

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Fourteenth Legislature
14th Day

Tuesday, March 5, 1963

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

On the Orders of the Day:

GOODS EXEMPT FROM SALES TAX

Mr. W.R. Thatcher (Morse): — Mr. Speaker, before the orders of the day are called I would like to direct a question to the Provincial Treasurer. In view of the recent budgetary surpluses he announced, has any recent consideration been given in adding to the list of goods exempt from the 5% sales tax? I have in mind, clothing in particular.

Hon. J.H. Brockelbank (Provincial Treasurer): — No, Mr. Speaker, this matter has not been considered.

SURCHARGE ON IMPORTED LIQUOR

Mr. Thatcher: — Mr. Speaker, I should like to direct a question to the Premier, before the orders of the day. In view of the recent action of the federal government reducing the surcharge on imported liquor from 15 percent to ten percent, has any consideration been given to passing those savings on to the consumer, as has been done in Quebec and British Columbia?

Hon. W.S. Lloyd (Premier): — Mr. Speaker, some consideration has been given to this. As a matter of fact, the main reason for price changes in the price structure relative a few months ago, was the devaluation of the dollar, rather than this particular effect, and to date we have not agreed to make any further changes in the selling price.

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WELCOME TO STUDENTS

Mrs. Strum (Saskatoon): — I would like to draw the attention of the house to a fine group of students in the west gallery, from the Hugh Cairns School, Saskatoon, under their teacher, Mr. Fast. I'm sure that all members of the house will join with me in wishing them a very pleasant day and a safe return home.

Hon. Members: — Hear, hear!

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. E. Whelan (Regina City): — Mr. Speaker, each day of this session as I walk up the steps of the Legislative Buildings, I realize that we are getting closer to the time when we will have the building paid for. Public buildings constructed by this government have been built and paid for as they have been constructed. Not so, the Legislative Building, itself.

The original cost plus capital expenditures since amounts to a figure of approximately \$5 million. About the same amount, Mr. Speaker, or a figure in the general area, around \$5 million has accrued in interest and charges of one kind or another. This year, 55 years after the building was started, because of good management by this government, and in spite of policies followed by previous administrations, the people of this province after April 1st, when they walk up the steps of the Legislative Building will be able to say for the first time, "This is the home of our government and we own it".

Some Hon. Members: — Hear, hear!

Mr. Whelan: — This budget will remain significant to all members of the house, Mr. Speaker, because during the time the present Provincial Treasurer was at the helm, we made the final payment.

There is an item in this budget, Mr. Speaker, that calls for the payment of medical care. This item represents a real saving for the people of this province. It has been said, emphatically, time and time again, during the last twelve months, by Thatcherites, that medical care costs too

much for government-operated insurance plans. What are the facts? What do they prove? They prove, Mr. Speaker, that private plans and free enterprise pay-if-you-can procedures are far more costly. In my hands, Mr. Speaker, is an article from the Financial Post, written by Mr. J.B. McGeachy, this man cannot be described as a friend of the CCF-NDP, but I think that you must agree that what he says would be accurate, and in this article he answers effectively the accusation that public plans cost too much.

Since the high cost charge has been made particularly regarding the British Health Plan, I offer his analysis of the plan as evidence. In his article in the Financial Post of October 22, 1962, he says

The current budget of the British National Health service is \$2.4 billion, which is about 4 percent of the gross national product. But Canada in 1961 spent \$2 billion on health, about 5 percent of their gross national product, though Britain has nearly three times this country's population.

In other words, Canada, Mr. Speaker, with approximately 1/3 of Britain's population, buying medical care, as we do now, except in Saskatchewan, spent approximately the same amount as the British population did to finance the British health plan. Do I make myself clear? The British population is three times ours but we spent approximately the same amount. Mr. Speaker, this is only part of the picture, and I quote J.B. McGeachy again, when talking about the British health plan he says

The total includes not only the medical and dental treatment, surgery and hospital care supplied free, but the cost of all the drugs, pills, false teeth and spectacles, wooden legs, crutches, hearing aids, wheel chairs and other appliances provided for token charges.

The government plan in Great Britain covers everyone completely. Our haphazard medical plan in this country, except in Saskatchewan, covers only those who can afford the fees in private plans and those who are eligible. Furthermore as J.B. McGeachy stated, when I quoted him, the British plan as Mr. McGeachy pointed out, covers cost of drugs, glasses, dental care, etc. etc. This is an enlightening bit of information, but if you differ with J.B. McGeachy and if you are not interested and will not accept his evidence, look at the Associated Press examination of the British Plan, and the comparison made with the cost of medical care in the United States.

I am quoting in part from an editorial in Labor, an international weekly newspaper, dated, February 9, 1963, and they are talking about the British plan.

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The cost of keeping the nation, Britain, healthy, is running about \$2.5 billion a year, which is less than a tenth of medical costs in the United States, though Britain's population is close to a 1/3 of America's. Moreover, while outlays under the British system, since 1948, have about doubled, total U.S. medical costs in the same period have nearly tripled.

May I repeat again, although the cost of medical care in Britain doubled since 1948, during the same period under a system that did not give complete coverage, and did not protect the recipient properly, the cost of medical care in the U.S. tripled. If you think private plans are practical and if you believe that private plans should be used to cover indigents or special groups, please let me tell you about the Blue Cross — Blue Shield organization in the United States. As I understand, the coverage is generally speaking, Blue Cross for hospital costs, Blue Shield pays for doctors' fees. A recent federal act was passed in the United States, and this provides medical care for those over 65, financed by both federal and state funds, with details varying from state to state. It is now in operation to some degree in twenty-four states.

Then the Leader Post on February 21, 1963, feature an article by Andrew King, it is titled "How Texas handles Medical Care" and it says, I quote:

The state of Texas has a quick efficient and economical method of handling its medical care responsibilities. It buys a block of Blue Cross insurance sufficient to cover the obligations assumed when it tied in with the federal Kerr-Mills Act.

Further down, quoting the same article, it goes on to say:

It adopted this course through confidence that medical services can be provided at a lower cost in this way than if it was administered by a state board.

Texas, Mr. Speaker, might look with interest at the State of Michigan, as to whether or not, private insurance is economical. The Detroit News of January 13, 1963, under a page-wide headline and I hold it up, that the members may see it, "Blue Cross Shield asks seventy million rate hike" and under the heading I quote a portion of the article itself:

The rate increases would average out to an overall 27 percent, in other words, for every dollar a person pays for Blue Cross Blue Shield

protection, he would pay a dollar and twenty seven cents if a full increase were granted. Colburn (State Insurance Commissioner) has told Blue Cross that its governing board should be controlled by the public, and he has told Blue Shield that its board should have greater public representation. The last Blue Cross, Blue Shield, increases, were approved by the state in April, 1961, taking effect June 1, 1961. The increases then at that time were 20 percent for Blue Cross and 10 percent for Blue Shield.

But what are you going to do as a government when private plans such as Blue Cross, looking after indigents, up the fees. I suggest that the Michigan commissioner has the answer. Public control, and as I pointed out the facts regarding the British plan, these facts prove the better and more effective answer in a government sponsored prepaid medical care plan.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — There are plans in Canada too, where exactly the same problem has to be faced by rank and file citizens who are buying medical care protection through private insurance plans. Let me quote an editorial from the Windsor Star, and this is a Conservative paper that pounded away in blazing red headlines, criticizing the Saskatchewan medical care plan last summer. Let me read what they say and I quote:

“Buy Medicare”. Some who don’t have to worry Buy Medicare. Some who don’t have to worry too much about where the next buck is coming from go to great lengths to fight a government sponsored medical insurance program. Their points don’t win too many ears for a reason that can best be described by a brief portrait of a Windsor area widow’s problems. Her husband was killed some months ago, he had no insurance. She has three children to raise, at age 22 she wants to give them a good education and good health. She receives \$36.00 a week from compensation as a result of her husband’s death. She must pay \$12.00 for Windsor Medical and \$4.00 for Ontario Hospital a month, out of that \$150.00. What’s the answer? We say low cost government medical insurance.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — Those who talk about freedom, Mr. Speaker, I suggest they are really thinking about the freedom of these plans to exploit

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the consumer, and the freedom of the consumer to pay 27 percent rate hikes when the plans ask for them.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — During the budget speech, Mr. Speaker, reference was made over and over again to the stability of this country. All hon. members will agree, this has a definite bearing on the economy of this province. Let us look at the situation at Ottawa. Let us analyze for a moment the political situation on this country. When the government was brought down, the largest group at Ottawa was the Progressive-Conservative. Up and down the length and breadth of Canada for two elections with the utmost fervor and enthusiasm, Conservatives insisted at the top of their lungs that we should “follow John”. I don’t think that you will hear this slogan again, Mr. Speaker, because those closest to him, those in his immediate cabinet, and some of those on the back-benches, have in the last weeks discredited the slogan. They have refused to follow John. With cabinet ministers leaving and the financial interests from Toronto attempting to take over, the Conservative party has all but collapsed. All that is left is an agriculture minister, claiming credit for a 40¢ payment on wheat, a few stragglers beset by a sorry record, a record that is completely dominated by indecision.

The complete collapse of the Conservative government was brought about by its inability to decide even the most trivial issues. The Canadian people are under the impression that the Prime Minister is so indecisive that they would find it necessary to appoint a Royal Commission to decide whether he should ride or walk to the house of commons.

One of the parties in this election is talking about stability, and trying to sell stability as their election platform. This party in the last two election campaigns, Mr. Speaker, was led by a leader whose public image was presented to the people of Canada as a Nobel dove of peace, wearing a bow tie. Mr. Speaker, the public image of this leader has changed, the dove of peace has changed into an eagle, an eagle with an obsolete Bomarc mounted on each wing.

Stability, they say, we will give you stability, Mr. Speaker, from 1935 to 1957 they maintain we had stability.

Mr. Cameron (Maple Creek): — On a point of order.

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

Mr. Cameron: — What the hon. member is saying may be very interesting, but I would point out to you, Mr. Speaker, that it bears no relationship to the point under discussion, namely the budget. I don't see what it has to do with the Saskatchewan budget that is up for debate in this house at the present time. I would point out that the member should restrict himself and at least have some regard for the issue under discussion, namely the budget.

Mr. Whelan: — Mr. Speaker, as I pointed out when I began my remarks . . .

Mr. Speaker: — Order! I realize the budget, as the throne speech before it, is a very wide debate, but I do hope members will tie their remarks into the debate which is before the house.

Mr. Whelan: — I'm talking about the economic stability of this country and I realize that the member from Maple Creek (Mr. Cameron) is not very anxious to hear what I am going to say, but I maintain that an analysis of the federal political situation at the moment has a direct bearing on the possibility of balancing the budget that we just had presented to us, and with your permission, Sir, I would like to continue.

Mrs. Batten (Humboldt): — Mr. Speaker, does the hon. member not realize that the Leader of the Liberal party is not the Prime Minister at the moment.

Mr. Whelan: — Well, as I said before, Mr. Speaker, from 1935 to 1957, they maintained we had stability. Well, if stability means relief lines and soup kitchens just prior to the war; if stability means the callous disregard for the old age pensioner and a paltry six dollar increase just before an election, and if stability means absolute refusal to honor a pledge regarding a national health plan, and if stability means smug refusal to make payments for hospitalization and if stability means lip service to the South Saskatchewan River Dam, and if stability means the denial of cash advances on farm stored grain, and if stability means no grants for federal highways to help our budget, and if stability means taxing of co-operatives and special grants to gold mine operators, and if stability means low interest rates to pipe line promoters, if stability means trampling on the rights of parliament and refusing the Prime Minister the right to speak, and if stability means putting horses on the pay roll and if stability means denying the Indians of this country the franchise, if stability means

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refusing and barring British manufacturers entry into the Canadian market when they were deciding to buy our Canadian wheat, if this is stability then I suggest that if the Canadian voters look at the record they are not going to buy this kind of stability.

No, Mr. Speaker, in terms of social and economic progress these people will be remembered as a snoozing group of stubborn, high-handed politicians whose strongest characteristic was absolute arrogance. Their final demonstration of contempt for parliament in the pipe line debate, together with their failure to solve Canada's economic problems, cost them the election of 1957. Their do-nothing attitude and failure to recognize Canada's needs and the provinces needs, their refusal to recognize the unemployment problem, not only in Canada but here in Saskatchewan, branded their administration as a failure.

