

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN  
FIFTH SESSION — FOURTEENTH LEGISLATURE  
19th Day**

**Tuesday, March 12th, 1963**

The House met at 2:30 o'clock p.m.  
on the Orders of the Day

**WELCOME TO HIGH SCHOOL STUDENTS**

**Mr. Erb:** (Milestone) — Before the orders of the day, Mr. Speaker, I should like to draw the attention of the house, to a group of students from Wilcox High School, grade 10 and grade 11 students, accompanied by their teachers, Mr. Earl White and Mr. A. Woodside. I'm sure that hon. members will join with me in extending to them a hearty welcome, to express the hope that their stay this afternoon in the chambers will be a pleasant and profitable one.

**Hon. Members:** — Hear, hear!

**RADIOLOGISTS & PATHOLOGISTS DISPUTE**

**Mr. Thatcher:** (Morse) — Mr. Speaker, before the orders of the day are called, I should like to direct a question to the Minister of Health. Has any progress been made in settling the dispute between the government and the radiologists and pathologists?

**Hon. Mr. Blakeney:** (Minister of Health) — Mr. Speaker, discussions have been held actively over the past several weeks. Further discussions were held in Saskatoon on Friday of last week, certainly progress in the course of discussions is being made, whether or not these discussions will lead to a resolution of the current difficulties, I cannot now say.

**Mr. Thatcher:** (Morse) — Mr. Speaker, I wonder if I might ask the Minister a supplementary question? If, in the happy event that a settlement is reached, is the government considering a refund for patients who have been paying directly for the services of radiologists and pathologists?

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**Hon. Mr. Blakeney:** (Minister of Health) — Mr. Speaker, consideration is being given to the matter which the hon. member raises; it is part of the subject of discussion with the College of Physicians and Surgeons. I am not now in a position to make any further statements in respect to the matter.

#### **COST OF PUBLICATIONS CENTRE OF COMMUNITY STUDY**

**Mr. Guy:** (Athabaska) — Mr. Speaker, before the orders of the day, I would like to direct a question to the Minister of Education. Last year in the spring session, I asked for a return for the names and costs of publishing publications for the Centre of Community Studies, for the years 1959-60, 1960-61, and I think the information was provided. This year I asked for the same information in regard to the year 1961-62 and 1962-63, and this information was not provided, and it was claimed that it was not available to the government. I wonder if you could explain why the difference in policy this year.

**Mr. Turnbull:** (Minister of Education) — There is really no difference in our policy, Mr. Speaker,—our policy is that this agency is not a government agency, it has the right to publish whatever reports it wishes to publish. It establishes its own budget in respect to such publications, and if this agency wishes the government to table reports in the house, I would be happy to do so. I would suggest that the hon. member might write the director of the centre, and make such a request, and the director could either give the reports directly to him, or if he wishes, and the director agrees, to allow the tabling of the documents, I would see no reasons why it shouldn't be done.

#### **BUDGET DEBATE**

**Hon. Mr. Meakes:** (Minister of Co-operation and Co-operative Development) — Mr. Speaker, before I adjourned yesterday, I had complimented the Provincial Treasurer on his good budget that he had brought down. I had dealt with the budget in relation to my own constituency. I had spent some little time on the vision of the Liberal party as expounded by their Liberal organizer, Dean Lang; the policy of fresh air friends and quietness. I had dealt at some length with the co-operative movement in

Saskatchewan generally, and had spent some time in discussing my department, especially in relation to the consumer end of the movement in Saskatchewan.

I would like to go on and deal for some few minutes with, first of all the credit union movement in Saskatchewan. By the end of December, 1962, there were over 170,000 members of 284 credit unions in Saskatchewan. These credit unions had assets of over \$142 million representing an increase of 29 percent over the previous year. The total amount of loans made by credit unions in Saskatchewan since 1937, when the first one was organized, is now nearing the \$400 million mark, and Mr. Speaker, there has been no loss in member investment during this period. I would say that this in itself is a remarkable record.

One significance of credit unions is that they allow users of credit to control it themselves, and to provide credit at reasonable rates. And I would suggest that even with extraordinary growth of the credit union movement in Saskatchewan, that there is still room for more growth, especially in urban centres, and in some rural areas as well. I think they offer an alternate service to the higher loaning agencies that operate in this province.

The establishment of the mutual aid fund and central reserve fund by amendment to **The Credit Union Act**, a few years ago has done much to strengthen the credit union position and guarantees that there never will be any loss in member deposits or member equities.

Our Credit Union Branch is required by law to inspect all credit unions at least once a year, and to audit all credit unions' assets of less than \$200,000. Credit unions above these figures are required to employ the services of outside auditors. This means that where auditors are employed, that our staff only concentrates on the examination of loaning policies.

I fully expect that by the end of next year, that the credit union movement will have assets of over \$200 million and I want to say that all credit unions will again be inspected by our staff in the coming year, with no increase in field staff.

The Saskatchewan Credit Society, the central credit union of credit unions in Saskatchewan, continues to provide stability to the movement. The society also continues to finance new co-operative projects in the north under **The Co-operative Guarantee Act**.

The Co-operative Trust Company is a relatively new company, and it is providing services for the administration of estates at very moderate costs. With the support of

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credit unions it is now getting into the loaning farm field by mortgages. I might say that this is the company that administers **The Family Farm Credit Act**, and this legislation is performing a useful supplement to the services of **The Dominion Farm Credit Act**. The fact that the legislation permits rather more leeway in the percentage of the appraised value that can be loaned for the purchase of farm lands has enabled it to be of use where the Dominion program has not been suitable. While the Dominion program has far greater resources and larger staff, I would suggest that there is no doubt that our program has played a useful role since it was brought in, in 1959, and I am sure that it has contributed and hastened the over haul of the federal act a few years ago.

