown as revenue from tax-sharing agreements, which is a different thing. To make tax totals in D.B.S. reports comparable, the revenues from these taxes must be subtracted from the total for the provinces of Ontario and Quebec.

It is amazing that the Premier or someone in his department hadn't pointed out to him this very fact. Or perhaps they did point it out to him but he failed to follow their advice. The three provinces which, on the basis of the Premier's incomplete comparison, have the highest taxes in Canada are Quebec, Ontario and British Columbia. If the income and corporation and estate taxes are subtracted from the total for Quebec and Ontario, and the part of the new taxes for medical care in Saskatchewan applied to 1961-62, if you include that for Saskatchewan, then the average taxes per person for British Columbia would be \$89.98, Saskatchewan \$69.36, Ontario \$57.63 and Quebec \$56.25. Now this places Saskatchewan as the second highest taxed people in Canada. But Mr. Speaker, I haven't completed the story yet. Because in British Columbia and in Saskatchewan, both those provinces, we have a five percent sales tax. The revenue from the five percent sales tax in Saskatchewan last year, 1961-62, \$21.5 million, but the revenue for that sales tax in British Columbia was \$92.5 million. Now there is a reason why it should be much higher in British Columbia than it is in Saskatchewan. Not only the fact that they have more people residing in the province, the great reason that the return from the sales tax in British Columbia is almost four times, more than four times, almost five times what it is in Saskatchewan, is because of the tourist industry in that province.

Again, according to Dominion Bureau of Statistics, the figures for the first ten months of 1962 indicate that there were 31,400 cars entered Saskatchewan from the United States —

March 4, 1963

remember that figure, 31,400. But during this same period there were 377,000 automobiles entered British Columbia from the United States. Ten times as many. But the number of people entering British Columbia by rail, bus, boat and planes is even more significant. During this ten month period there were 7,500 people came into Saskatchewan by rail, bus and plane — I don't imagine anybody came in here by boat — 7,500. But during this same period in British Columbia there were 482,000 people entered their province — tourists. These figures take no account of the tourists who enter either Saskatchewan or British Columbia by car. There is no way of checking on these people, other than the ones that come from the United States by car.

Mr. Speaker, I am sure you will agree with me, and I am sure all members of the house will, that tourists are lavish spenders. You know when you go on a holiday for a couple of weeks, you probably spend as much money in those few weeks as you would in any other month of the year. And because of this huge tourist industry in British Columbia, the revenue from the five percent sales tax and also revenue from gasoline tax is must higher from sources outside of the province than it is in Saskatchewan.

So, Mr. Speaker, I think that proves conclusively that we in Saskatchewan are taxed higher, if you want to be honest with yourself, than any other province in Canada.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — Whether we are or whether we are not, I am convinced and I know the majority of the people of Saskatchewan are, that taxes are too high in our province. In a year when this government had a found source of revenue of \$20 million, they have the audacity to bring into this house supplementary estimates calling for the expenditure of \$14 million. Apparently no thoughts of decreasing taxes, no thoughts I say because they are not going to face an election. But I want to repeat, and I will prophesy here this afternoon that this government will come into this house with decreased taxes next year in the hopes that they can buy themselves through the next provincial election.

I want to refer for a moment to some hunting regulations in our province. The reason I do so is because I believe that some of the hunting regulations in our province are propagated from the thought of profit, rather than any other motive. We've had a growing problem in Saskatchewan with regard to the hunting season. I haven't the figures at hand, the number of people that were either killed or wounded in hunting accidents a year ago, but I suggest the number was far too great.

And it seems to me, Mr. Speaker, it isn't necessary to allow the use of high-powered rifles in the populated areas of our province to hunt game or for any other purpose. Surely to goodness, if the Minister of Agriculture thinks we should continue to use them, why doesn't he say so, instead of mumbling in his beard. But even if we have to go to the use of slugs to prevent the accident death rate, and even those who have been wounded and maimed, I do not believe that if one person loses their life in a hunting accident that it is worth while to continue the use of high-powered rifles, and I am not blaming the government for this. I think we are all partially to blame. But I hope this house in its wisdom will at this session take into consideration a complete rewriting of the laws and regulations governing hunting in our province. And I for one would go as far, if need be, to banning the use of large rifles, and go back to the use of slugs if we have to. I want to repeat that if one person should accidentally lose their life in the hunting season, I don't think it is worth it.