During the period of political instability following the 1957 election, we received more good legislation in 10 months, then we had received from the snoozing stability boys over a period of 22 years.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — However, the present government, by its collapse indicates it is also a political failure, and I am suggesting, Mr. Speaker, that the people of this country will not fall for this stability pitch, that they will recognize both of the old parties as failures and that they are through voting for failures.

Proponents of one political philosophy have their leader talking about arming this country with nuclear warheads. I suppose this sort of activity would help our budget, we would have more employment perhaps, but they say they will control the safety catch. These same people have a leader who goes to another country comes back . . .

Mr. Coderre (Gravelbourg): — Point of order, Mr. Speaker.

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

Mr. Coderre: — There is a resolution on the order paper in regard to nuclear war heads and such things, and on three occasions the hon. member has mentioned them.

Mr. Thatcher: — Let's get back to the budget . . .

Mr. Whelan: — Just to put the thoughts together so that you can follow the argument, I want to give you this again, proponents of our political philosophy are talking about arming this country

with nuclear warheads, but they say that they will control the safety catch. These same people have a leader who goes to another country, comes back with a brand new policy, lays it in the lap of the Canadian public, without any reference even to his own caucus. By failing to consult his own caucus, I suggest he ignored his own political safety catch.

The result was disgruntled M.P.s, resignation of former candidates, resignation of policy-making people and organizers. Throughout the discussion of such important subjects, as unemployment, economic planning and nuclear armaments, only one party, the New Democrats have remained consistent and have presented a stable policy. This party, Mr. Speaker, for the first time in the last federal election, received well over 1 million votes.

Unknown, perhaps to the people of Saskatchewan, because of the newspaper curtain that has been drawn, predictions are being made right across the country, that indicate clearly that the old parties are in trouble. In some places that trouble has been caused by the New Democrats. In some areas the Liberal party has collapsed. In other areas it is the Conservatives. There is a dramatic change taking place in Canadian politics. New Democrats will have 220 candidates in the field, I look forward to the results on April 8th with enthusiasm. Even in this province, members opposite are going to be disappointed, and members in our group are going to be pleasantly surprised.

Mr. Speaker, the kind of budget that has been presented for Saskatchewan, the type of administration . . .

Mr. Thatcher: — On a point of order.

Mr. Snedker (Saltcoats): — On a point of order. We are supposed to be discussing the business of the province of Saskatchewan in this house, not fighting a federal election.

Mr. Speaker: — As I mentioned earlier the budget debate is very wide, and if members tie it in I cannot rule them out of order. It is a very wide debate.

Mr. Danielson (Arm River): — For my information, Mr. Speaker, would you be kind enough to define the area of the budget debate.

Mr. Speaker: — The area of the budget debate is quite wide, which does give the Speaker some difficulty in living up to the rule closely on one of these points.

Mr. McDougall (Souris-Estevan): — Will he give me some of his time?

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Mr. Speaker: — Order! Order! You will have a chance to reply in the debate.

Mr. McDougall: — Thank goodness!

Mr. Whelan: — I know that it hurts them, but I would like to complete my remarks. I have only a minute or two more to go. Mr. Speaker, the kind of budget that has been presented for Saskatchewan, the type of administration that has been given to the financial affairs of our province, the constant and progressive application of the CCF policy are amply evident in this budget speech. Expenditure of money is equitable and democratically applied. The budget is an example of practical stability, it is of benefit to all the people of Saskatchewan. Mr. Speaker, I will support the motion.

Some Hon. Members: — Hear, hear!

Mr. Kluzak (Shaunavon): — Mr. Speaker, in rising to speak in this debate, I would like to congratulate the Provincial Treasurer on the excellent content and delivery of his budget address. He being a veteran of this house, and one who has so ably mastered many departments, has this year had the privilege of presenting Saskatchewan's outstanding budget. This budget will provide and expand many meaningful programs for the people of our province.

I would also at this time like to congratulate the members of Touchwood (Mr. Meakes) and the Battlefords, (Mr. Kramer) on their new appointments to the cabinet. I have known these men for a long time and I know they will be a great asset to their respective departments.

Premier Lloyd has shown his usual good judgment in these appointments, and I know they will enjoy working with him in their new capacity. He has proved himself to be a very able statesman and certainly one of the finest men I have ever worked with.

Some Hon. Members: — Hear, hear!

Mr. Kluzak: — While members on your left, Mr. Speaker, are rejoicing in the winning of two by-elections, some of us on this side of the house wonder what party these members are representing, because they were not elected by Liberals. Surely, Prime Minister Diefenbaker must be very disappointed with the provincial leader who has folded up the Conservatives provincially, especially since the obstruction tactics by the Liberal party at Ottawa.

Much has been said by the member from Moosomin

(Mr. McDonald) in criticism of this budget. The government has been condemned because they spend too little.

This kind of criticism is created out of frustration by a party that will resort to any method by which they hope to obtain support in this province.

This budget is realistic and means even greater progress for Saskatchewan. It will not only provide for continuation of present programs but will extend the services in many fields of development. This, of course, will be called stagnation by the members opposite.

Last fall I took a trip around part of this province. Everywhere I went there were indications and proof of progress and development made possible by the previous budget of this government. I may say that I went up to the opening of the Petrofka Bridge. First stop was at Waldheim where we were entertained to a delicious luncheon in the new Mennonite mental home, a beautiful building still under construction. I wondered then if the member for Rosthern has told these people that he voted against the construction grant of \$42,000 which was contained in last year's budget, for this building, and made by the Department of Social Welfare. I am glad that this side of the house has recognized the need for these type of projects and senior citizens homes, and has done something about it.

My next stop was at the Petrofka Bridge, the opening of a million dollar structure, paid for out of the budget of this government. A bridge spanning the North Saskatchewan River that will not only bring these people closer together but will save them and the traveling public thousands of dollars in traveling expenses and many hours of time.

Later we were entertained at dinner in the auditorium of the new Blaine Lake high school. As I looked this school over I wondered how some of the members opposite could justify their opposition to larger school units. Here these people had a well-equipped school with educational facilities and an auditorium that would be a credit to any city. They too received a \$116,000 grant from this government.

Some Hon. Members: — Hear, hear!

Mr. Kluzak: — A stop at the Squaw Rapids Hydro Project was indeed a great contrast from the windmills we have seen mounted on buildings under Liberal administration in this province. I would suggest that all the members of this house take a trip to Squaw Rapids and see this huge project. Of course, they would have to go with their eyes open and that would be rather difficult for my friends across the way.

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A trip up the Lake Hanson road was very interesting. Here we have one of the finest gravel roads in the province which has opened a vast recreational area and has made direct connection with Flin Flon.

I would like to congratulate the Department of Natural Resources on the construction of this very difficult route, and for the many fine facilities they have provided for the public along this road. There can be found along this road some very fine accommodation provided by private investment, and the fishing was excellent. I know because a Mr. Lockwood who operates cabins and rents outfitting equipment, took me out trout fishing on Little Bear Lake and we had our limit of trout in 2½ hours. These projects are only some of the fruits of the expenditures by this government.

I was very pleased that this budget provides for extended expenditures in the Department of Agriculture. I would like to congratulate the minister on the expansion of provincial pastures. This will enable more farmers to diversify their operation into a field of better income. Agriculture continues to be Saskatchewan's largest and most important industry. The biggest problem today in agriculture is farm income. Since 1947, according to the Bureau of Statistics, the cost of farm production for Saskatchewan farmers has increased by 65 percent during which time farm prices have remained virtually the same. The blame for this can be placed squarely at the door of the federal government, especially the Liberal party.

I am glad that the members on this side of the house do not share the belief of Otto Lang, Liberal organizer in Saskatchewan, as appeared in the Leader Post of January 9, that farmers must be content with an abundance of fresh air as part payment for their work. I hope that every farmer in Saskatchewan will check this article over before April 8. This is in full accordance with the spokesman for the American Chamber of Commerce as appeared in the Western Producer, February 7, who claims that it is neither practical or desirable that farmers receive the same income for their labor and investment as non-farmers, because this fair share is impossible to achieve and contrary to the public interests. Have you ever heard anything so ridiculous, Mr. Speaker?

There you have the policy of the great free-enterpriser. But freedom for whom? We hear a lot from the opposition criticizing population increase in this province. We all know that the greater part of the agricultural area of Saskatchewan is subject to a shortage of rainfall. Hence it has become necessary for farmers to sow large acreage in order to get a volume of grain in good years that will provide for their needs in lean years. Large investment in machinery has also contributed to this factor. Automation has made it

possible for one farmer to farm three or more sections of land. This is unfortunate because it has created a great loss of population in rural areas, that under present agricultural conditions would not support them. The opposition well know that this situation exists.

I would like to remind them of the early forties when the Liberal government put in the P.F.R.A. pastures and I will admit that they were a good project, but what did they do with the people they displaced? They shipped them out of Saskatchewan, mostly to Alberta, because they had made no provision in Saskatchewan by which these people could make a living or provided a place for them to go. No irrigation and no industry. In my area we lost 30 percent or more of the people by this means. The Leader of the Opposition well knows that the same took place in his constituency.

This is the record of the Liberal party that sits opposite. If people didn't get out of the province by themselves, they loaded them in boxcars and shipped them out.

Statements that British doctors are scabs are unwarranted, vicious attacks made upon these humanitarians who have come to this province proudly, voluntarily and innocently. They came through ads placed in British medical journals by clinics, hospital boards, and some through the Agent-General. They came here to look after the sick, many of them to fill vacancies in rural areas. Some of them brought their families with them and have established a home, and are the best of citizens. In my home town we have one of these doctors who has his fellowship in surgery, and is performing such services that have never before been available to the people locally.

Some Hon. Members: — Hear, hear!

Mr. Kluzak: — I am sure that he and people of the community must have read with disgust and amazement this statement in the Leader Post. We have had British doctors come to this province for years and surely no one has ever before suggested that they were scabs. This, of course, is some of the guttery-type tactics that the opposition have resorted to in desperation, not only to keep people out of this province but to get them to leave. The amazing thing to me is that many of the supporters of the Thatcherism who occasionally put on a publicity act, of being sold out, all packed and they're ready to leave, are still here and doing business as usual. In fact some of them are expanding as is the Leader of the Opposition in his bull business.

There are also a few other scare tactics Mr. Speaker, that I would like to mention. I have here the Leader Post of July 12, page 5 you will find a propaganda picture

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of the Leader of the Opposition and some of his members trying to get into the legislative chamber to call a special meeting of the legislature but found the chamber locked. This was the day they had the Thatcherite-supported K.O.D. delegation present, protesting the implementation of the medical care plan. One can readily see, looking at this picture that a few of these members are not too serious about these kind of tactics while the majority have the expression of real determination. It seems reasonable that the Leader Post should have been able to photograph and insert a picture that appeared in Weekend Magazine of September 22 of the member for Morse kicking the door. In this article in the medicare battle, the writer states that the member for Morse, (Mr. Thatcher) had kicked the door six times so as to make sure the photographers could get a picture of his act. We know that by doing so he had hoped that it would really frighten the people of this province that democracy had failed to govern. However, the Leader Post failed to get this picture as I presume it was of no value for their purpose. I suggest, Mr. Speaker, that this act did exactly the opposite of what the Leader of the Opposition had intended. This act displayed the desperation of a man and a party that had sunk to communistic or fascist principles to try and upset a democratic government with the hope of gaining power.

The same type of tactics were used by communist dictator Khrushchev at a United Nations meeting in New York on October 12, 1960, when he took off his shoe, and pounded the table to try and scare the members at the meeting that his party was being badly abused. Likewise, Mr. Speaker, a group of Freedomite Doukhobor women in Hope, B.C. last May 26, disrobed before the Prime Minister of Canada in protest of education for their children. They too, had tried to frighten the people by this means, that democracy had failed, and they were being mistreated. All of these acts and propaganda because this government has successfully implemented humanitarian legislation that has been of such great benefit to the people of this province, legislation that has brought service and security to all, even though some of the die-hards don't like to admit it. I am glad, Mr. Speaker, that I have always supported the budget because this makes services available to the people of my constituency that I know they desire and need. I am glad I supported it last year because this made possible an \$802,000 natural gas service to the people of Shaunavon, Eastend and Dollard. It has also made possible the building of 32 miles of no. 4 highway from Cadillac to Val Marie, 8 miles of no. 37 north of Climax, 35 miles of grid road, and many other programs which I do not have time to mention.