But I want to suggest, Mr. Speaker, there are still some gaps in our credit programs which need study. This may involve ways and means of improving credit facilities to encourage livestock expansion, either through co-operative or individual action. This also might involve a study of more effective ways and means of providing starter funds for young farmers who want to get started but haven't the necessary 20 or 25 percent required under the current Dominion and provincial legislation.

This poses a very difficult problem, but I think it is worth looking at, if we hope to maintain the family farm.

Our research branch in the department has continued to do this work of investigating new co-operative projects, that may be proposed by the co-operatives from time to time. It examines the operating and other problems of existing co-operatives, such as the cost of retail credit. It encourages larger co-operative organizations to establish their own research facilities. Studies which have been undertaken in the last year include occupancy costs by credit unions, the place of machine accounting by credit unions, the possible expansion of certain services by co-operative fisheries, and a special co-operative credit facilities for fishermen.

We hope and expect a number of new studies for this coming year. I might say that statistics compiled by the research division of the department show that the co-operative share of Saskatchewan's retail business was 6.7 percent in 1945, and by the end of 1961, it had increased to 9.4 percent. While this progress is encouraging, I think it certainly proves Mr. Speaker, the fallacy of the attacks being made against the co-operative movement in certain quarters on the grounds that they are taking over large sections of our economy.

Statistics also show that our farm co-operatives continue to hold their own in the field of marketing products produced by the farmers themselves. For example, in 1961-62, 64 percent of the grain and seed produced in Saskatchewan was handled by co-operatives, cattle and calves 53 percent,

hogs 28 percent, sheep and lambs 37 percent, eggs 40 percent, poultry 40 percent and dairy products 74 percent.

The extension services branch of the department undertakes extension and supervisory work involved in new types of co-operatives. It gives special attention to co-operatives engaged in agricultural production and co-operative developments in northern Saskatchewan. Assistance is also given in holding co-operative schools for young people and by working with special extension agencies established by the co-operatives themselves.

By the end of the year, there was 299 agricultural production co-operatives under the supervision of the extension services branch. These included 34 feeder co-operatives, 120 co-operative pastures, 53 co-operatives for feed and fodder reserves, 21 artificial breeding co-operatives, 19 co-operative farms, 6 groups for the co-operative use of farm machinery, 11 tree planting co-operatives, 14 watershed co-operatives and 21 of a miscellaneous type.

Now, Mr. Speaker, I expect to see increased activity in the organization of feeder co-operatives. In this our extension staff works with the Saskatchewan Wheat Pool and the Department of Agriculture. Our men assist with organizations, see to it that proper books and records are kept, that operating methods are in accordance with the objects of organization, that there is a proper audit and that adequate reports are presented to members. The Pool buys the cattle and assists in selling the cattle after finishing. Local agricultural representatives provide advice on feeding methods. I might say that **The Co-operative Guarantee Act** is being amended to facilitate guaranteed loans by the Credit Society to feeder co-operatives where desired.

I expect to see more community co-operative pasture associations. Here we provide the same services as in the case of the feeder co-ops, while the Department of Agriculture furnishes earned assistance and outlines the requirements for the most effective use of pasture land. The development of the ARDA program may mean more use of co-operative techniques and we shall continue to work with the agencies concerned in the development of this program.

I also expect to see more attention given to the development of co-operatives for the establishment of feed and fodder reserves, which proved their value so well in 1961.

In connection with these programs, I want to say that excellent co-operation exists between our staff and that of the Department of Agriculture, and we appreciate their willingness to work together at all times.

I want to suggest the rising costs of farm machinery makes the purchase and ownership of the larger units extremely

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difficult for the smaller or family farm. We have now had sufficient experience with co-operatives for the use of farm machinery to show that there are real possibilities for the joint ownership of the larger farm machinery units, combined in some cases with the pooling of grain production operations. It is going to be extremely difficult for smaller farmers to maintain their position unless something is done in this regard, and we intend to encourage this kind of development wherever possible.

I want to say that **The Co-operative Guarantee Act**, is being amended to facilitate guaranteed loans to co-operatives for the use of farm machinery.

The co-operative development program undertaken by the Extension Services Branch in northern Saskatchewan, has now resulted in the establishment of 48 co-operatives. Northern co-operative development is a way of improving the welfare of the native people who are in receipt of very low incomes and operate on a narrow resource base. It also means encouraging these people to play a stronger part in the management of their own affairs. This entails information to them about responsibilities of membership as part owners of a business, duties of directors, bookkeeping methods, accounting and merchandising and how to assess financial reports.

All of this results in greater interest in community affairs, more belief in their ability to do something about helping themselves in other directions, and I believe, Mr. Speaker, in time this will mean less social aid.

As of now there are 18 fishermen's co-operatives. Co-operative Fisheries Limited was set up to operate the 6 filleting plants built by the government on Class B lakes until they could be taken over by the fishermen themselves. I might say, to date, \$81,000 has been paid by the fishermen using these plants, on the purchase price of \$225,000. In another year or two, it may be possible to reorganize the government-appointed board which administers these plants under **The Co-operative Fisheries Act**, so that they are entirely controlled by fishermen. Co-operative fisheries also acts as sales agents for other fishermen's co-operatives.

Mr. Speaker, this time I want to remark on remarks made by the member for Athabaska (Mr. Guy) yesterday, and if I understand him right, he said that top management advisors had informed native fishermen that if they didn't ship their fish with S.G.A. that the co-operative filtering plants would refuse to take their fish. This, I say, with all the force that I can regiment, is not true. There is no figment of truth in that statement. Actually the fishermen do not fly their fish out, co-op fisheries hires the planes and they come in and take the fish out themselves; the fishermen isn't the person who pays for the freight, initially.