Again, the damage that is being caused by wildlife in our province has exceeded the imagination of most of us. And, again, if a farmer is going to have his crop destroyed by wildlife, even one farmer, then our laws and our regulations are at fault. It seems to me that any farmer ought to have his rights to defend his property and his crop from wild animals or birds at any time of the season he sees fit.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — What member of the government would leave their sessional indemnity out on the front step for a crow to fly away with, and yet by law this is what we are compelling farmers of this province to do. Sure you can get permits, and you can do this, and you can do that, and you can do the other thing, but this isn't good enough. Surely we should say to the farmers of this province, If your crop is being destroyed by wild game, animals or birds, you have the right to preserve it. This idea of insurance is utter nonsense. In the first place the farmers are not taking advantage of it; I suppose that is their fault, there is nothing to quarrel about that. The thing is, that it isn't doing the job. Crops are being destroyed and there isn't any compensation or adequate compensation to the people who are being affected.

Well, Mr. Speaker, I have talked at some length on this reply to the budget address. But there is just one or two short subjects that I want to deal with before I sit down.

I was rather perturbed at the Minister of Agriculture when he spoke in the house the other day and said as little as he did about agriculture.

Mr. Speaker: — Order! We can't refer to a previous debate.

March 4, 1963

Mr. McDonald: — Well, we will refer to the Speech, Mr. Speaker. I am rather amazed that he hasn't got on his usual little radio and made some complaints with conditions as they exist in agriculture, and I am surprised that the Provincial Treasurer hasn't pointed out some of the problems that exist in the budget itself.

I want to read one paragraph of the budget address, relating to agriculture, the Provincial Treasurer says this, and I quote:

Lower off farm movements of grain and reduced wheat board and supplementary payments are expected to reduce cash income by about \$100 million. Livestock production is expected to maintain its record levels and give substantial support to the whole agricultural industry.

Mr. Speaker, the latter half of that quotation, I don't think expressed the situation that exists today. Is the Provincial Treasurer or the provincial Minister of Agriculture not aware of the fact that beef prices have dropped nine cents a pound in that last two months? Are they not aware of the fact that any farmer who has a steer for sale today, around a thousand pound steer, he will receive \$90 less for it than he would have two months ago? The Provincial Treasurer apparently isn't concerned about this, apparently he doesn't even know it has happened. He says he expects that this will continue to add greatly to the agricultural economy in Saskatchewan.

The Minister of Agriculture either doesn't know it has happened or he is saying nothing. Well, I don't know whether they are guilty because they don't know it's happened or whether they don't care.

Hon. I.C. Nollet (Minister of Agriculture): — Yes, you have a feedlot.

Mr. McDonald: — Yes, you bet I have a feedlot and it cost me \$90,000, and you sit there and giggle.

Hon. Mr. Nollet: — Well, I don't giggle at cattle prices.

Mr. McDonald: — Well, it looks like a giggle from here.

I wonder if my hon. friends realize what it has cost this province. Supply and demand. Yes, the demand has been for beef shipped into this country from New Zealand, two ship-loads of it, thawed out on the west coast just sufficiently to get Canada Choice stamped on it, and then spread throughout the

commercial markets in Canada. The Minister of Agriculture never opened his mouth about this. The Provincial Treasurer apparently doesn't know it happened. It has cost the livestock producers of this province hundreds of thousands of dollars, and in addition to that I thought there would be some reference to what every agricultural economist in Canada is predicting today: that we are not going to be able to continue to export large numbers of calves out of our province the way we have over the last several years.