On behalf of the people of Shaunavon, Eastend and Dollard, I would like to express an appreciation to the Minister in charge of the power corporation for this natural gas project brought to their centres.

I would also like to thank the Minister of Highways for the construction carried out in my constituency last year. I know that the people of my constituency and Saskatchewan are as pleased and proud of this budget as I am, and are looking forward to another great year of progress in this province.

Mr. Speaker, I am pleased to support the budget.

Some Hon. Members: — Hear, hear!

Hon. W.G. Davies (Minister of Public Works): — Mr. Speaker, may I begin this afternoon by congratulating the member for Moosomin (Mr. McDonald) who spoke yesterday. I always found the delivery of his talks in the house lively and forthright, to say the least, I think he always states his points with enthusiasm and with force. I especially want to commend him, Mr. Speaker, because he clearly had a most difficult job under all the circumstances. Given the presentation of the budget speech with its very numerous gains and advances I thought that he had an especially difficult job and I understood how hard it was for him in this background. I think, though, that credit is due to the hon. member. He did struggle valiantly to cope with the document even although the budget speech left him very little room to do so.

Now, Mr. Speaker, much will be said during the next week or so about the budget speech. I would like, before commenting on it myself, to say one or two words in appreciation of the hon. Provincial Treasurer (Mr. J.H. Brockelbank). I am sure, Mr. Speaker, that the members of this house felt as I did when listening to his message that the career of the member for Kelsey (Hon. Mr. Brockelbank) over the last 25 years or more, has been as distinguished as was the message that we heard on the last Friday afternoon. And I am sure that the contributions that he has made in this respect will certainly continue. The contents of his speech reflected much of his own special quality and experience, as well as, I suggest, his feeling for social good and for social progress. So I say, Mr. Speaker, my congratulations to the Provincial Treasurer for a great budget address and a considerable contribution to the welfare of the people of Saskatchewan, not only in this budget but over the many years that he has served the people .

Mr. Speaker, the opposition financial critic has followed, I suggest, yesterday afternoon, and last Friday afternoon, much the same line of criticism used by him and by his Liberal predecessors in like speeches over the last decade or more. Essentially, Mr. Speaker, I could personally discern little that had changed in the overall approach that

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he advanced. It seems to me that the apocalyptic theme of the Liberal party, striving to make disasters out of almost everything which has transpired under the CCF, while at the same time doomfully declaiming on future predicted reverses for Saskatchewan has been their chief stock-in-trade. I submit, Mr. Speaker, that the tinny echoes of this well-worn record have resounded in this chamber at this session, as well.

I say that time has not really been on the side of the critics. Every year which has gone by during this government's period of office, every year which has seen repeated the same tired complaints and direful warnings, has produced further striking evidence to expose the thin and the threadbare nature of these many criticisms.

The core of the budget address, Mr. Speaker, stated succinctly is to continue, and to enlarge, good government programs and to develop sound new ones, in the analysis, these programs, whether they deal with health or education, communication, industrial development, agriculture, really deal with improved chances for happiness for the people of Saskatchewan.

The budget speech has informed us of the fact that, in 1962, a new high per capita figure of investment has been reached at \$698 per person. We are reminded in the budget message that this is well above the Canadian average and the third highest amongst all of the provinces in the dominion.

Now, Mr. Speaker, the member for Moosomin, (Mr. McDonald) has acknowledged that the program for this year will extend the possibilities for industrial development. However, at the same time he has attempted to suggest that this was in the nature, as I believe he called it, of a deathbed repentance that really wasn't in line with the policy of this government over the years.

You will remember too, that in addition to this the member for Moosomin chided the members on this side of the house for a sentence in the 1934 CCF Manifesto that referred to the eradication of capitalists. Well, Mr. Speaker, what about this statement. I for one believe that the capitalism that we knew in the mid-thirties has seen some substantial modifications and has, in fact, with respect to some, in fact a good many, of its worst features, been eradicated. In 1934, there was no such thing at all, as the basic federal government admission of responsibility for unemployment; there was, in fact, at that time, Mr. Speaker, no unemployment insurance. There was no social aid concept as we know it today on a national basis, there were at this time no family allowances, no basic admission by the federal government that a socialized Bank of Canada was an essential requirement in assisting the economic life of the country; there were no

collective bargaining laws, and certainly very, very sketchy and insubstantial protective legislation for labour. Old age pensions were again of a very small order and could not be secured without a means test. Now, I say, Mr. Speaker, you could make a much larger list than I have cited very briefly. The evils of this earlier period, while they haven't by any means, been completely eradicated, have certainly been substantially alleviated and I contend that it has been because of the great work and the untiring efforts of many leaders of the CCF that a large part of these reforms has been brought about in Canada today.

There are certainly great gaps in our social security structure and in our protective legislation; these will have to be filled and this is part of the task of the members on this side of the house, and their fellow-members all across the length and breadth of this dominion. We will continue, Mr. Speaker, to work for the objective in the same way as our party has done over the many years.

Now, the 1963 budget offers a policy for the promotion and the development of the economy of this province. And it cannot be misrepresented as a deathbed repentance. The policy of the Saskatchewan CCF government from the very beginning has been entirely consistent in this respect. For example, Mr. Speaker, the budget speech of the Provincial Treasurer on March 15 of 1945 remarked on the need to develop the province and to utilize -

all available investment capital for the development of Saskatchewan's resources.

and went on to say:

in pursuit of these policies, Saskatchewan will always scrupulously honor its fair and just obligations. It will meticulously safeguard the savings of those who invest in the resources of the province. It will act in accordance with justice at all times.

This was the statement made in 1945 on March 15. Again, Mr. Speaker, in the speech of the Treasurer on March 14, 1946, almost a year later to the day, he spoke of certain visits to Toronto, Montreal, and New York for the marketing of provincial bonds and he had this to say:

I can't speak too highly of the courteous reception which has been accorded us. Much interest was shown in what was happening in Saskatchewan. We learned that much false political propaganda directed against the CCF party in particular, and this government in

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general, had found its ways to the eyes and ears of our investors. It was our task to explain our program, to tell of our accomplishments, and our plans for the future in the development of Saskatchewan and, (notice this) we had to correct a great many false ideas that had been created in their minds deliberately by writers and speakers from this province, from those who profess to love Saskatchewan, but who had put their party loyalty above the welfare of the province.

In passing, Mr. Speaker, I should refer to the remarks that the member for Moosomin, (Mr. McDonald), who yesterday, in my opinion, struck an entirely different note and position when he said (and I welcome this statement), Mr. Speaker, “that if the opposition can be helpful in promoting industry just call on us. I hope the government put their heart where their mouth was” I believe was the quotation almost exactly. May I say, Mr. Speaker, the opposition’s first gesture in this direction might be to put a muzzle on the mouth of the Leader of the Opposition when he is outside of Saskatchewan, because I think that while he might not have put his heart where his mouth is, he certainly put his foot in his mouth and made some statements that have been very harmful to the cause of industrial development in the province.

So, in any event, Mr. Speaker, I say that 17 years ago the government of this province was contending with the same kind of opposition criticism although throughout making its position clear about development and about investment. It is interesting to know that the Provincial Treasurer in the same speech of 1946, reiterated the guarantees that he had given in his talk of a year earlier. Then as now, the guarantees have been honored; they have been meticulously followed and they have earned for this government, I submit, a reputation for integrity in such matters that is in no way dimmed by partisan propaganda.

It should be noted, Mr. Speaker, that expanding on this theme in the following year, the budget speech added to what had been said in the previous years by remarking that, Mr. Speaker,

So long as private capital is prepared to contribute to the economic advance and security of the people of Saskatchewan, private capital and enterprise need have no concern over the policies of this government.

The statement goes on to say, Mr. Speaker, that the government fully recognized that under the existing framework of the national economy there is a “wide scope for private capital.”

I also point out that this was by no means the last message of this character. Two years after 1945, in the budget address, the same kind of assurances are reiterated and it is noticeable at this time the statement was made that the government has followed the policy of extending technical services, not only to assist co-operatives, but also to aid private enterprises in formulating plans for industrial development. Now, it is hoped, the statement said that

A further step can be taken. The time is now ripe to set up a revolving fund to which we propose to extend financial aid to co-operatives, municipalities, private firms and corporations, seeking to establish industrial plants and projects in the province.

This was in 1947, Mr. Speaker, and I think it should be sufficient to reveal (to any unbiased person at least) that the assistance to economic development that is mentioned in the 1963 budget address, is not a “deathbed repentance” as the hon. member for Moosomin (Mr. McDonald) has chosen to call it, but yet another link in a consistent chain of policy that has been followed ever since the inception of this government.

I point out that the steps taken by the government for the encouragement of business and industry have been steady and consistent. I’ve mentioned the 1946 and 1947 steps. In 1947 the Industrial Development Fund was set up; this, Mr. Speaker, was the first fund of its kind in any province. In this year the Saskatchewan Research Council was set up, intended, of course, to aid agriculture and industry in the development of resources.

Yesterday, Mr. Speaker, the member for Moosomin said that the 1963 proposals for Saskatchewan development were what he called, I think, the “new look” and he went on to say that “you stole it from us”.

Well, Mr. Speaker, I suggest that the program of the government is by no means a “new look” in terms of my lady’s fashions, which change from day to day, but has been a consistent fashion for many, many years, since, in fact, it is the co-operation, the professed co-operation of the Liberal party in these matters. I hope that this will not be a passing fashion, and I say again that I welcome the statement in this respect by the hon. member for Moosomin, (Mr. McDonald).

I want to say one or two other things, about the steps that have been taken over recent years in the way of trying to create better conditions for provincial development.

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It was in 1950 that the Industrial Development Office was set up. It was in the middle 1950's that the Department of Industry and Information was created to pinpoint the activities that had already been well begun. In 1959, legislation for municipal development corporations was approved by the house. Today, we have seen the proposals of the budget which are a culmination of all that has gone before. So, the Budget speech we study today, Mr. Speaker, is a fitting subject to look at in relation to what has been done before, because it reflects an even more accelerated program that has been known previously.

It lays, as I suggested, primary emphasis, not only on the development of industry, but, as well, on the development of agriculture. Hon. members will have observed that the industrial development program mentions three types of assistance for new industries. They are grants, loans, and the provision of sites and buildings. I'm not going to spell all these out, Mr. Speaker, they are mentioned in the budget address. But I believe that the people of Saskatchewan on reading about them and learning about them will acknowledge that there is a very, very considerable program bound up in these points.

The gross expenditure on farm programs for the next year of \$11.2 millions, recognizes the importance of agriculture as the basic industry in the province. Surely, Mr. Speaker, the steps that are mentioned in this connection are worthy of the approbation of everybody in this province and, indeed, the members of the opposition.

Mr. Speaker, when my hon. friends in the opposition talk about stagnation, speak about "lack of development" I think they should realize that it is their own party that is the most culpable, because I suggest that it was the Liberal party of this province, who except for a five year break, held power uninterrupted in this province for 34 years. It was during these 34 years, I suggest, that the basic prerequisites for development were not provided by the party that formed the government at the time, now represented by the members on your left.

The foundations for this economic development, Mr. Speaker, are contained in what the experts call the intra-structure. Now, this is the foundation that is made up of power, water, fuel, communication and facilities of this nature. Without them it would be difficult, if not impossible, to begin with any really substantial undertakings.

Mr. Speaker, members of the opposition have gone the length and the breadth of this province, berating and belaboring the government about what they have represented to be an enormous millstone of debt around the neck of the people of this province. The bulk of this debt, I suggest is precisely that sum of money which has gone to provide this

foundation for development in the province of Saskatchewan . . .

Some Hon. Members: — Hear, hear!

Hon. Mr. Davies: — To provide for the electric power, the gas, the communications that arterial part of the foundation for industrial development. Surely no one in this house is credulous enough to believe that if the government of the province had not proceeded with all of this development, if the public had not made provision for these facilities, they would have been provided by private capital. Mr. Speaker, it is manifest the margin for the bringing of electric power, as an example, to an isolated farm house, just doesn't constitute the kind of proposition that is attractive to private capital today. It was necessary in view of these uneconomic aspects — in view of the need not only to build up a base for industry, but to build up a base for the most important industry, agriculture — that the public had to undertake through its government, the production of power facilities. So today our most important industry is able to say that some 67,000 of its farmers have the means of expanding their production through the new sources of power that have become available. I say that through these means the government has provided the stepping stones to a development that is fast growing and, I think will continue.