He also complained, Mr. Speaker, that when a vote was

taken on certain lakes, that fishermen were allowed to vote who do not normally fish. This is not true here either. Any person who has had a fishing licence one year out of the last three is allowed to vote, and again I say this proves Mr. Speaker, that what he said, he didn't really know what he was talking about.

I am pleased to announce to this house that this year one more government appointed director of co-operative fisheries has resigned. This being Mr. Barney Johnson, of this city, and I wish to take this opportunity to thank him sincerely for the interest, and devotion to duty, and sage advice that he gave during his stay on the board. I might say, he was replaced by a fisherman from Livelong Lake, Mr. Mike Denny.

The operations of Co-operative Fisheries result in the best average price for fishermen that the market will bring. Occasionally a fisherman may be able to make a better deal with an individual buyer who wants a limited quantity at a good price, but this invariably means a lower price for the rest. Pooling, is, therefore, the best marketing method for northern fishermen in the long run, as long as it is not undermined by competitors, and other people like the hon. member from Athabaska (Mr. Guy).

**Mr. Guy:** (Athabaska) — How about the timber board? You mean monopoly, don't you?

**Hon. Mr. Meakes:** — I am convinced that the fishermen are improving their financial position through co-operative action, and benefiting socially from helping themselves. The 6 former government trading stores are being sold to their customers through local co-operative associations under supervision of Northern Co-operative Trading Services. The amount paid on the purchase price, including grants for prepayment, is now \$108,000 out of the original purchase price of \$275,000.

The 8 other co-operative stores in the north were started from the ground up with very limited capital to begin with. Much of the financing has been through loans under **The Co-operative Guarantee Act** and the re-payment experience has been good. In view of the extremely limited local resources for financing buildings and equipment, provision is being made in our budget for earned assistance to these co-operative stores based on repayments on loans originally obtained for financing capital assets. This will reduce the interest burden and thus make greater savings possible to lower living and production costs. Here again, Mr. Speaker, I want to say that

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Mr. Johnson retired and I am pleased to announce Father Megret of Wollaston replaced him.

I want to say here that all of these stores not only provide savings, and in some instances better services, but also force competitors to lower their prices and improve services. Thus the whole community benefits and the people gradually learn to do more things for themselves.

I expect we are going to see more local power co-operatives in the north and a survey is being taken in this regard. I think one of the great needs of the people of the north is not only to build up savings but to learn better money management. We have two credit unions now in northern Saskatchewan, and I believe that we are working with the co-operative credit union league and the co-operative credit society with the possibility of establishing regional credit unions.

And I want to say here that resource development is important. With the assistance of D.N.R., co-op saw milling projects are being developed at Buffalo Narrows, Cumberland House and Canoe Lake. More fisheries co-operatives are expected as the people become interested. I am going to say that our staff in the north, like others in the region are working under difficulties. The experience with co-operatives to date has been good. I want to express our appreciation for the co-operation received from D.N.R. and other personnel in the north.

I think, Mr. Speaker, that one of the most urgent needs of the north is better housing, within the means of those people who are able to pay. We started an experiment, the home-builders co-operative at Pinehouse was organized to ascertain the possibilities of self-liquidating housing, suitable for the people of moderate means, considering the income level of the area.

Thirteen houses have been built, ranging from \$1,500 to \$3,000 in cost, this including donations of labour and use of local materials by the members. Financing is through a guaranteed loan from the credit society, and we know the people there take pride in their homes, (I was there last fall), which are much better than they ever had before, and they are making good progress in meeting their repayments. Plans for these houses and specifications were drawn up by the Construction Division of D.N.R.

And here, Mr. Speaker, I want to pay tribute to men like Gus MacDonald and Arnold Feusi of D.N.R. and all staff of the north in my own department, for their great interest in northern housing. They are a credit to this department and to this government.

I was pleased to hear the Minister of Natural Resources say that he has some money allocated in his estimates for



housing. I can assure him of the wholehearted support of our staff in the north in this regard. We believe that a significant percentage of the people in the north can participate in self-liquidating housing projects of this kind, provided the necessary educational work can be done beforehand and the support of the people secured. I think that there should be some form of an earned assistance program in this regard, investigated, to assist these people who through no fault of their own, whose incomes are too low to meet the standards of the Pinehouse project.

It would help immeasurably if C.M.H.C. were to assist with properly supervised housing projects, but with standards and specifications related to the income of the people in the area who are paying their own way.

I would say, Mr. Speaker, the experience of the department in the north during the past ten years shows the immense need for co-operative effort as a means of helping the people. There is the over-growing pressure of population on a narrow resource base. But co-operative development amongst our northern people requires special staff, a great deal of hard work, time, finances, and the goodwill of all individuals and agencies interested in the welfare of the northern people. We, in our department, will do our best to play our part.

I think, Mr. Speaker, in closing I want to say this. The co-operative movement as a whole continues to play an important part role in the economy of our province. Almost every farmer in Saskatchewan is a member of some co-op or another. The growing number of urban and rural people are also using co-operative methods through credit unions, retail stores, insurance companies, community service organizations, etc., and with the growing urbanization of our population, this trend, I am sure will continue.

There is also the increasing role for resources development by co-operatives in the north. Contrary to the belief of many, co-operatives are not, except in a few segments like credit unions, growing faster than our economy. And I think if the co-operative movement is to continue its historic role in this province of providing services at cost to those who need them, I think that a number of fields require further development.

For example, there is an important task for co-operatives in the field of housing, low income groups in all areas of the province, where people are finding it difficult to build their own housing.

Rising farm machinery costs make an extension of co-operative farm machinery manufacture and distribution essential. The special legislation committee on farm machinery and prices in 1939 said that the only solution to the problem

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of high machinery costs was co-operative action. This is as true now as it ever was. The small family farm can do a great deal to maintain their position through more cooperative action in the use of farm machinery. The necessary expansion of the livestock industry can be helped by more co-operative action in production, marketing and credit.