We have no reference made to this. Livestock economists are all predicting that the number of calves and cattle being shipped out of Canada today will fall rapidly this fall because of the build-up of the young stock herds in the United States. And I think at least some reference should have been made to both of these facts in the budget debate, and I hope that the provincial Minister of Agriculture will stand in his place in this debate and raise Cain with the people responsible and with the federal government for allowing New Zealand beef into our country to be sold at fire-sale prices and ruin the cattle economy of western Canada. This is exactly what has happened.

An Hon. Member: — They don't know anything about it.

Mr. McDonald: — Well, I don't think they do or they would have said something about it.

An Hon. Member: — Don't laugh.

Mr. McDonald: — Well, I have a lot of notes that I am going to have left over here, but that is all right, I'll use them next year.

Hon. R.A. Walker (Attorney General): — Go over them carefully.

Mr. McDonald: — Because I hope that you will continue next year with the type of budget you brought in this year, don't refer back to the things that you have been guilty of in the past. Let us continue this attitude of co-operation, not only with other people who are interested in the development and diversification of our economy, but let's not go back to the attitude of calling them quick buck artists, and hucksters, and the profiteers, and the gangsters. Let's work with them for the betterment of the province of Saskatchewan and the betterment of the people of Canada.

But before I conclude, Mr. Speaker, I want to refer to the position in which we find ourselves as far as public health is concerned.

March 4, 1963

Again the Provincial Treasurer made a statement which I only wish were a statement that I could agree with, when he told his whole story insofar as health was concerned. And I want to quote the statement that he made, and I quote:

Today it now costs a family of four, with an income of \$3,500 a year, about \$48 for medical care, compared with \$84 it would have cost them under private schemes.

Mr. Speaker, I wish that were true, but it isn't. My experience has been that medical care today is more costly for the average citizen than it was prior to July 1. I can use no better example than my own. Prior to July 1 last, I was able to provide medical services for my family, and I have a large family — 5 children, my wife and myself — for \$63, plus about \$20 a year that we had to pay for the services of specialists. So that meant it was costing me, as an individual, about \$85 a year.

Now, I realize that if we are going to have a comprehensive medical care program, and I think we should, for all of our people, then probably people in a position similar to my own are going to have to pay more. But surely we are not going to have to pay to the extent which we are paying today. It isn't the \$48 that I complain about, Mr. Speaker, which is the cost to a family with an income of about \$3,500. I have in my hand, Mr. Speaker, bills which prior to July 1 would have been paid — and I use my family because I know more about my family than anybody else — by MSI. But today MSI nor the government agencies, nobody will pay them. The individual is left to pay it. Hundreds and hundreds of dollars of them. Services that were paid for prior to July 1 by insurance services, and I refer to X-ray and laboratory services.

How many people in this day and age, Mr. Speaker, have any serious illnesses that do not require X-rays or lab facilities? How many? Not very darned many. And there are hundreds of dollars since July 1 in services that were available under insurance plans prior to July 1 that are not available today.

Some Hon. Members: — Hear, hear!

Mr. McDonald: — Mr. Speaker, I don't know what the difficulty is between the people providing this service and the Minister of Health, but, what ever it is, clear it up, and if you are going to have prepaid medical insurance, let's have it. Let's not have this bunkum you are giving us, and people going out and paying for thousands of dollars worth of services out of their pockets in cash that were available to them under a premium. You use the word fee, but no, it wasn't fee; they paid a premium and it covered it, but it doesn't cover it today.

Now there is only one other item that I want to mention as far as health services are concerned, and that is — I have taken this up with the Minister of Public Health and I'm not going to pursue it at any length on this occasion, because I sincerely hope that this problem can be solved — but during that period from July 1 until roughly up to August 1, there were many, many people in our province who apparently thought, and with some justification, that medical facilities available in Saskatchewan were not adequate to take care of a particular disease or a particular problem that was affecting them and they went elsewhere and received medical attention. Many of them went outside of our province, and I think as a fair citizen and I think all members would agree with me that one could expect this to happen and it did happen. These people are left with the bills in their hands either to pay them themselves, and in a lot of instances they are not able to pay them, or some workable arrangement be made by the medical care commission so that these accounts can be paid; as I say I'm not going to make a big issue of it because I hope that some satisfactory arrangement can be arrived at whereby these accounts can be paid.