In past talks, both in and out of this house, I have commented that the Liberal administrations in other provinces have performed ineptly and have failed in their respective provinces to bring about the economic expansion that the Liberal party in this province claims it could bring about if it held power in this province.

I want to point again to the thirty-four years of Liberal power in this province's history and the fact that in the last year of this power, in the year 1944, it remained for the then Premier of the day, the then Liberal premier, in his submission to the Reconstruction Council, to say Saskatchewan is the least industrialized province in Canada with the exception of Prince Edward Island.

Let's not forget, Mr. Speaker, that the Liberal party was in power at Ottawa for most of these years too; indeed, for a much longer period of time. Let's remember in this respect that it wasn't until 1957 we saw the last of the Liberals at Ottawa.

One would have thought that in all these years, it should have been possible, not only for the Saskatchewan Liberal government to have provided the foundations for this structure about which I have spoken, but that some aid should have come from the Liberal government at Ottawa to assist Saskatchewan in the building up of industrial possibilities. After all it was in the war time years, Mr. Speaker, that this country saw a considerable expansion and advance of industry and

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manufacturing potential. Why was it not possible during these years for the government at Ottawa to have assisted the government, its fellow government, in this province by decentralizing industry? Why was it not possible, in view of the statements of many experts following the Second World War to have effected decentralization of eastern industry by removing part of it to the province of Saskatchewan.

I would say that it is significant indeed, that not only do the policies of the former Liberal government fail to bear full scrutiny and examination with respect to industrial expansion, but equally, the policies of the national Liberal governments at Ottawa are wanting.

The member for Moosomin (Mr. McDonald), Mr. Speaker, last Friday afternoon said that the tax burden in Saskatchewan was as high, or higher, than any other place in Canada. Indeed, I think he went on to say on the North American continent, and yesterday he volunteered some further figures to justify this assertion. Now, I don't know just precisely from where the member from Moosomin got his figures, but I have some this afternoon that I would like to give to the House. These comparisons, which are D.B.S. comparisons on provincial taxation per person burden, don't bear out his claim.

Now in the first instance, Saskatchewan's per capita provincial taxation for 1962-1963 is estimated to be some \$110.50. This is just slightly higher than the Canadian average of \$109.61, it is considerably below the British Columbia level of \$134.55, and the Ontario level of \$131.51. Now, moreover, Mr. Speaker, if the cost for personal medical care, which is not being provided in the other provinces, were added to the provincial taxation figures of the other jurisdictions, the picture would be very much different. The province of Manitoba with a per capita provincial taxation figure of \$82.43, would certainly have their figure substantially altered. Consider that in Ontario this year, the price of private medical plan insurance has gone up very substantially, I believe by more than 20 percent; in some instances people are now paying from \$120 to \$150 for medical coverage. If this is taken into account I suggest that the idea that personal, or per person, taxation burden in these provinces is less, becomes largely illusory.

I want to point out too, that the Saskatchewan 1962 per capita provincial taxation is estimated to be about 6.7 percent of the per capita personal income. Now this is equal to the Canadian average; and four provinces have a higher percentage than this. Those provinces are Prince Edward Island, Quebec, British Columbia, and Ontario. So it may be seen that Saskatchewan is not out of line in the relationship between provincial taxation and the income, or ability to pay, of its people.

While my friend, the member from Moosomin, (Mr. McDonald) may like to criticize the per person taxation

level in Saskatchewan, I think he might well look at this province when his own party held political power, because in 1943-44 fiscal year Saskatchewan taxation was the second highest in Canada and considerably above the national average. Today, even with medical care taxes in Saskatchewan, and, of course, the accompanying benefits which no other province has, Saskatchewan stands third and is only slightly above the national average.

Now, in looking, Mr. Speaker, at the proposed estimates for the fiscal year 1963-64, I think it is important for us to recognize certain great fundamentals. An accent has, of course, been placed on economic development. We have talked about facilities, and their particular significance in this connection. But, I say, Mr. Speaker, that economic development in our province manifestly depends as well, to a marked, and a considerable extent, on the health and the security of the individual and upon his training and ability to produce goods and services of all kinds.

If I may enlarge on this, I suggest that the better our public health, our medical and hospital plans, the greater is the capacity of the population to work and to produce together. Therefore, in a material way, the good development of our resources depends on a healthy and a vigorous nation. In the same way if misfortune strikes at a family, bringing unemployment, sickness, suffering of this order, social welfare measures are best to tide the breadwinner over until he is able to work again. Again, in a material way these programs are important to the development of the province.

I think that the question of training and learning is likewise important to development. It is a matter of record, I think, that almost anywhere in the world, the first task of any country that has wanted to industrialize has been the training of its population. In fact, in our experience, the first thing that we had to do was to create a system of elementary education in democratic countries before we were in a position to carry out any program whatsoever pertaining to industrialization.

So I say, Mr. Speaker, that schools are an integral part of the initial planning in this direction.

Then let us look at all of these facets that make up this jewel of development such as public health, medical and hospital plans, social welfare, and education. If a little simple addition is done with respect to these programs, Mr. Speaker, it will be seen that almost 62¢ out of every \$1.00 that will be spent, after the approval of this house, during the coming fiscal year, will go to these four basic purposes. I submit that the spending of these sums is not only vital for the welfare of the individual, but that it is a substantial part of our endeavor to secure a growing and a more prosperous Saskatchewan.

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Some Hon. Members: — Hear, hear!

Hon. Mr. Davies: — I mentioned earlier, Mr. Speaker, that another basis for development was that of transportation and communication. This is recognized in the most practical way in projects for roads. In our budget this will comprise almost 16 percent. Another look at expenditures would reveal that some \$12.2 million which I mentioned already, of the budget goes to agriculture. All of these spendings clearly are bound up with the business of getting the best development by spending money in the wisest way. If the amounts in the forecast budget are considered in the manner that I have tried to give them to you this afternoon, taking, first, medical and hospital plans, social welfare, education, and then if we add to this the figure for roads and agriculture, it will be found that almost 90¢ out of every \$1.00 that is to be spent in the coming year, will go to this all-over area, this in a true sense is the area of expansion, of broadening and of vitalizing our province for economic and social purposes.

I think that it would be possible, if one wished to increase this figure, Mr. Speaker, but it should suffice to show that the budget figures for the coming year amply carry out the promise of the budget message.

I would like to say just one further word on the question of taxation. It seems to me that the opposition in their reaction to government programs in this budget, Mr. Speaker, and indeed, over the years have apparently started out with the 18th or 19th century point of view that all taxes are automatically bad. It seems to me that they seem to forget that this point of view was rejected years ago, and that indeed for the past century or more, governments in society have been steadily expanding, not because of any greedy or grasping governments, as is so often suggested, but because there has been reflected the demand of the public for new and improved public services the public has come to realize can only be obtained through government action.

I would just like to say, in relation to what we heard yesterday about the cost of taxes, something on what we have got in the way of services through local tax burdens and provincial taxations. I want to point out first of all, Mr. Speaker, that in 1962 it has been estimated the personal income per capita will be \$1673. It is legitimate, using the same comparison that the member from Moosomin (Mr. McDonald) used yesterday, to multiply this figure by four to arrive at a rough or family figure. This, of course, would give us \$6692. Now I want to measure the cost to the family of public services against the value of the services received. I am going to talk about, first, some of the benefits that we know locally; that people are getting, Mr. Speaker, because of municipal taxation.

What are some of these things? Education for children; sewer and water facilities have been made possible; police protection; fire protection; garbage collection and disposal; sidewalks; social welfare programs; streets; roads; parks; recreational developments of all kinds; property improvements; traffic control; health services; local agricultural programs; public utilities; transit systems; and so on. Now this list, Mr. Speaker, can certainly be enlarged but it serves to show something of what has taken place municipally, because of people banding together and agreeing to accept certain tax imposts.

On the provincial level, I shall briefly outline some of the programs that we enjoy because of taxes paid for provincial programs. Health programs — (we have a great list you know). The most important — hospitalization; medical care; cancer care; air ambulance service; preventive medicines; health regions; hospital construction aid; mental health care; you can go a long way beyond this list.

Education; school grants technical and vocational education; university grants; buildings; adult education; old age assistance; the whole field of social welfare, and pensions; aid to dependent families; social aid assistance; child welfare; geriatric centres; aid to senior citizens housing; under the field of labor, all the labor laws that my friend, the Minister of Labor will be able to chronicle so well in this house. Under agriculture development, the South Saskatchewan Dam; irrigation projects; new land development; pasture and forage programs; farm sewer and water assistance; crop insurance programs; machinery testing.

Under resources, forest; fish; fur conservation; fire control; development of mineral and industrial resources; and, of course, one could take all of the aid for roads. The northern road program, the grid road assistance program, our main highway program, Mr. Speaker, and bridge construction and the like. Now, one could exceed this scope but I suggest that these are good examples of public activities. In some cases only our government, only a government could perform to supply these programs. In many cases, the government is able to do best the job that is the expression of common goals and objectives that are desired by the people.

I say that any attempt to decry or to vilify this structure of public services and activities is as ludicrous as the conception of Don Quixote tilting at the windmills.

Mr. Speaker, I want to comment about one aspect of the budget speech that I think is of genuine significance; and that is the decision to propose a sum of \$1 million for house approval to establish a Saskatchewan Public Administration Foundation. I think the members will have noted the proposed

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structure, and will have noted that the foundation will permit when set up, worthy research projects and the support of special education programs at the university. Again bear in mind that all of these have to do with the public administration of this province.

This decision is one that goes a long way towards the assisting of our governmental bodies in this province. The provincial and local bodies to give better service to the public and to directly contribute to the public welfare in many directions.

The governments of the local provincial levels, not to mention the national, are increasingly called upon to perform functions that have far-reaching effects on the lives of all citizens.

The demands don't come accidentally, as I have attempted a few minutes ago to suggest; the demands come in large part because of the rapidly-growing, industrialized society that we know, and living together in large communities. It is of the essence, that we have in the whole process, a responsible, effectual civil service, eager to do its job and staunchly adhering to the best civil service ideal of dependence on the democratic will.

The proposal to set up a public administration foundation meets in a practical way all of these desirable objectives. I believe that our civil service in this province will greet the proposal with enthusiasm.

I want to pay some tribute to our civil service, Mr. Speaker, which I believe is the best civil service in the whole of Canada.

Now, I would like, Mr. Speaker, to deal with some of the activities of my own department, to tell you something about what has been done during the past year and what we will try to do during the ensuing fiscal year.

Speaking first of all about the capital construction program for 1962-63, I think that members will know that this was a larger one than the previous year. The net estimates for the 1962-63 capital expansion program was, if members recall, \$3,757,000 and some odd dollars. This sum, by the way, was arrived at after deducting the anticipated federal grants of some \$4 1/3 million of the gross capital expenditure, estimated at something like \$8,107,000. The considerable federal grants that were evident during the last year won't be, of course, as conspicuous during the coming year. I will say a little more about that in a few minutes.

I have made clear in a number of statements, a description of what has taken place in the technical school construction program. I don't want now any more than to touch upon it, to say that by the end of this year, perhaps by the middle of this year, Mr. Speaker, we should see both the addition at Moose Jaw and the two other technical institutions (at Saskatoon and Prince Albert) completed and in operation. Of course, they are going to add very substantially to the training potential for working and farming people of this province.

I have elsewhere voiced my concern also about the way in which the federal authorities have gone about their assistance to technical school programs. I don't want to touch upon any item that might infringe on the discussion of another matter before this house, but I do want to say that the posture that we have had to follow because of the imposition of the federal program makes it much more difficult to project and to mount activities of construction that will be in the best interests of the general public and get the ultimate best for the technical school training program.

I say what we undoubtedly need in Canada, is a long-range plan that will enable the provinces to arrange their activities for many years ahead for all kinds of school construction. A "crash" approach to school construction aid is not the best way in which to have a program of this kind function. I do believe that the program that we know has had the inevitable result of seeing the better-off provinces build more rapidly and take somewhat greater advantage of the available grants.