The trend towards the construction of abattoirs closer to sources of supply, tied in with trucks delivering fresh meats to consumer markets suggest the need for co-operative abattoirs under producer control in order to strengthen producer bargaining power.

Our farmers might well give consideration to the development of fertilizer, the manufacture of fertilizer, and there is many more things that I am sure that we can look into.

And I want to say this in closing, Mr. Speaker, that we will do our part in the department, if our people show that they want us to do it, in these new and expanded services. This is what we are here for. The budget provides for the continuation of co-operative services, Mr. Speaker, I intend to support the motion.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Williams:** (Minister of Labour and Telephones) — Mr. Speaker, may I first congratulate the Provincial Treasurer on his budget speech, and those who have taken part in this debate, and also congratulate the people of this province for having in power a government which has provided a budget totalling \$187,833,000. This money will all be used for the benefit of the citizens of this province.

The budget for the Department. of Labour, including the various branches, such as electrical and gas inspection, boiler, pressure vessels, theatres and public halls, elevator and hoists, fire commissioner and apprenticeship, amounts to \$1,343,000, a slight increase over last year.

While I do not wish to compete with special neckties worn by Provincial Treasurers, I am today, to indicate my appreciation, wearing an unusual stick-pin, a \$1 goldpiece minted in 1852.

I had the honor, Mr. Speaker, to represent our province at the commissioning of the destroyer escort “H.M.C.S. Saskatchewan” at Esquimalt about three weeks ago. It was a most impressive ceremony, witnessed by several hundred people. It is a splendid new ship, modern in every way with a crew of 13 officers and 226 men, 41 of whom are from the province of Saskatchewan. The ship is due to leave for the east coast in May, and later to European waters with visits to many great

ports, including some in the Scandinavian countries. Wherever it goes the name of Saskatchewan and its location will become better known. It will be an ambassador of goodwill for our province.

I also had the honor to present the captain with a splendid hardwood plaque, made in Regina, of the provincial coat of arms. He and all the others were quite pleased and wished me to thank the government and the people of Saskatchewan for this remembrance, which will remain in a prominent part of the ship indefinitely. The city of Saskatoon presented the ship with a beautiful silver tray, properly inscribed. Other cities may do something along similar lines.

I was rather annoyed, however, Mr. Speaker, to see in the Vancouver paper the next morning a derogatory article, indicating that the ship was already obsolete. The heading read "The sub-chaser that can't catch subs". I was surprised to see the same article in the Leader-Post a few days later. Although it may be correct to say that a few modern under-sea boats are faster, Russia has over 400 conventional submarines, slower than this new destroyer. The Vancouver paper, I understand, has made something of a correction, and I believe the Leader-Post should also do the same.

I hope that the citizens of this province, now that they have the information I have just provided, will feel rather proud of "H.M.C.S. Saskatchewan" than otherwise. I am sure that the people of this province join with me in wishing the officers and the crew of the navy vessel which bears the name of Saskatchewan, "fair weather and good sailing" as it leaves the west coast for different parts of the world.

**Hon. Members:** — Hear, hear!

**Hon. Mr. Williams:** — At our recent and enthusiastic nomination convention held in the Saskatchewan Hotel and attended by over 1,300 people a gentleman handed me this clipping from the Winnipeg Free Press dated January 14th, 1963. It is headlined "Manitoba Liberals oppose great jump in minimum wage" and I quote:

The Manitoba Liberal Party Saturday took a stand against an increase in Manitoba's 66 cent an hour minimum wage. Delegates to the party's annual meeting rejected the resolution which urged (and I quote again) a substantial increase in the minimum wage.

The resolution had claimed there are members of the community suffering conditions of hardship and degradation because the present minimum is insufficient. When I was a boy I recall shooting two prairie chickens with one shot and I felt quite good about it, but I never thought I would be lucky enough to find a Conservative government with a minimum as low as 66 cents per hour on its statutes and, at the same time,

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find the Manitoba Liberal party complaining that 66 cents an hour was too high.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** (Morse) — Careful now.

**Hon. Mr. Williams:** — The Saskatchewan rate is 77 and one-half cents, so there is quite a difference. This was an interesting convention, Mr. Speaker, listen to this:

The Liberal meeting produced a labor policy which, first, approved the principal of a secret strike vote, but disapproved of a government supervised strike vote. Second, called for consumer representation on the Manitoba labor board. Third, opposed any compulsory financial support to any political party. (Now, think that one over.)

Eric Litlay, a member of the United Packing House Workers' Union, said he objected to the resolution because it interfered with the internal affairs of unions, because the union deductions to support the New Democratic Party were not compulsory, because members had the right to contract out of the deductions if they wished — that is, they had the right to ask that no deductions be made.

After all the caterwauling we have heard in this legislature about members of labor unions contributing to political parties through wage deductions, usually three to five cents an hour, now we find a member of the Packing House Workers' Union, apparently a Liberal or he wouldn't be there, upholding this principle at a Liberal convention. Now, I have heard everything.

Then further on, other resolutions were passed: first, it called on Canada to join the Organization of American States.

**Mr. Thatcher:** — Get over to Saskatchewan.

**Hon. Mr. Williams:** — I'm getting closer all the time.

Second, it urged the establishment of a Manitoba centre for the performing arts. Third, condemned government waste and extravagance, opposed any new taxes and called for a return to the old-style federal-provincial tax agreement.

Where have we heard those words "waste and extravagance" before? We are right back to Saskatchewan, aren't we?

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Williams:** — People sometimes say to me, why, with the best labor legislation in Canada, do you not let the general public know more about it, and that is exactly what I propose to do this afternoon. It is such a number of years, Mr. Speaker, since I made a resume of legislation we now have in this province for the well-being of men and women who make up our labor force.