Surely it isn't the individual's fault that they happened to fall sick during this particular 30 days; and surely it isn't the individuals' fault when he went outside the province, honestly believing that he could get better facilities, he or she, and surely, because private insuring plans ceased to exist in July, then somebody should be responsible for payment and I sincerely hope that the medical care commission can take the revenues that apparently are available from last year to pay these accounts on behalf of these many citizens; and I repeat, many of them are not in the position to pay the accounts on their own behalf.

Now, Mr. Speaker, I cannot support a budget in which we have no decrease in the heavy taxes that have been perpetrated upon our people. The budget, in my opinion, could have been carved in a better fashion to have brought more equitable services to our people. A budget that is implicated will do some of the things that I and colleagues of mine have asked for. But I want to see these programs in effect, not just to appear to be effective, because in many instances in the past we have had expenditures announced in the budget that never took place.

In conclusion I do want to give credit to the administration that sits opposite, in having adopted a new attitude with regard to building a broader foundation on which to collect revenues, to provide services for our people. But until such time as the announcements that have been announced in the budget are brought into effect, and until such time as they have changed this attitude and continue to propagate a changed attitude, then I cannot support this budget.

Some Hon. Members: — Hear, hear!

March 4, 1963

Mr. E. Whelan (Regina City): — Mr. Speaker, the budget brought down by the Provincial Treasurer and his analysis of the economic conditions in our province proved to me that the treasury of the people of Saskatchewan is in good hands. His presentation indicated that his policies are imaginative, democratic, courageous and practical. It is indeed fitting that the hon. member for Kelsey (Mr. Brockelbank) with his ability, his long experience, and administrative talent, has been allocated to the task of looking after our economic interests.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — I can understand the opposition referring to him as youthful, for his debating ability leaves them speechless and on the ropes. He is a student of politics. He is a dedicated representative of the people, and, as the budget indicates, he is an efficient administrator. I am sure that all of the people of Saskatchewan, after hearing his budget speech last Friday, are extremely pleased that the hon. member for Kelsey arrived at that nomination convention on the 14th day of April, 25 years ago.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — When participating in this debate, the hon. member for Moosomin (Mr. McDonald) began by suggesting that he needed assistance in order to act as a proper and effective critic. Mr. Speaker, after listening to him for an hour and a half, after listening to his futile attempts to criticize the excellent report of our economic affairs, I am prepared to admit that he needs help. I humbly suggest though that to be really effective, he needs new policies, and that his party will continue, and I predict too, that his party will continue to be the caboose in the Canadian train of progress until they quit retreating into the past.

Now, he may castigate the government and make accusations about high taxes, but I am sure that he knew when he rose to speak in this budget debate, and when he began his remarks about high taxes in this province, that he must have done so with his tongue in his cheek. For he must feel embarrassed when he repeats the defunct, distorted, inaccurate cliches that have kept his party on your left for almost 20 years, and I predict will keep them there for another 20 years.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — Well, the hon. member for Moosomin spoke with enthusiasm about the government in Alberta and Manitoba. This automatically

compliments the Social Credit government and the Conservative government; does this mean that he will now encourage these parties to participate in by-elections? I certainly hope so. It might just make a change in places like Turtleford, Weyburn, Prince Albert, for instance. And speaking of Manitoba, Mr. Speaker, and his party's record there, the best that he could say is that the people quit them some years ago.

After listening to the hon. member, if he moves an amendment that we can print and send out his speech to the people, I might seriously consider supporting the motion. Now, I am so impressed, Mr. Speaker, that I might obtain some of the copies to mail to my own supporters along, of course, with the budget speech.

Speaking as the representative of the people of Regina, may I enumerate one or two of the major benefits that accrued to my constituency as a result of this budget.