However, I think we are all pleased, Mr. Speaker, to know that the 75 percent shareable basis has been extended until October of this year for construction that is now under contract. This certainly constitutes a breathing space for the rather tight scheduling that we have known, although it has not by any means, as I tried to explain, completely satisfied the criticisms that I have advanced.

Mr. Speaker, the department, as I have commented also elsewhere, tries to undertake as much of its building activity as it can in the winter months. We have been very successful in this. This is another reason why, if we can get federal agreement on this, to have a program that we don't have to rush. Because then we can stage more winter work construction and less of the construction need be done during the remaining months.

This year, Mr. Speaker, will see the completion of the Swift Current Geriatric Centre and the Yorkton Psychiatric Centre as well. The latter should be completed in December of this year. I don't need to remark perhaps that with this work done we will see added to Saskatchewan facilities two very valuable buildings.

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The first stage of a contemplated three-stage plan to improve the provincial correctional institution at Regina was taken last year. We hope, as you will hear more about later on, in the estimates, to proceed with the second stage of this program at the Regina institution. This again should enable the authorities at the jail to conduct programs that are positive and meaningful, so that in the long run rehabilitation, and not the continual re-acceptance of prisoners at our correctional institutions will be the experience. Therefore, this will add in a noteworthy way to facilities in the province.

The house will probably know that in January of this year, we let a contract for the addition to the research council. This, in the amount of \$186 thousand in round figures, will be an entire new floor for the building. We started it in January again so as to give the maximum opportunity for winter work.

Now the capital expenditure for the fiscal year 1963-64 is estimated, as you will note, at \$5,790,000. About \$1½ million of this amount, is hoped to be secured as reimbursement from the federal government on technical institutes and the Psychiatric Centre at Yorkton. This will mean a net or total capital expenditure of \$4,220,000.

May I deal with just a few of the more important aspects of what this money will do in the period ahead.

We intend to spend the sum of \$1.95 million for the Department of Education. This will complete the technical institutes and allow some money for miscellaneous construction. As well, Mr. Speaker, it will provide for an addition to the School for the Deaf at Saskatoon. I think this is exceedingly worthwhile. The addition will house approximately 100 pupils.

The department will build a maintenance repair depot for the Department of Highways and Transportation at a cost of about \$200,000. Again there is a sum in the budget for miscellaneous construction that we inevitably encounter in an average year.

The Architects Branch of my department is preparing plans and specifications for a core storage building at La Ronge for the Department of Mineral Resources. This will cost about \$100,000. The building will supply storage for valuable diamond drill core and other rock samples and specimens. There will also be here an examination or lab facility for the study of core and specimens, Mr. Speaker. Office equipment and some living space is provided for in this proposed appropriation. Undoubtedly the provision of cores and samples has been a great assistance to mining industry. This extra space will further improve the capacity of the Department of Mineral Resources to meet the needs of those concerned. A sum of around \$20,000 for miscellaneous construction has been established in the proposed figures.

The sum of \$1,710,000 for the Department of Public Health will be submitted to you. I have already touched upon the major expenditure here, that of the psychiatric centre at Yorkton. The balance of the sum will be spent as described in the estimates. I will make comment about one of the expenditures, that is the sum of \$100,000 that has been provided for a beginning on the psychiatric research building at Saskatoon. I think the hon. members are all aware that a proposal for a psychiatric research centre has been put forward over the past several years by psychiatric authorities and organizations.

The Department will spend on miscellaneous construction of public buildings, \$370 thousand. This figure is not an extraordinary one — it is one that takes account of buildings, repairs, contingencies — and is about the same as last year with recognition for some work that we could not do in the recent period. Part of this money will be spent in removing many of the old corroded pipes that are part of this building, and which are constantly bursting and costing a good deal in the way of repair to replace so that this stage should see the replacement of this part of the system so that we don't have this continual extra cost to incur.

The sum of \$1,035,000 is set aside for the Department of Social Welfare and Rehabilitation. Part of this is for finishing of the Geriatric Centre at Swift Current, and, as I have explained, the second stage of the correctional institution in Regina.

I think this constitutes the principal aspects of construction that we will be undertaking. I will comment about one other part of our work. This pertains to the service aspects of the Department of Public Works.

I think you all know that we provide the departments of government with a multitude of services. I suppose the greatest of these is to supply space at the optimum of condition and those things that are involved in good space. This includes repairs, renovations where necessary, cleaning, furnishing, heating, lighting, maintenance of landscaping, and so on. Some idea of what this involves, Mr. Speaker can be seen by a look at last year's operations when complete services were supplied to 10 legislative departmental buildings, 12 teachers' colleges and provincial office buildings, 2 technical institutes, the school for the deaf, 17 court houses, 7 land titles buildings, 51 general buildings. These I may say comprise highway warehouses, health centres, weigh scales, storage buildings and the like.

Now, I should comment about the mail and messenger service of the department which has only a staff of 10, but which last year handled some 4 million pieces of mail and 230,000 pieces of messenger mail. Here again you will get some idea of the magnitude of our postal operations.

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Now, no doubt, Mr. Speaker, there are other facts of the department and I am sure these will emerge during a discussion of the estimates. I would like, though, before finishing this part of my remarks, to pay tribute to the employees of the Department of Public Works, who I think in general render very satisfactory service to the public and indeed to the civil service employees who work in public buildings. I have always felt that a good accommodation of the work force results in a better, more efficient discharge of the employee duties. I don't think that we satisfy every individual tastes by any means, but I think we have supplied a very desirable standard. This in turn, has resulted in better service to the public.

During February of this year, I should tell the house I lost my deputy minister, Mr. Langford to the Federal Department of Public Works. It is a great tribute to him. He has become the chief architect of the building section and our good wishes certainly go with him. I also express commendation at this time to Mr. D. Larmour who has succeeded Mr. Langford. Mr. Larmour was formerly the chief engineer of the Department of Highways. I feel that we were especially fortunate in being able to get his services. He is one of our foremost, able young public administrators. I know the department will benefit from his work.

Mr. Speaker, in bringing my remarks to a close this afternoon, it is apparent that the Budget Speech indicates that a very satisfactory course has been charted for the next fiscal year. It is a budget that attempts to provide for personal security and welfare while at the same time looking to the interests of the whole province in extending plans for expansion and prosperity. Our province is a large one, its population is diffused. The number of farmsteads alone, Mr. Speaker, is double that of the province of Manitoba. It is an area in which many more problems have had to be met, I suggest, than have been encountered in other provinces of the dominion. It is a matter worthy of note that our people are vigorous and able in their efforts to solve the problems. The fact is that our farming operation is amongst the most efficient of any in the world. Our labor force, Mr. Speaker, according to recent statistics, gives more productivity per workman than any other provincial jurisdiction in Canada. It is a province that believes in experiment, believes in innovation, believes it is good to hold on to what is tried and true while at the same time understanding the need to plan for new goals and for that which appears desirable and good.

I support this budget and the motion, Mr. Speaker, knowing that it will help our province and help our people. I again commend the Provincial Treasurer for a document that I believe will rank among the best budget addresses ever given in this house.

Some Hon. Members: — Hear, hear!

Mr. I.H. MacDougall (Souris-Estevan): — Mr. Speaker, I should like to open my remarks with a word of welcome to our newest member from Prince Albert, (Mr. Steuart). Now in the past we have had many foreign languages spoken in this house and I should like to add to them by making my words of welcome in the language of the Gael, which we are led to understand was spoken in the Garden of Eden.

An Hon. Member: — By the serpent too!!

Mr. MacDougall: — “Ciad mile failte” which means “one hundred thousand welcomes”. And to the member sitting opposite who comes from Nova Scotia no doubt he has heard that in Cape Breton.

To the members opposite who have had such sage words of wisdom to offer our member from Prince Albert, there is a little Gaelic expression or a little Gaelic proverb which says “Ha bonnach beig la benachic na share na bonnach mohr la damnagh” and this means “the little bannock with a blessing is better than the big one with a curse”.

Now I know that Mr. Steuart comes to us in this house with the blessing of the people of Prince Albert.

I wish also to welcome the hon. member for Milestone (Mr. Erb) to our ranks and although he is much maligned by his former associates, he did what his conscience said he must — he left the socialist party. Then after further reflection he found that the Liberal party was the party which appealed to his ideals and we welcome him to our side of the house.

I want to take this opportunity to bring before this government some of the problems which exist in my own area and bear looking into. I want to commend the Minister of Highways for his department completing highway no. 18 from Carnduff to Manitoba. This is something that we have fought for for quite some time, and now that it has been built it is an asset certainly to that corner of the province. However, before this road is allowed to become chewed to pieces by heavy traffic, I would urge that his department consider black-topping of this road at the earliest possible date. This corner is one of the main entrances to the province and I am certain that more traffic of the tourist variety would use this highway to our report area if black-topping is completed.

And while on the subject of highways, I want to comment on highway no. 47 north of Estevan. A number of years ago the highway south to the United States boundary was made a dust-free highway. Now this has been a very worthwhile effort because this port of entry accommodates something in the neighborhood of 6,000 cars per month. However, there is no direct

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link between Estevan and no. 1 highway. By the same token Estevan businessmen feel we are not able to take advantage of some of the trading area to our north because highway 47 is not in good shape. As a matter of fact it only goes as far as Stoughton and from there on it becomes a municipal road. I know that many delegations in the past from Cannington and Weyburn constituency as well as from Souris-Estevan have attempted to point out the necessity of rebuilding and connection with no. 1 highway. Once again I strongly urge at least oiling of this road from Estevan to Stoughton and the building of a highway to no. 1 is of prime importance.

Now, Mr. Speaker, I turn to the natural resources department. I want to congratulate the hon. Minister of Natural Resources on his appointment to natural resources portfolio. He has, no doubt, been busy over the past few months becoming acquainted with the various phases of his department and, in particular, I would like to draw his attention to the regional parks program. I am most interested in this phase of natural resources department. Regional parks as most hon. members know are set up on a basis of municipality or group of municipalities getting together and forming a regional park authority. It is an excellent program, designed to provide small parks in the areas of the province where no provincial park is easily available. Members from the northern areas are not so concerned with this program as we in the south are. A good feature of this regional park program is that it gets local people interested and involved in doing much of the work, and thus we get the maximum amount of each dollar spent. A regional park authority is paid for, as you know, on a 60/40 basis or split in the capitalized cost with the provincial government paying the 60 percent of the split. These parks have varied capitalized costs.

Now our own park Woodlawn Regional Park, which is set in a natural setting along the Souris River is capitalized at a cost of \$110,000 and this, I believe, is the largest one in the province of Saskatchewan. Now very little of the amount spent here will be spent on labor costs as service clubs and other interested citizens do a good deal of the work, and spend a lot of time on this venture. The Department of Natural Resources aided us greatly in the planning of this park and the services of the personnel involved have certainly been appreciated by the people around there. Now somewhat over a year ago all the regional parks in the province formed a provincial association known as the Provincial Regional Parks Association. They meet once or twice a year to discuss the problem of the regional parks. Last year was the first year of operation for most of us and one thing becomes evident as time goes on and that is, the necessity of the provincial government, to aid regional parks in the form of maintenance grants. At our last Regional Parks Association meeting it was strongly urged and recommended to the government and many of the government officials were there, that maintenance grants be considered on a per man-hour basis in the reverse order of the construction grants. Now in this case the province would probably pick up 35 percent

of the maintenance costs for the year and the municipalities would contribute the balance. It appears to be an excellent suggestion on the part of the association and I feel that it is absolutely pointless to expend huge sums in capital costs for constructing regional parks if we let them fall apart for lack of maintenance funds. And I think this cost is certainly justified. Therefore, I urge the minister to give consideration to this in his department's estimates for the coming year.