Someone might ask, “Just who and what is labor?”. Well, the obvious answer is, those persons who work for wages. Teachers, clerks, typists, city and government employees, craftsmen in building trades, railway men and many others. Hundreds, even thousands of young men and women have left the farms of this province and are now working in towns and cities. We believe that the young people of today have little or no idea of what working conditions were 20 or more years ago, and know nothing of what wage earners in other provinces receive in comparison to what they are entitled to in Saskatchewan.

First, let us look at our holidays-with-pay legislation. Back in 1944 this government passed legislation which provided two weeks holidays with pay per year, or the proportion of payment of four percent of total earnings if the employee worked less than a year. No other province had any such measure, although over the years British Columbia, Alberta and Manitoba have followed our lead and provide two weeks, other province one week. In 1959 we made a further improvement and provided 3 weeks holidays for employees with over five years service with the same employer. As yet no other province has provided this extra week, which we feel is entirely justified; especially on the prairies where the holiday season is so short and the winters so long. This extra week has been well accepted by management, and we have had little or no complaint.

It should be stated here that a number of unions have secured three weeks holidays for their employees, with certain years of service, and some firms provide it voluntarily. But for employees, especially those in the lower income brackets, who are not protected in some way, legislation has been necessary.

Another feature has been the eight statutory holidays, such as Christmas, Good Friday, Thanksgiving, July 1, and so forth, for which employees cannot be docked if not required to work on these days. Previous to 1945, employers could deduct a day's pay for Christmas Day, and some of them did. If employees are required to work on any of these days, payment at time and one half extra is required, with one or two exceptions. How many young people of today, know of these advantages which I have just listed, and know they were brought about by this government. No other province has the third

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week with five years service, or the benefits of the eight statutory holidays, and as a result many thousands of employees in other provinces do not receive these benefits.

From the rather pleasant subject of holidays, Mr. Speaker, let us turn to something entirely different, namely the injury or death of employees at their work.

In Saskatchewan approximately 27,000 men are injured each year and about 35 men are killed in industry. Widows of these men have received the sum of \$300 outright for immediate expenses — in other provinces lesser amounts. In this province widows receive \$110 per month; other provinces provide payment to widows from \$60 up to \$75, excepting British Columbia where it is \$90, the closest province to Saskatchewan which I said is \$110. In addition the allowance for children in our province, is \$45 per month, regardless of numbers, as compared to from \$20 to \$40 in other provinces. The sum of \$60 per month for the keep of orphans in Saskatchewan, as against \$35 to \$45 per month elsewhere. Previous to 1944 payment of 66 and two-thirds percent of the employees wage while off due to injury, was general across Canada. Shortly after assuming office we increased it to 75 percent, which over the years has been followed by all provinces in the Dominion of Canada.

I suggest, Mr. Speaker, that every injured workman in Canada should appreciate the actions of the Saskatchewan government in pioneering a better deal for him while off work due to injury.

Another improvement, when we assumed office, maximum earnings had a ceiling of \$2,000 per year on which compensation could be paid. For example, an employee who might have been earning \$3,000, \$4,000 or even \$5,000 a year, at that time could only receive payments of 66 and two-thirds percent of \$2,000 while off work. Now in Saskatchewan he gets 75 percent of earnings up to a ceiling of \$6,000 per year. This is the highest maximum in any Canadian province. Five other provinces have a \$5,000 ceiling per year, other provinces less.

Speaking to an official of the Ontario board a few weeks ago, he mentioned that the last time he saw the Prime Minister, Mr. Diefenbaker, the latter pointed out to him that while Ontario only had a \$5,000 ceiling, Saskatchewan paid up to a yearly wage of \$6,000. John was apparently making a favorable comparison.

The board operates an accident prevention department which in 1962 made a total of 3,500 plant inspections and in addition gave lectures and demonstrations and showed moving pictures on 417 occasions to an audience totalling 14,400 people. First aid classes to a total of 1,225 were conducted and since this department has been operating, first aid certificates in excess of 5,000 have been issued.

For some years members of the accident prevention department, have been giving lectures, and demonstrations in various technical and academic high schools.

May I now refer to hours-of- work legislation. In Saskatchewan we have a 44-hour week, in ten cities and 71 larger towns, and a 48-hour week over the balance of the province. Alberta has somewhat a similar arrangement, 44 hours in centres over 5,000 population, 48 hours over the balance of the province; B.C. 44-hour week with numerous exemptions. Manitoba has a 48-hour week for men and 44-hour week for women. Ontario has a 48-hour week for everyone over the entire province. Quebec 40 to 48 hours per week in the construction and trades, but 50 to 54 and 55 limits are in effect in some areas. The Maritime provinces do have some limits in the mining industry. Again, in hours of work we do find Saskatchewan in the lead.

Our relationship with the employee and the employers of this province have been very good and we found that most of them wished to follow proper procedures and are quite willing to see that their employees receive a fair wage. We have the occasional chiseller, of course, who will take advantage of his help, and sometimes it is found necessary to take court action where an employer refuses to pay proper amounts to his employees, or works them excessive hours without proper remuneration.

Over the years we have collected, mostly through our office, over \$1.5 million and paid the money over to the employees concerned. It is money they, otherwise, would never have received.

Some might say that this government is doing so much for the wage earner, and less for the farmers. This, is, of course, a fallacy, and we know the Minister of Agriculture and his department are doing everything they can to help the farmer. Unfortunately the provincial government cannot assist the farmer too much where income is concerned; we cannot set prices, whereas we are in a position to do considerably more for the wage earner.