I am not attempting to make comparisons with any other constituency, and I hasten to point out to all members on both sides of the house that many of these benefits come to Regina because it is the capital city; because it is the seat of the government; because it is a centre of culture; because it is located in the heart of the richest prairie land in Saskatchewan. But there are specific advantages that are available to my constituents because of this budget. To list some of them:

The construction will begin on the first of two buildings on the new Regina Campus of the University of Saskatchewan; a program that will bring university facilities to a large percentage of my constituents for the first time. The increased grants for education outlined in the budget will check the rise of the mill rate in my constituency and, I hope, will hold it steady, curtailing tax increases on our home owners, particularly those on fixed incomes.

The budget will provide for the construction of a much needed telephone exchange building for the whole province and will be located in Regina. The construction of this building will provide employment as well as needed facilities for this efficient and necessary public utility.

The budget will provide 92 percent of the cost of social aid in my constituency. Since at one time the municipality itself carried the load for social aid, it is one more thing that has a direct influence on the mill rate in Regina city.

The payment of medical bills is provided in this budget, through a medical care commission, which will provide coverage for many people in my constituency for the first time.

March 4, 1963

and it represents a form of security from burdensome medical bills. This insurance plan under the administration of my colleague for Regina (Mr. Blakeney), the Minister of Public Health, is designed to, and I predict that it will, provide protection for the lowest possible cost.

Another item in the budget provides for expenditures for technical institutes, thus making available technical training for those in my constituency who need it in order to gain employment.

The budget provides, too, for the continued operation of the Department of Labour, under my colleague and fellow member for Regina (Mr. Williams), thus guaranteeing working men and women of my constituency minimum wages, holidays with pay, collective bargaining and other recognized and established benefits.

And, finally, it is my firm belief that the industrial expansion program through the Saskatchewan Economic Development Corporation will increase industrial activity and thereby provide employment opportunities in Regina city.

But, even after enumerating these items, no representative is ever satisfied, and there are some items for Regina, Mr. Speaker, that I should like the Provincial Treasurer to place in a file on his desk and keep handy for reference should funds become available.

One of the first items, and perhaps at the top of the list, because of a shortage of hospital beds, is a new provincially-owned and operated hospital for the city of Regina. This would introduce all the new techniques for hospital care that are being practised in the country to the south of us and in other parts of the world. Since we have one provincially-operated hospital in Saskatoon, I believe that it is fair and economically feasible and practical to operate a hospital in the city of Regina, in conjunction with the mental health program, to look after not only the needs of Regina but the medical needs of all citizens from the southern part of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — Although I realize that the Department of Highways has a municipal assistance program, and it has been most beneficial to the city of Regina. I would like to see this assistance program expanded to include financial encouragement to help negotiate an arrangement between the railways, the provincial government and the city of Regina to remove non-essential railway tracks within the city limits. At present, these railroads constitute a traffic hazard within the city limits and within the immediate area around the city. They are detrimental to good city planning.

I would also like to see a large enough grant set aside to guarantee the type of world grain show for 1967 in Regina that will properly celebrate Canada's 100th birthday, and would remind Saskatchewan citizens we are the bread basket of the world, and that peace in our time depends on the food we supply for hungry people.

There are one or two comments, Mr. Speaker, that I would like to make by way of comparison, to show that the finances of this province are being properly managed.

We are told by members opposite, yes, and it has been said on many occasions by Thatcherites, that the people who are running this government are impractical and what is needed is practical businessmen.

Mr. G.H. Danielson (Arm River): — I'm glad you said it.

Mr. Whelan: — All right, I'll get back to it in a minute. I assume, therefore, that there would be some of these practical people in some of the Liberal provincial governments who practised these good management techniques.