Now, Mr. Speaker, I turn very briefly to mineral resources. It appears to me that not all is healthy in the petroleum and natural gas industry. At the request of the government, about one year ago, the Canadian Petroleum Association was asked to present a brief recommending changes in regulations and policies for the purpose of creating greater interest in exploration by the oil industry. The brief was the result of something over 5,000 man hours of work and it was presented in October, 1962. No further action then was apparent by the government until January of this year and then we heard a bit of a rumble in that direction. Since January there has been a further lull, although I do see some small mention of this in the Budget Speech. This industry, as all of us are aware is a very important part of our economy. Directly it supports something around 2,000 people and indirectly 15 to 20 thousand persons. Up to the end of 1962, the industry spent over \$730 million in this province. Further, each year it contributes \$15 million annually to the provincial coffers. It is true that the production of crude oil is at an all-time high in Saskatchewan, but while production has increased each year since 1956, Mr. Speaker, discoveries of new oil reserves have not been sufficient to replace the oil that has been produced. And at the moment we are looking at about 8½ to 9 year reserves. Exploration drilling has decreased steadily since 1954 when 370 oil or gas wells were drilled down to about 116 in 1962, and most of these explorations have taken place in the Souris-Estevan, Weyburn and Cannington constituencies. The lack of exploration is probably the biggest problem facing the industry today.

Now, what are some of the reasons for this lack of exploration? Certainly we cannot overlook the geological prospects, or lack thereof. Markets? Markets in this country have been excellent, absorbing all the crude that Saskatchewan can produce. The only other valid reason for the lack of extensive exploratory work, is the government's policies. A fine example of this is their restrictive policy in regard to the disposition of natural gas, as it must be sold to the S.P.C. Here I should like to quote, Mr. Speaker, from page 23 of the C.P.A. brief to the government regarding the natural gas policy.

In Saskatchewan the sole right to purchase and transmit natural gas within the province has been vested in the Saskatchewan Power

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Corporation, and all producer sales must be negotiated with that corporation. Despite its monopoly position there is no avenue of appeal for the producer on matters of price or volume. The cornerstones of incentives in the gas business. In addition, there is no provision in the present petroleum and natural gas regulations to encourage gas exploratory drilling and to reward a company by the right to acquire additional land holding in the event of a gas discovery. As a result exploration for natural gas has been at a standstill for some years.

To go on, I further quote:

It is the recommendation of this association (that is the Canadian Petroleum Association) that the government should immediately reaffirm its desire to stimulate natural gas exploration in the province by:

1. Opening an avenue of appeal for the producer and the S.P.C. by establishing an independent arbitration procedure.
2. Recognizing that in the final analysis the value of natural gas should be the price it will command when free to seek its own markets. Once this fact is recognized, it is possible to adjust to the next step, that a ready market at a satisfactory price is the most powerful stimulant for the extra active industries yet devised. Without the clarification of its policy on natural gas, the province cannot hope to attract petroleum exploration to the extent necessary to maintain its present position as one of North America's important petroleum producing regions.
3. Amend the present regulation to provide that in the event of a gas discovery on a permit for drilling reservation, the holder has the right to earn or select up to 100 percent of the lands in the gas leases for gas-producing horizons. Due to the seasonal nature, natural gas demand in this province, load factors are necessarily poor. As a result a large part of the producers' investment is idle for part of the time and this acts as a deterrent to exploration for natural gas. As a consequence, the industry would be in favor of export of natural gas from the province.

The Canadian Petroleum Association wishes to go on record as strongly objecting to the past action of the government in insisting on gas conservation to reduce physical waste and at the same time forcing on the producers a residue gas sales arrangement that is less than could have been obtained on a normal competitive basis to the economic detriment of the project.

Now each year the industry becomes more and more cost conscious and one does not have to be a mathematical genius, Mr. Speaker, to see that the increase in health and education taxes, provincial income tax, higher Workmen's Compensation rates, to name a few, have their detrimental effect. It occurs to me that the exploration dollars will go to the area or province offering the greatest hope of return on investment, and while I realize that this is a bit foreign to socialist ears, we in Saskatchewan apparently do not offer these incentives.

I suggest, therefore, Mr. Speaker, that we in Saskatchewan, because of our natural discrepancies, should be prepared to offer oil and gas companies, not only equal terms to those of our sister provinces, but better terms. Then, and only then, can we expect an upsurge in our exploration with subsequent development of new oil fields and new gas fields. The Canadian Petroleum Association, in its brief, to the Saskatchewan government, indicated that generally the regulations as set up in the statute books can be classified as favorable. However, they did feel that some changes in the regulations plus a change in the administration policies which are embodied in the regulations could have an effect on the incentive for oil companies to invest more money in Saskatchewan in exploration.

Therefore, Mr. Speaker, I feel that we in Saskatchewan should go along with the recommendations of the C.P.A. and they are as follows:

1. The amendment of permit regulations to allow more attractive grouping, work credits and lease selection procedures.
2. Amendment of lease regulations to reduce the term for new leases from 21 to 10 years.
3. Alteration of crown sale procedures so as to assist operators to assemble drillable land positions.
4. Provision of an avenue of appeal for review of areas of disagreement between the Industry and the Saskatchewan Power Corporation.

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5. Alteration of various procedures of the Oil and Gas Conservation Board, so as to remove existing difficulties in unitization.

The Canadian Petroleum Association, as most of you should know, is representative of the industry and these recommendations present the view of the majority of the members. Now to quote from page 32 of the brief presented to the Saskatchewan Government again:

1. The Saskatchewan division of the Canadian Petroleum Association, with its head office in Regina, is an association of some 65 exploration and producing companies which together produce over 95 percent of the oil and gas produced in Saskatchewan. This division has also 90 associated member companies in businesses ancillary to the search for and the production of oil and gas in Saskatchewan. The principle purposes of this association are to establish better understanding between the petroleum and natural gas industry and the public;
2. To encourage co-operation between the petroleum and natural gas industry and the provincial and local governments and other authoritative bodies;
3. To provide a forum for the discussion of matters affecting the welfare of its members;
4. To foster better understanding between this association and other organizations with similar objects and purposes. The division is governed by a board of directors directed annually by secret ballot, each company regardless of its financial structure or extent of its activities has only one vote.

Now, Mr. Speaker, I read the recommendations made by the C.P.A. and I feel that we can implement these recommendations. I would go further. I would say that we must implement the great majority of the suggestions brought forth in this brief. I think that the men who worked out the recommendations in the brief did so with the future of the oil industry in Saskatchewan in mind. The regulations changes certainly seem to me to be fair and reasonable. If, on the other hand, we do not go along with the recommendations, I am afraid that we simply will not be able to compete for the exploration dollar.

Mr. B.D. Gallagher (Yorkton): — Mr. Speaker, I too would like to take this opportunity to congratulate the member from Prince Albert, (Mr. Steuart) on his election last fall. He is, of course, unavoidably absent after the loss of his brother over the weekend and on behalf of all my constituents I would like to offer our condolences to him at this time of bereavement.

I would also like to congratulate the member from Milestone (Mr. Erb) on the courage that he showed in leaving the New Democratic Party last May. I certainly welcome him into our group, and before I say anything else, I think, Mr. Speaker, I should congratulate the former Minister of Public Works, the member for Milestone, on being able to obtain for the city of Yorkton before he got out of a bad camp, the Psychiatric Hospital in Yorkton that was needed so badly. After all, Mr. Speaker, I am fair, I think that we should give credit where credit is due and I think the member from Milestone was the man who got this across.

I would also like to take this occasion to congratulate the member for Moosomin, (Mr. McDonald) on the very fine job that he did the other day as financial critic of this opposition. I think that he did a terrific job. He stated a good many facts that members on the government side to your right will try and deny, or try and squirm around in the course of the next few days. One of the facts that seemed to me to shake them more than anything else was what he had to say about taxes, and although I am not going to say any more about taxes at this time, because the member for Moosomin certainly did much better than I could. I would only like to say to the Provincial Treasurer at this time that after the spree that the government has been going on for the last 19 years, or almost 19 years, that this new Provincial Treasurer has just about taxed himself out of the tax market of this province.

I have noticed that members on the government side of the house, this has not only occurred during this debate and the previous debate of this year, and on both throne and budget debates ever since I came into this house, they have tried to endeavor to leave in the minds of the people of Saskatchewan, Mr. Speaker, the idea that Saskatchewan lay dormant here for about 50 years, up until 1944, and all of a sudden we had a sort of a resurrection or rebirth after the socialists came into office. And so this afternoon in my remarks I intend to go back over a period of some 50 or 60 years in this province, as much as I hate to do this, but I am going to go back and tell about some of the things that we had before a CCF government came into office.

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I want to say at this time that those people who suggest Saskatchewan was dead or nothing happened in Saskatchewan before there was a socialist government are insulting the pioneers of this country. Because when you drive across Saskatchewan, you don't have to go too far from the city of Regina, and view the wonderful farmsteads, the lovely homes that were built back between 1910 and 1920, or before 1910, or after 1920; when you see the spruce groves, and maple groves, 40 and 50 feet high that were planted by the pioneers of this province, and then you listen to people on the other side of this house suggest that we just came to life after 1944. Well, I can tell you that you are all wrong.

When the Provincial Treasurer the other day got up to deliver his budget address he started out by telling about attending his nominating convention back about 25 years ago. And he told about the terrible roads that the people of the Tisdale constituency had to encounter in order to get to Tisdale, or wherever this nomination convention was being held to nominate him. And of course, he said, they got there. Yes, I suppose they got there even though the roads weren't just too good. But I would like to remind the Provincial Treasurer and members of this government that if he had gone back another 40 years before that that all the roads there were in this province were buffalo trails. He seems to have forgotten that we had a highway system built before this government came into office, and when you consider the number of cars and the number of trucks, and the size of trucks that are used today, as compared to 25 years ago, I don't think we had too much to be ashamed of insofar as our highway system was concerned. I recall about a year ago, the Minister of Highways was speaking in the budget debate I believe, and he said that he and the socialist government had taken Saskatchewan out of the mud. I suppose I should take this opportunity to thank him for some work that was done in my constituency last year, that certainly should have been done long before, but if he would have traveled on that no. 52 highway west of Yorkton before they reconstructed it last year, it was just about time that they took that highway out of the mud. I traveled on that highway before they finished constructing it and I got stuck on it, and this was in 1962. I believe that that highway was built when the former member for Yorkton was the Minister of Highways and he was a member of this house between 1929 and 1934 — or maybe even before that.

And the same goes for the construction of no. 9 highway which was built south of Yorkton last year. And so this talk that there were no highways in Saskatchewan, or no roads in Saskatchewan before this government came into office is all wrong. Certainly there are better roads today than there were then, there are higher taxes paid today than there were then, there are better roads in Manitoba and Alberta and all the rest of Canada than there were back before 1944. I heard

the rest of Canada than there were back before 1944. I heard a member of his house suggesting that this government built all the hospitals. We were very glad to be able to get a hospital built in my constituency last year and have it opened last year, but we had a hospital before this. It was built long before this government came into office, and there were hospitals built all over this province, all the sanatoria were built long before this government came into office – the mental hospitals the same.

One of the members suggested that before 1944 we almost had no school facilities in this province you would think to listen to some of them that we were a bunch of illiterates up until 1944. Well I don't know how the Minister of Education after 1944, who is the present Premier today, got educated enough to get himself elected to the Biggar seat in 1944 if he was living under these conditions. These are not true statements at all.

They also harp on this matter of power — the great expansion that has taken place since this government came into office. We all admit, we all agree that the program the power corporation undertook to give power to the farmers of this province was a good program but I suggest to members that sit opposite that a Liberal government to the east did just as good, or a little better because the farmers in that province got the power while the farmers in Saskatchewan were getting it from the socialists and paying for it. And not only this, Mr. Speaker, back before 1944 when there weren't too many people had power in this province, if we had had a socialist government that was going to charge \$500 to every farmer for power, I wonder how many farmers in the province back in 1937, 1935, 1938, when there were crop failures, could have found the \$500 to pay for the power. And the people who sit opposite, Mr. Speaker . . .

Hon. A.G. Kuziak (Minister of Natural Resources): — May I ask the member a question. Will you pay back the \$500 to the farmer?

Mr. Gallagher: — Mr. Speaker, I don't know what the hon. member across they way is yakking about.

An Hon. Member: — He doesn't either.

Mr. Gallagher: — I said that the people brought the power into this province charged the farmers of this province \$500 for it, and they were not responsible for the farmers being able to pay the \$500. Down in Manitoba, just to the east of us, farmers

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there were given the power under a Liberal government without paying 5 cents.