Now, to turn to the matter of minimum wage rates, which are an absolute necessity in all parts of Canada. No one will ever become wealthy working for income as low as \$14.40 per week in certain parts of Nova Scotia, or even \$34 per week which in Saskatchewan is the highest in Canada. It is, however, absolutely necessary to have minimum rates, otherwise a certain type of employer will exploit his employees. Like the fellow who used to dock his employees a day's pay for Christmas. Also a minimum is the amount on which the whole wage scale of a community is based. All Canadian provinces have minimum wage laws, Mr. Speaker, Nova Scotia and Ontario for women only, New Brunswick, Saskatchewan, British Columbia minimum rates apply through the province. Alberta and Manitoba have different rates for urban and rural centres.

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On July 1, 1962, increases were made in our province, namely, \$34 in the ten cities and the 10 larger towns, \$32 per week over the balance of the province, with \$2 per week less for employees under 18 years of age.

It was very good, Mr. Speaker, of the Leader-Post to print an article several months ago, with a headline to the effect that Saskatchewan rates were now up to those in Alberta. Actually the \$34 per week in that province only affects the cities and only covers those over 19 years of age. Employees under 18 receive \$26 per week and those between 18 and 19 \$30 per week.

There are lower rates for female employees, but in Saskatchewan the rate is exactly the same for male and female.

Our legislation is much superior. But it was flattering for the Leader-Post to indicate that we had caught up to Alberta.

Much more could be said regarding labor legislation, but time does not permit.

I have merely hit the high spots. I will leave this subject now with the suggestion that the wage earners of this province become familiar with the benefits we have in Saskatchewan compared to what they could expect elsewhere.

Now to turn to the Department of Telephones of which I am pleased to be the minister. Our budget for the coming year is \$10 million. We have approximately 2,000 employees, and I am glad to say that their wages and working conditions are among the highest, if not the highest of any company in Canada. In the field of service to broadcasting companies, Saskatchewan Government Telephones has expanded its facilities.

In co-operation with the other major telephone companies, a television network was provided for CTV, and radio program transmission facilities for the Canadian Broadcasting Corporation. Both are coast to coast networks, bringing radio and television entertainment to the nation. S.G.T. has also provided the microwave length from Moose Jaw to Regina, so that CJRE rebroadcasting station here.

In October last year, Saskatchewan Government Telephones passed another milestone, when its 200,000 telephone was installed. In less than 10 years the number of corporation owned telephones in service was doubled. The end of 1962 there were more than 265,000 telephones operating in the province, and we expect another 9,000 this year.

Municipalities are benefiting, Mr. Speaker, by receiving a total of \$262,000 in grants, which represents the taxes on properties owned by the system.



An 11 storey office complex will be built in Regina, located on the north-west corner of Albert Street and College Avenue, facing on Albert Street. When completed it will house the expanding head office department of the corporation, which are now located in five rented quarters in various parts of the city. The new building will contain a basement, main floor, nine office floors, and one floor devoted to mechanical equipment and possible office floor area.

The mechanical equipment floor will eliminate what has sometimes been termed as an unsightly penthouse on the roof of a building. It is expected tenders will be called later this month, and that construction will start soon afterwards. It will be officially opened in late 1964.

There are 955 rural companies in Saskatchewan, serving over 57,000 subscribers. The department has continued paying one-third the cost of poles, and grants amounting to \$158,561 were made to 430 companies. One hundred and seventy companies qualified for maintenance grants, totalling \$43,000. It should be understood that in order to qualify for the maintenance grant, the rural line should be in reasonably good condition. This is necessary if the subscribers are to have good service.

I urge all rural companies to keep their lines and equipment in good working order. Rural representatives made many visits to rural telephone companies, for the purpose of advising and helping rural telephone companies, for the purpose of advising and helping linemen to clear trouble beyond their ability, and to locate and advise on matters of construction and reconstruction. The usual elementary training classes for rural maintenance men were operated with 33 men receiving training.

Somewhere over the years, Mr. Speaker, I have seen a sign in a restaurant which read like this "We have an agreement with the banks, that they will not serve any meals, and we will not cash any cheques". Perhaps in a similar vein the government might indicate that they, the government, would not undertake to remove an appendix providing that the medical profession would not undertake to tell the Department of Health how to obtain the money to pay their accounts. After all, it should not concern the College of Physicians and Surgeons how these collections are made, and their place in society should be to provide their patients with the best service possible, for which this government will undertake to see they are provided with all of their proper remuneration. It is as simple as that.

With no offence meant, it has been established over the years that, generally speaking, doctors are not noted for being good businessmen. Perhaps there is a good reason for this. I do not know.

It has been brought to my attention that some medical men are still whispering to their patients about the terrible way in which this government is treating them. Most people

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think a great deal of their individual doctors, and are easily influenced by statements made during office visits. It is more than likely they have misunderstood the Saskatoon agreement, signed in that city last July by representatives of both the government and the College of Physicians and Surgeons. Certainly Dr. Dalglish has misunderstood the agreement, according to what he is reported to have said in Montreal last week.

However, in all fairness, I must say that in my opinion the average individual doctor is a fine type of person. He is well-educated, kindly, considerate and does the best he can for his patients. It is most unfortunate that the profession appears at times to be under complete control of their executive, the College of Physicians and Surgeons, which in turn is controlled by the Canadian Medical Association, which then is greatly influenced by the American Medical Association.

**Mr. Steuart:** (Prince Albert) — Sounds like the N.D.P.

**Hon. Mr. Williams:** — It has become almost a phobia with the latter to fight tooth and nail any suggestion of legislation to assist needy persons in payment of their medical bills.