I want to make special reference to the Dominion Bureau of Statistics figures on estimated surpluses or deficits for the various provinces. I suggest that if we are the people who have no business ability, anyone who presents this argument is doing so without examination of the facts. In the Liberal province of Quebec, with an estimated expenditure of \$998 million, the estimated deficit, according to the D.B.S., for the current year is \$182 million dollars, and don't forget they have a four percent sales tax and a two percent municipal tax, a total of six percent sales tax in the province of Quebec. And in the Liberal province of Newfoundland, expenditures are estimates at approximately \$84 million, estimated deficit according to the D.B.S. will be \$11 million. New Brunswick, another Liberal province, estimated expenditures \$95 million, estimated deficit approximately \$7 million. Here in the province of Saskatchewan, where we are not supposed to be good business managers, we have a surplus estimated at \$5 million.

This is one of the yardsticks used to measure operations in the business world. It is not the only yardstick; we consider also the needs of the people. Liberals say the reason we balance the budget is because of the weather. Well, what about Manitoba? There was no drought there. The weather was pretty good, I understand. The province of Manitoba in this year, the current year, the estimated deficit for that province,

March 4, 1963

according to the Dominion Bureau of Statistics, is \$31 million. When, by good management, the province of Saskatchewan's government produces a surplus, the explanation from the Leader of the Opposition is, "It's the weather". Now, if it is the weather, how can he explain the deficit of \$31 million in the province of Manitoba?

It is no secret, Mr. Speaker, that in the last provincial election in the province of Manitoba, the provincial Liberals ran up and down the length and breadth of our neighboring province to the east, quoting the fine financial position of the province of Saskatchewan.

Since I have had the privilege of working for this administration for ten years in several capacities, and finally as a branch head, I am thoroughly acquainted with the administrative process for examining expenses and analyzing costs. Therefore, it is not surprising to me, Mr. Speaker, that we finish this current year with a \$5 million surplus.

All expenditures were so carefully allocated to us that many times I wondered where we were going to get the money to buy stamps during the last week in March. Hon. members across the way who talk about financial waste in different departments should work under the close scrutiny of the budget bureau for just one month. The opposition's unfair criticism and suggestions of waste are so far from the mark that I feel confident every civil servant in Saskatchewan who hears this will come to the conclusion that they are off the beam as usual.

I suggest, Mr. Speaker, that the entire budget presents well-balanced expenditures and necessary programs and industrial development, the extension of highways, maintenance of new and imaginative educational programs; it indicates the progressive thinking and practical economic approach of this administration to the problems that confront us.

Mr. Speaker, I would like to say something tomorrow on the cost of medical care through the public insurance, Medical Care Insurance Act, therefore I beg leave to adjourn the debate.

Debate adjourned.

The Assembly resolved itself into a Committee of the Whole.

SECOND READINGS

Bill No. 19 – An Act to amend the Family Farm Improvement Act, 1960

Hon. Mr. Nollet moved second reading of Bill No. 19. – An Act to amend the Family Farm Improvement Act, 1960.

Hon. Mr. Nollet: — Mr. Speaker, in moving second reading, I merely wish to explain that under the existing clause (d) of section 12, we

are required to provide details regarding accounts owing, some of which might only be two months in arrears, and most of which are paid up subsequently. This amendment would do away with this requirement and it would put the submission of the accounts on an annual basis, with any details in connection therewith also on an annual basis. With this explanation, Mr. Speaker, I think the clause can best be discussed in committee. I move second reading.

Mr. F.E. Foley (Turtleford): — Mr. Speaker, I wonder if I could direct a question to the hon. minister.

Mr. Speaker: — I would like to draw your attention to the fact that if it is anything to do with clauses, it would be better discussed in committee because you will be losing your right to take part in debate by asking questions at this time, and if it is to do with the clauses, I would like to advise the member to reserve the question for committee.

Mr. Foley: — I don't wish to debate further, Mr. Speaker. I just wanted to ask the hon. minister if this proposed change is for the purpose of simplifying bookkeeping only or if there are other reasons for dispensing with the annual statement showing details of accounts.

Mr. Speaker: — I must advise the member that the minister will be closing the debate if he . . . because I will have to take this as taking part in the debate so if there are any further questions or comments, they should come at this time.