And the same, Mr. Speaker, goes for many other things that have been said from the other side of the house. And when this budget was brought down, the Provincial Treasurer seemed to suggest, or leave the impression that nowhere else in Canada could a budget like this be brought down. And he made a comparison of back when there was a Liberal government and today. For his information, I have a comparison of the budget, the amount of expenditures made in Manitoba in 1943-44 or up till the end of April, 1944 and up until the end of March of 1962, and comparable figures for the province of Saskatchewan. And in our neighboring province to the east in 1943 the expenditures totaled \$18,315,878.37 and as of March 31st last year the expenditures, which were the latest that I was able to obtain, from this \$18 million it grew to \$104,179,715.59, or about six times as much money. So the people who sit opposite have not done one bit more about spending money to give service to the people of their province than our neighbors to the east of us have. The only difference between what has happened here and what has happened in Manitoba is that these people here go on a spending splurge and waste more money on things that they think and we know are not practical. I will deal with some of these — maybe tomorrow when I have my radio time.

The notice in the Saskatchewan vital statistics that was tabled in this house last week, a figure which I believe was referred to in some former debate. I would just like to refer to it now for a moment. Some of the arguments put forth by government members are that we have had a tremendous expansion in the past 15 or 20 years, or since 1944. And, regardless of what we say, they still try to prove their point that Saskatchewan has become industrialized, and that we are growing by leaps and bounds. The fact remains, as a member from this side of the house pointed out a week ago, the population of this province has not increased. I believe the financial critic pointed this out the other day too. Something that I noticed here that rather surprised me is that in the age group of 65 and over, we are far ahead of Canada — we have 9.2 percent, but in the age group of 20 to 44, we are below the Canadian average. And I think, Mr. Speaker that this is quite a significant thing. It would seem to me that the people who are staying here are the people who can't get out and the people who are leaving here are the people that we should have stay in this province.

I heard one member from the other side suggesting that the socialists were the only honest politicians. Well, I intend to read into the records of the house this afternoon a few things that would suggest to you, Mr. Speaker, that some of the socialists are not very honest politicians. And I intend to go back to a period between 1940 and 1944 and refer to some of the promises that were made by some of the members

who sit opposite today, some of the former members of this house including the former Premier of Saskatchewan. What they thought before they were elected to office and compare this to their actions since they became the government of Saskatchewan.

You will well recall back before the 1944 election, after Mr. Tommy Douglas became the leader of the CCF in Saskatchewan, that he went up and down this province, telling about all the things that he was going to do for Saskatchewan once he became the Premier here. And of course he promised so many things that on some occasions he was asked how he was going to finance some of his programs. And on one occasion he has this to say — this is made in an address at Gravelbourg on June 2, 1944, as reported in the Leader Post.

T.C. Douglas, CCF leader, declared in an election campaign speech here Thursday night, that the CCF if given power in the June 15th election would shift the basis of taxation from land and consumption to the profits of mortgage companies which he declared went out of the province. Mr. Douglas said \$40 million went out of the province on the average each year and taxation of this would provide one of the sources for financing the CCF social program.

Well, now, Mr. Speaker, if Mr. Douglas' promise that day was to be kept I would think that this would mean that we would have less property tax today than we had before 1944. And, of course, all members of this house know that this is not true.

On the same subject, here was an address made by Mr. Coldwell, as reported in the North Battleford News, June 1, 1944.

CCF plans for public ownership of natural resources were detailed and it was shown that a proper publicly owned and controlled development of our natural resources could result in the bulk of the wealth of Saskatchewan being utilized for the benefit of the citizens of Saskatchewan. This would certainly be a welcome change from the past exploitation of its natural resources by outside interests.

And there is another statement made by Mr. Douglas in Regina, June 1, 1944:

Funds to do these things would come from taxation of large companies that have money, from additional liquor board profits, by developing industries in Saskatchewan that would produce

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grain alcohol, synthetic rubber, plastics, syrup plants, and linseed oil plants. (I haven't seen any of them yet.) Money would be saved by doing away with the political machine in Saskatchewan and by reducing government printing.

Well, Mr. Speaker, did you ever hear so much hogwash?

And here is what the now Provincial Treasurer had to say on this, and, of course, he should be an authority. That is why he became the Provincial Treasurer, I suppose. This was a broadcast that he made on January 29, 1942, and I quote:

A provincial government can conserve and develop our natural resources for the benefit of our people. This is not being done today; according to recent issues of the Canadian Mining Reporter, Imperial Oil has added 15,000 square miles to its holdings in the oil area of Saskatchewan. The Saskatchewan government is reported as well pleased. Under this system of development a few people will make fortunes. Development by the province and for the province would mean added security and prosperity for the people of this province, as well as greater war effort. A provincial government can take a greater part in the distribution of goods and so save for the people of this province profits which are now lost to us. This can mean more and better social services for all its people.

Well, Mr. Speaker, I guess some of the statements made like this by the now Provincial Treasurer are possibly the reasons why, as the member for Estevan has just stated, many of the oil companies left this province.

This was one of the statements made by the Premier when he was talking about resource development. He suggested ways in which the CCF proposed to get money to pay for its social services program. This was an address that he made at Weyburn, as reported in the Leader Post, June 13, 1944.

First by saving considerable money, by taking the civil service out of politics and setting up purchasing boards to buy government supplies. He charged that daily papers were given large printing contracts as payment for propaganda fed to the people and that taxes were used to keep a political machine.

And this goes on and on and on. I will read one more part of it just to show you how this man could exaggerate.

Sponsoring the development of natural resources by public or co-operative ownership, the establishment of secondary industries such as grain alcohol, protein feed-cake, wheat starch, wheat syrup, synthetic rubber, plastics, glycol, anti-freeze and linseed oils.

The now Provincial Treasurer in an address in the legislature on March 3, 1942, had this to say, as reported in the Star Phoenix of March 3, 1942.

Even now, when oil is the very life-blood of mechanized warfare, the government hands over to private corporations the right to this essential resource in large areas of this province. Mr. Brockelbank said: these companies will be developing these new fields and will be producing oil there for a profit because the heritage of the people has been given to them in return for a mess of pottage.

Well, now, Mr. Speaker, after statements like this you can well realize what has happened to our oil industry.

I guess I should go on and read to you what Mr. O.W. Valleau said in the legislature as reported in the Leader Post, March 2, 1944: He was questioned on this by the former member for Yorkton. This is quite a lengthy report, Mr. Speaker, and I hope you will bear with me, and I quote:

We propose to take over the large corporations, the banks, large companies, and the large insurance companies. The savings and profits realized by the large corporations would under government ownership go into the public treasury and would not be withdrawn from circulation. The profits could be used to improve the position of the people and provide them with a better life. Life insurance policies will be continued in force after a CCF government takes over the insurance companies; after all \$700 million was lost in life insurance during the depression, and I was one of those who had to let a policy lapse. The policies that are left, surely are sound. So far as the individual holder of a life insurance policy is concerned, he need not worry. His policy will be good under a CCF government.

Mr. Valleau said people might want to know why the CCF did not propose to take over the small concerns. The party proposed to take over the larger corporations as a move to prevent the recurrence of depressions. The small companies and concerns would be left to insure a continuity of employment. The savings of the smaller concerns were never large enough to have

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an effect on the economy of the country. I would like to remind the Minister of Industry to remember what is being said because we have suggested to him on different occasions that all we have got is peanuts in this province, and he said all these things are good. They were not large enough to cause depressions, he said, and he was asked by Mr. Stewart, the member from Yorkton, on taking over the large concerns, what would the CCF pay them, what would the rate of payment be and at what interest? Mr. Valleau replied "there will be no confiscation without compensation, that is CCF policy. The policy will be laid down by members of parliament."

Here is what the editor of the Saskatchewan Commonwealth, Mr. F.C. Williams, I believe had to say about employment at that time.

We know that rubber, high octane gasoline, airplane wings, syrup and sugar, are but a few of the essential commodities which the test tube has coaxed from the lowly kernel of wheat. In view of this it is somewhat distressing to recall that the only synthetic rubber plant to be contemplated in Canada so far, is being built in Ontario and will utilize the petroleum products of the big oil companies. If rubber and airplane wings, for example, are essential to this war effort and if we have the materials on the prairies from which they could be made, then we need a government in this province with the courage necessary to tackle this problem and to establish the factories right here on the plains. In the northern part of the province there is an abundance of potential hydro power. In the south amidst the wheat fields, we have one of the largest coal deposits to be found anywhere in the world. Apparently the task of harnessing this power and creating these industries will be one of the first major developments demanding the attention of the CCF government.

Well, this is 19 years ago, Mr. Speaker, and this goes on to say:

There is no time to lose in the setting up of the industries which I have just mentioned. The factories must be so planned that when the war is over they can be quickly and economically converted to the production of radios, furniture, prefabricated homes, and the thousand and one things which will be required in the reconstruction period. What greater incentive could we give our men and women in the factory and on the field of battle, than the assurance that here in Saskatchewan we have taken the first steps towards creating a world in which they will have a place.

Surely, Mr. Speaker, when the war was over, if this had happened, the boys and men that left Saskatchewan to take part in this war effort, when they came back here would have stayed. The fact remains that they didn't.

There is another article by Mr. F.C. Williams, pardon, this was a broadcast by Mr. Williams, called "The World Around the Corner" broadcast May 25, 26, and 28, 1943:

Chemurgy Co-ops will bring economic security to the farms and prosperity to the prairie cities. It will give our allies the vital materials of war. When the war is over then it will provide work and opportunity for our men and women now in the armed forces and war factories. In short, they will make available the abundant life which is the just heritage of all men.

These were very noble statements, Mr. Speaker, made by the people who sit opposite before they got elected to power. Well, I could go on and on and quote some of these things on employment, I might quote one here from Mr. Douglas, from a broadcast made by him on January 27th, 1944.

How can we maintain full employment? (as reported in the Saskatchewan Commonwealth of February 2, 1944, p. 8). The use of low grade wheat in the manufacture of grain alcohol for tractor fuel and synthetic rubber, the manufacture of plastics and building materials from wheat, straw, and the introduction of new crops for the production of rubber, oils and fabrics, they are all possible avenues of development here in the prairies. Already chemurgy, that is the use of farm products in industrial processes, has revolutionized both agriculture and industries in some parts of the United States and in Russia. We are standing on the threshold of a new age of scientific advancement, by making science our servant and not our master, we can win for all the people ever higher levels of comfort and opportunity.

Well, Mr. Speaker, before he saw this dream come true, he left this province.

Well, what did they have to say about health. And this is something that a lot of people in this province have been talking about. In a pamphlet, the CCF pamphlet entitled the "New Order" here is what was said:

A CCF government in Saskatchewan will give medical, dental and hospital services, irrespective of the ability of the individual to pay.

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In another pamphlet "Labor and Urban Security"

The CCF will provide a complete system of socialized health services, so that all will receive adequate medical, surgical, dental, nursing, and hospital care without charge.

Mr. Douglas in a broadcast of February 9, 1943, said this:

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

This was said in no uncertain words, which would seem to me, Mr. Speaker, that even the present Minister of Health and the Premier will hardly be able to believe this. It went on to say that:

The CCF believe the first duty of any government is to provide for the health of its people. We believe that by extending the socialized health services which we have already, by emphasizing preventive medicine that we can actually provide our people with better health services at a lower aggregate cost than they are now compelled to pay. By supporting the CCF you can make this right to health and happiness the lot of every man, woman and child in Saskatchewan.

Here is a little clipping from a pamphlet, Mr. Speaker, that was sent out, known as "Let there be no blackout of health"

The CCF stands for free medical services for all, and because the CCF stands for humanity first, the CCF will provide every resident of Saskatchewan with all necessary medical and hospital care, regardless of his or her ability to pay. Let there be no blackout of health.

Mr. Speaker, I don't think up until 1944 we ever had a complete blackout of health like we had in July, 1962.

What did they have to say about housing? Here is an article "CCF program for Saskatchewan" "Know what you are voting for" in the Saskatchewan Commonwealth, May 24th, 1944.

Adequate housing for the thousands of families that are now living in slum areas, and in crowded tenements in our cities, and that this program also include the rehousing of our citizens in the rural areas.

Pardon me, I believe there is a misprint here, I will let

this one go.