This association has one of the largest lobbies in Washington, and has spent millions of dollars to defeat President Eisenhower's bill to assist just the older citizens, and most recently spent millions to defeat President Kennedy's plan to assist the older people for only a 90-day period. Perhaps some of the members of this legislature saw on television last July, an officer of the American Medical Association, speaking in Los Angeles, and heard his statement to the effect that they would pour thousands of dollars into Saskatchewan to defeat our medical care plan. I thought he had a lot of gall. In the United States they call it state medicine or creeping socialism and seem to work themselves into a state of hysteria just thinking about it. In any case, in spite of continued harassment by groups opposed to the plan, the plan is underway and our citizens will no more receive staggering medical bills, often too large to pay, and on the other side of the coin, the doctor's income will be greatly enhanced because they will have no more bad debts.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Williams:** — The patients are better off and no more need to suffer because they could not afford medical attention and did not want to appear to be accepting charity. All members of government

are better off because they know that they have taken a step forward in the interests of humanity. All other governments in Canada are indicating interest and progress in medicare plans. The actions of opponents of the plan remind one of King Knute trying to sweep back the tide with a broom.

Now, Mr. Speaker, my time is up and I don't think I need to say anything to the effect that I will do otherwise than support the budget.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** (Attorney General) — Mr. Speaker, I rise in this debate to support the budget which was brought in by my very good friend, the hon. Provincial Treasurer.

Before proceeding, however, I would like to compliment radio station CJME, on the excellent reports that I have received about the quality of the broadcasting this year from this assembly.

Mr. Speaker, hon. members will recall that before this session commenced, the hon. Leader of the Opposition was beating his breast, and making great promises and threats, as to what he would do and what he would say when the session commenced.

Hon. members will recall that among the things that he was going to demand was a legislative inquiry, into the operations of the medical care plan, particularly in reference to the complaints of some doctors about delays which they alleged to have suffered in receiving payment of their fees from the private carriers. As it turned out, Mr. Speaker, when the doctors started inquiring a little more closely into this situation, they discovered that if anybody was to blame for any delays in receiving payment of their fees, it was the private carriers, whom they, themselves, had chosen to represent them in their dealings with the Medical Care Commission. Indeed, enough people now know, Mr. Speaker, and are in possession of facts which have permeated into the offices of newspapers and into the office of the Leader of the Opposition, on this subject, that the Leader of the Opposition has shamefacedly dropped this aspect of his complaint prior to this legislative session.

Most people, now recognize that this tempest on his part was just another smearing campaign against the Medical Care Insurance Commission. This trick had the advantage, Mr. Speaker, that if the attack was made and not answered, then, some of the mud would stick to the government and the Medical Care Commission. On the other hand, if the Medical Care Commission answered the attack by disclosing the true figures, and the true state of affairs, then the Medical Care Commission would be in violation of **The Medical Care Insurance Act**, and would be liable to be prosecuted. So,

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that either way, this was the kind of attack that could be made with complete impunity by an unscrupulous politician, because he was safe from having it adequately replied to because of the safeguards that are built into the Act itself.

There never was a more beautiful opportunity for the kind of politicians we have sitting opposite us, to exploit a situation. However, the facts have now persuaded the Leader of the Opposition to subside on this score.

The session was commenced with the promise by the Leader of the Opposition that he was going to attack the government on every front. He was going to attack in the field of social welfare, as well as medical care, but members of the opposition have now come to realize that they find themselves on the wrong side of the medical care issue. The growing popularity of this medical care plan, makes it prudent for Liberal politicians and for the Liberal party to now all run for cover, or to refurbish the other horse that they have been riding in this regard.

Any time now we can expect to hear members of the opposition trumpeting their claim that they have supported medical care in Saskatchewan and indeed they will be producing what they say is concrete evidence of their support, by reminding that they did in fact vote for the original Medical Care Act put on the statute books of this province.

I suggest now, Mr. Speaker, that they find themselves in the eye of the hurricane, just before the wind starts blowing the other day, and that accounts for their quietness in respect of this issue.

**Mr. Erb:** (Milestone) — Nonsense.

**Hon. Mr. Walker:** — With regard to the question of social welfare, Mr. Speaker, you will recall that they lost out in a bitter harangue against the government, and harassment against the government, and finally there again, the bare facts overwhelmed them. Even now they have come to realize belatedly that the administration of social welfare is a matter for which the municipal authorities are responsible, and we couldn't help observing two or three days ago that, when this fact eventually sunk in, they were unable to provide a speaker to continue the debate on this motion. For all any of them were able to do about it, the question would have been voted on last week. They were unable to produce a speaker.

Just about this point, they realized that they were on the wrong side of the medicare issue, they were on the wrong side of the social welfare issue, and as a matter of fact, Mr. Speaker, it has become increasingly apparent from this side of the house, that hon. members opposite are in a

fit of depression. No wonder they are in a fit of depression, because they realize that their political strategy has not paid off.

We saw evidence of it only yesterday, when the opposition spokesman used up the time of the legislature and imposed upon the people of Saskatchewan with a silly diatribe, garbage picking, nit picking, a display which I suggest is a disgrace to any legislative body in the British commonwealth.

Having been caught off base on these issues, the financial critic opening the . . .

**Mr. Erb:** — You are doing alright yourself, Bob.

**Hon. Mr. Walker:** — . . . debate on this budget made a plaintive appeal for some help from boards and commissions in the preparation of the opposition analysis of government programs. He pointed out that such help was available to the Provincial Treasurer, and he said, and I quote:

I'm sure that my colleagues on the other side of the house, will agree with this statement, so that if we are going to provide all of these services the minister has outlined this afternoon, surely to goodness we have another million dollars someplace that could be made available to the official opposition in this house.

And then he goes on to say:

The business of government is growing every year and the facilities that are made available to the opposition, ought to grow with it, and I make that appeal to this house, at this time."