Hon. Mr. Nollet: — In answer to the hon. member's question, it probably could be an embarrassment to the person involved to have his name indicated into the public accounts as owing the family farm improvement branch for being perhaps two months in arrears for one item, but we would be required under this particular section to make it available in public accounts and we think this would not only be embarrassing but it involves a good deal of detail. With the amendment it would, the information would still be made available in public accounts but it would be on a 12-month-period basis. I make that clear. The only thing I didn't mention is another amendment . . .

Mr. Speaker: — Order! Order! You cannot introduce new . . .

Hon. Mr. Nollet: — No, it's in connection with the same bill. I overlooked one . . .

March 4, 1963

Mr. Speaker: — You cannot introduce new material.

Hon. Mr. Nollet: — Okay.

Motion agreed to and bill read the second time.

Bill No. 20 – An Act to amend the Noxious Weeds Act.

Hon. Mr. Nollet moved second reading of Bill No. 20 – An Act to amend the Noxious Weeds Act.

Hon. Mr. Nollet: — This is an amendment to the Noxious Weeds Act and the principle changes are in the first subsection or section 2. It provides for including field bindweed that could be placed under control or land on which field bindweed occurred could be prevented from being seeded to cereal grain crops under a bylaw of the municipality.

The other, section 3, has to do with expenses incurred by a municipality in connection with weed control. It merely adds Canada thistle and toad flax to the weeds that can be controlled by a municipality and would permit a municipality to expend up to \$300 rather than \$200 for the control of such weeds on a quarter section of land.

And the other one merely provides authority to include field bindweed as a weed where a council could determine whether or not the land would be seeded to cereal grain crops or put under a rotation system for the control of the weed.

That's it, Mr. Speaker. With that explanation I move second reading.

Motion agreed to and bill read the second time.

Bill No. 21 — An Act to amend the Stray Animals Act

Hon. Mr. Nollet moved second reading of Bill No. 21 — An Act to amend the Stray Animals Act.

Hon. Mr. Nollet: — Mr. Speaker, this is an amendment to the Stray Animals Act. It does two things. It will permit a municipality to raise the fees charged for impounding animals and in addition it would permit a municipality to designate a co-operative pasture as a pound. With that explanation I move second reading.

Mr. D.T. McFarlane (Qu'Appelle-Wolseley): — On this item, Mr. Speaker, I just want to point out, make an observation here that I don't think is provided for. It is my

understanding that before any animals can go into a community pasture, and I imagine it applies to co-operative community pastures also, they first must be tested for different diseases, such as Bangs disease, T.B. and certain other things, and of course, they should be branded also. Now, it isn't provided for in these amendments as to who is going to make these charges, make these levies, or if the animal is to be put into the pound, or what is going to happen. How are the people who have their animals in the co-op pasture going to be protected if somebody just comes along at will and puts in a few stray animals. I don't see any protection here whatsoever for circumstances like that, and I think that in view of the fact that there are rules and regulations on the statute books now, and in view of the fact that people who put their cattle in these pastures feel that they should have this protection, I think you are leaving yourself open to criticism and leaving the people who have their animals in these pastures open maybe to contamination from anything that I have referred to. And I would suggest that this matter be given consideration because after all you may run into circumstances which may disrupt your whole program as you set it down to date. I don't see any protection here whatsoever.

Mr. Speaker: — It is my duty to inform the members that the minister is about to close the debate. If anyone wishes to speak they must do so now.

Hon. Mr. Nollet: — This act, of course, doesn't deal with the matters raised by the hon. member but where a community pasture has certain conditions under which they take in animals which must be vaccinated and this sort of thing, I would assume that the municipal council would work out arrangements with the co-operative pasture management to do all of the things, and they would similarly require that all the things that they do in terms of services they perform in connection with other animals regarding disease control would be taken and they would merely make the charges as any other pound-keeper would make.

Motion agreed to and bill read the second time.

The Assembly adjourned at 5:28 o'clock p.m.