Here is what the Provincial Treasurer, now that he is in his seat, we will read what he said about the expense of cabinet ministers. You well recall that the people who sit in government today were very critical of the amount that was being spent by governments before 1944. One of the suggestions that they made was that they thought it was costing too much to keep cabinet ministers driving around the country and around the world. Here is what Mr. J.H. Brockelbank said in a broadcast, February 24, 28, 29, and March 1, 1944. As reported in the Saskatchewan Commonwealth of March 1, 1944, p. 8:

This Liberal government believes in the licence which allows a cabinet minister to take \$15.00 a day living expenses, and only pay two or three cents per meal for a boy or girl whose father has been thrown out of work by their insane economy.

Hon. Mr. J.H. Brockelbank (Provincial Treasurer): — What's wrong with that?

Mr. Gallagher: — Here is what he had to say in Prince Albert:

Although conceding that cabinet ministers should have enough compensation so as not to worry about day to day livelihood, Mr. Brockelbank said that a CCF government would reduce expenses and reduce salaries. He was critical of the traveling expenses turned in by government ministers.

Mr. Speaker, if I get time when I am done reading some of these quotations, I'm going to start reading from a return that I got last year, showing a little of the cost of himself, the Minister of Industry and Information, the Minister of Mineral Resources, and a few more of them, who not only traveled around Canada but traveled around the world. I was just noticing an item last night where it cost us \$281.00 to have the member for Canora speak to the Swedish Pulp interests. And this has been going on for years, but we still haven't got the pulp mill, and I don't think . . .

Hon. A.G. Kuziak (Minister of Mineral Resources): — On a point of privilege. I was at no time in Sweden.

Mr. Gallagher: — I didn't state you were in Sweden, Mr. Minister, I said speaking in the Swedish Pulp Interests.

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Mr. Kuziak: — You stated that I was all over Europe. I was not in Europe.

Mr. Gallagher: — We will deal with that a little bit later. I don't think, Mr. Speaker, that the present cabinet ministers when they travel about the world and about Canada and the United States, I don't think that they stay at the Y.M.C.A. I don't think they stay in boarding houses. But a resolution passed at a CCF convention back before they were elected said this:

Whereas all cabinet ministers are charging the people \$8.00 per day within the province, and \$15.00 per day when outside the province, for living expenses, when on government business, and whereas Premier Patterson has stated the people of Saskatchewan would not expect their cabinet ministers to stop at the Y.M.C.A. when in Ottawa, be it resolved by this convention of Saskatchewan people to go on record as stating that we wish to remind Premier Patterson and the government that people are judged by the services they render to society rather than the hotel they sleep in, or in the luxurious surroundings in which they eat, so that the ministers may be mindful of the general living conditions of the people to whom they are responsible, we hereby favor having all out-of-pocket living expenses of government officials and civil servants, allowed the average rate paid by the working people when traveling.

Now, Mr. Speaker, I would suggest that the ministers before they go out on another world excursion, or a tour across this country, they come out and see some of the slums that still exist in my part of the province and especially in the rural part of the Yorkton constituency.

What did they have to say about the education tax? This was one of their pets. Here is what a former Attorney General had to say about it. Just one word about the education tax:

The CCF is the only party that will abolish it. We have always been against it in principle and are pledged to work as fast as possible for its removal. We are honest, however, and won't promise anything that can't be done. No party can abolish the tax in its entirety, the first

session of the legislature, unless something is found to take its place, and we won't try to buy your vote with any such promise. The education tax is going, however, and it will be a CCF government that speeds it on its way, and most of us will say good riddance.

as reported in the Moose Jaw Times Herald, June 13, 1944.

What did M.J. Coldwell say about this?

The CCF will abolish the education tax as rapidly as new sources of revenue are found . . . he said in answer to a question.

I repeat it is the worst form of taxation, the sales tax. It is an abomination. But you cannot abolish a tax without finding revenue to replace it.

I suppose these people haven't found any more revenue

The education tax will gradually be removed . . .

Mr. W.R. Thatcher (Morse): — Legalized robbery.

Mr. Gallagher: — (he continued)

first it would be taken off food and medicines, and then it would be abolished. We will relieve the store keepers of the burden of collecting it, (Mr. Coldwell said) it will be levied at the source.

This was twenty years go, Mr. Speaker.

Mr. Thatcher: — Support the party that keeps its promises.

Mr. Gallagher: — I'm afraid we are going to have a night's sitting, Mr. Speaker, if I have to continue reading all these, Mr. Speaker.

Mr. Speaker: — Order! There is too much cross fire going on here which doesn't add to the decorum of the debate at all.

Mr. Gallagher: — Here is another statement made by the former national leader of the CCF party, Mr. Coldwell, as reported in the Star Phoenix June 9, 1944, just before the election.

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The CCF will abolish the education tax as rapidly as new sources of revenue are found, (he said in answer to a question) I repeat, it is the poorest form of taxation. A sales tax.

Here is what Mr. Henry Begrand, the former member for Kinistino, had to say about it, as reported in the Star Phoenix, June 2.

Mr. Begrand promised that a CCF government would abolish the education tax within twelve months. (in answering his own question as to how the CCF would find the money to finance all these promises) Mr. Begrand said.

The natural resources of the province belong to the people and these will be developed. The CCF would undertake a survey of all natural resources and this would provide the money.

Mr. Thatcher (Morse): — Shame! Shame!

Mr. Gallagher: — Well, there was one of them who was a little more honest than the rest, Mr. Speaker, Mr. Jacob Benson, as reported in the Leader Post of March 14, 1944, in reply to a question asked by Donald McDonald, Mr. Benson said:

If we are in power after the next election we will not abolish the education tax. It may be necessary to increase the tax. My only objection to such a tax is in calling it an education tax. That is merely sugar coating a pill so the people will swallow it easier.

Well, Mr. Speaker, this was the only honest one of the whole bunch and they got rid of him themselves.

What did they say about financing education. They were going to get rid of the education tax, but they were still going to be able to give us free education. I have quite a few of the quotations made by the members who sit opposite. The former premier of the province, the national leader at that time, Mr. Coldwell and a few more CCFers were saying that we were going to have free education. Well, here is what Mr. J.L. Phelps said in the legislature as reported in the Leader Post of March 26, 1943.

The present system of financing schools in Saskatchewan was unsound. Any school system in an agricultural country that depended to a large extent upon a local land tax was unsound.

Well, Mr. Speaker, the school land tax that I have to pay today, is about \$238.00 on half a section of land. It was about one-fifth that much when Mr. Phelps made that statement back

in 1944. This was the promise that he made on behalf of your party. This is what the Saskatchewan Commonwealth had to say about this in an editorial —

Is it too much to expect that educational opportunities shall be available to every boy and girl in Canada from kindergarten to university, without the size of the parent's pocketbook being the deciding factor.

Mr. Douglas, making an address in the City hall in Regina on April 14, 1944 said this:

We will reorganize the educational system so as to give to the boys and girls of this province, irrespective of whether they are poor or rich, all the educational opportunities which they have the God-given intelligence to absorb.

And what did they say about taking the civil service out of politics? This is going to be an amusing one, especially after the public accounts committee this morning, found that there was a Miss Brockelbank, daughter of the Provincial Treasurer, working for the government. They could hide some of these people if they employed them all in the Crown Corporations, but they are getting a little bolder all the time. I think they also found a Mr. Bentley, brother of the former cabinet minister, working for the government. Yesterday we found a Miss Neibrandt, daughter of the former member from Yorkton, working for the government. And, of course, every other day we see a Mr. Burton, sitting in the galleries up here. He has been defeated about two or three times in the Melville federal seat and is now working for the government . . .

An Hon. Member: — Three times and out . . .

Mr. Gallagher: — One of the latest additions to this group is the defeated former MLA for Estevan constituency, Kim Thorson.

In a radio address by Mr. T.C. Douglas, as reported in the Saskatchewan Commonwealth, this must be authentic when the Commonwealth reported it, December 1, 1943, p.8:

By contrast with the underpaid civil servants, behold the spectacle of the political appointees, who hold the plums of office, as a reward for service to the party.

I suppose this wasn't the reason Mr. Cass-Beggs got a \$20 thousand dollar a year job at the Saskatchewan Power, after he ran in the province of Ontario and got licked.

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That they know very little about the job for which they are being paid is neither here nor there, they manage the Liberal organization while the taxpayers pay the shot. No one who has done any electioneering in this province will doubt the accuracy of my statement. The moment an election or a by-election is called, government cars begin to appear in every community as if by magic.

Well, Mr. Speaker, anybody who was in Prince Albert, or anybody who was in Weyburn a year ago, will realize that if this was true in 1944 it was a lot truer last year.

Here is something else that Mr. Douglas said

First we intend to set up a non-political civil service commission, free from interference by either politicians or local patronage committees. We believe that the only requirement for employment in the civil service should be what you know and not who you know.

The annual convention of the Saskatchewan CCF meeting in July of 1939 passed the following resolution:

The CCF pledges itself to remove party patronage from the public service of Canada; while recognizing that heads of commissions, deputy ministers, etc., must be in agreement with the policy of the government, and should, therefore, be government appointments, all other civil service appointments should be, and under a CCF government will be, placed under the complete control of a non-political commission.

Well, if they believed this in 1939, then why was this other resolution brought into your convention last fall? Some of the people belonging to the CCF party of this province or the NDP now, think that there should be nobody appointed to the civil service unless they have an NDP card . . .

Hon. Mr. Nollet (Minister of Agriculture): — We were too good to the Liberals.

Hon. Mr. Kuziak: — Hired too many Liberals.

Mr. Gallagher: — In an address by Mr. Douglas in Regina, as reported by the Leader Post, June 1, 1944, Mr. Douglas had this to say:

The CCF aims to have clean and honest government. This would be accomplished by doing away with party patronage in the civil service and by setting up a purchasing board in Saskatchewan. This board would save the taxpayers thousands of dollars every year.

Here is what your national leader, or your then national leader, had to say about this, as reported in the Leader Post, June 9, 1944.

The day of the political heeler in Saskatchewan will be at an end if the CCF is elected (Mr. Coldwell promised). I would sever my connection with the CCF if this were not so.

This would almost make one laugh, Mr. Speaker, when you see the former member for, I think it is Bengough, this fellow that is with the Crop Insurance Board sitting in the galleries and drawing government money, and also the former NDP candidate for the Melville seat, and a few more of them. We see them every other day. What about the cabinet. This was something else that these people promised to do; they thought that there was too much money being spent on government and one of the things they were going to do was save money, and the first thing we knew after they were elected was that it wasn't too long until we had thirteen, or fourteen or fifteen cabinet ministers, and we had eight when they came into power.

Now, Mr. Speaker, there are many more things that I want to say, and I hope to be able to deal with some of them, and make some comments on what the Provincial Treasurer had to say in his budget remarks the other day, so I would beg leave of the assembly to adjourn the debate.

Debate adjourned.

PHOTOGRAPHS IN LEGISLATURE

Mr. Speaker: — Some time ago the teacher's federation asked permission to take a few slides to show the people what happens to resolutions for educational purposes within the teacher's federation themselves. Some pictures were taken on the opening day. They would like to take a few slides while the teacher's superannuation bill was before the house for second reading.

I discussed this personally with the Leader of the Opposition and some of the government. They themselves didn't want to see this become a practice, but at the same time they were not going to object to the teachers taking these pictures as long as they were advised ahead of time. At this time I would like to ask any of the members of the

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house if they have any objections, before I grant permission for that to be done, because I would not want to grant that permission and then find that some members had some objection to slides being taken. They will not be flash slides; they will only be taken when the teacher's superannuation bill comes up for second reading.

Premier Lloyd: — Mr. Speaker, I want to say that I don't want to take specific objection to it; I do think, however, that all of us should proceed with a great deal of caution. It would be most unfortunate and I think most members would regret it if this was the kind of request with which we would have to deal with very frequently, and if we allowed a continuous photographing of what was to go on in the house. So I am not rising to object to this, but I do think that we ought to make certain that the public knows, and we ourselves realize that this is not the kind of procedure which the legislature will be prepared to indulge in on any but very rare occasions.

Mr. Brockelbank: — Could I ask to remind the members, I have the right day this time, of the organization meeting and the select standing committee on crown corporations, this afternoon.

Mr. Speaker: — Before I remind you of that motion of the Provincial Treasurer, I assume that the house has no objection on this occasion for facilitating the teachers with their pictures.

The assembly adjourned at 5:25 o'clock p.m.