I want to say, Mr. Speaker, that I support the proposition that more expert help should be made available to members of the opposition, I have a high regard for the role which the opposition should play in our parliamentary system, and a strengthened opposition can do nothing but strengthen the institutions of parliamentary government. In my view, every hon. member on the other side, who took part in this debate, rendered mute, but eloquent testimony to the soundness of the proposition advanced by the financial critic.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** — There have been complaints in this house, by opposition spokesmen, that the addition to the sales tax, that the addition to the income tax, makes Saskatchewan one of the highest taxed provinces in Canada. They say that it would be wrong for us to take any part of the one and one-half percent added to the sales tax for medicare last year, or to take any part of the one percent tax on personal income and corporation income, into general revenues. They say that these taxes are in the nature of a premium for medical care. Indeed, one of his friends even went so far last summer to suggest suing the government for selling medical care benefits, which the government was unable to deliver for a short time.

In one breath they say that these payments are merely the purchase price for a new service, and should be kept in a separate fund for that purpose; in the next breath they argued that these payments are really taxes after all, and that these taxes make Saskatchewan one of the highest taxed provinces in Canada. Mr. Speaker, my hon. friends don't need a million dollar worth of assistance to advise them that they ought to at least speak out of the same side of their mouth all the time. Either these are taxes or these are payments for a new service. They can't be both at the same time, unless my hon. friends are willing to recognize on the other hand, that Saskatchewan is enjoying the highest standard of services of any province in Canada out of the taxes they pay.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** — If these are taxes or if they are payments for services, the people of Saskatchewan know that they are getting full value for them, and that is what counts . . .

**Mr. Steuart:** (Prince Albert) — Wait until the people find out . . .

**Hon. Mr. Walker:** — Mr. Speaker, more than half the people of Saskatchewan pay no income tax, and they will not find this a burden on their income. The right to enjoy prepaid medical care, in return for a premium of \$12 a year for a single person, and \$24 a year for a family, plus whatever small amounts people will pay in addition on their purchases under the sales tax, will confer upon them a tremendous benefit, that they could not have otherwise gotten for themselves any other way.

Those with larger incomes will find that in the combined taxes they are probably paying more than they would have paid for private coverage, but they will not be subject to the exclusions, the waiting periods, the limited benefits which applied to the private plans. Even those who pay more under this plan than they would have paid under private plans, have the assurance that they will not be driven into financial disaster because of medical expenses, that exceed the coverage provided in the private plans, or that comes within the exclusions or within the waiting periods provided in the private plans. So that even those who pay more are enjoying the benefits, a substantial benefit financially from the operation of this plan.

I recall, Mr. Speaker, a constituent of mine, when I was canvassing in his neighborhood last September, who had been persuaded by the Leader of the Opposition and the financial critic, that he should march down to Regina last July to try to persuade the government to postpone the implementation of the medical care plan. I will never forget how chagrined he was when two months after the implementation of the plan he incurred a doctor bill and hospital bills of nearly \$500, paid, of course, by the Saskatchewan Medical and Hospitalization Plan.

Today, in this province, now, every person can enjoy almost complete medical and hospital care, without a financial deterrent of any kind. No matter how high the cost of that care, or how little his means. We now also enjoy the benefit of being able to pay for our medical care at a time when we are well — a time when we are not sick or convalescing from sickness. We also have the advantage of being able to pay for our medical care in accordance with our means. Those with small means pay very little, those who can afford to pay more, pay much more. This is an advantage from every point of view, and this came to pass in Saskatchewan, Mr. Speaker, because the CCF laid this plan before the people of Saskatchewan in 1960, and pledged itself to introduce such a plan after the election of 1960. This came to pass because this government remained loyal to that pledge, and because a sufficient number of people in Saskatchewan remained loyal to this democratic decision in the face of a heavily financed and highly organized campaign of civil disobedience and hysteria, organized and promoted by the Liberal party and the other dark horses of reaction.

I cannot help feeling a little saddened by the exploitation that went on during that campaign. I think of a young married woman, with young children, who was part of a delegation who came to meet the government. They asked the government to back away from this plan. A married woman with small children whose family income was so low that she and her family were entitled to live in subsidized “socialized” community rental housing project. If she did not enjoy the benefits of a free publicly supported educational system, she would be unable to educate her children. She had to depend on the limited and restricted benefits of a

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so-called “private plan” for the medical needs of her family. She was a person who will contribute much less under this plan of medical coverage without limitation, without waiting periods, without exemptions. It shakes one’s faith in the future of democracy.

Mr. Speaker, when one sees helpless people, such as her, and others like her, used as pawns in a blatant political power play by the opponents of this government.

What has been the role of the Liberal party in this, Mr. Speaker. The Liberal leader taunted to government almost every day of the 1962 session that we would be unable to implement a medical care plan. His party spokesmen operated at K.O.D. rallies, the organization was heavily financed by the backers of the Liberal party; and they are known, they are known. Such Liberals contributed generously of their time and their money to support that campaign.

Liberal leaders took every opportunity to try to embarrass the administration on this question, but the opposition did not have the courage to come out, “flat footed”, in its own name and oppose the medical care plan, they took care . . .

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** — . . . they took care, and as I have already said, to vote for it on second reading. At the same time they took every means possible to prevent it succeeding.

Hon. members in this house will not have forgotten how they fought it in this house, day by day for five weeks to prevent it from passing. How they used every possible stratagem to prevent it from going into effect.

This role of studied hypocrisy is very clearly illustrated by a series of three newspaper stories, appearing in the Leader-Post in the middle of October, last year.

First, I refer to page 32, of the October 15, Leader-Post, headline — “Liberals in Ontario back Medicare” and I quote:

The Ontario Liberal association, Saturday, approved incorporation, of a prepaid medical care insurance plan into the provincial party’s political platform.

It must be administered by a medical care insurance commission, (like in Saskatchewan) it must include representatives of government, and the medical profession (as in Saskatchewan) must be financed by a combination of personal premiums and taxation (such as in Saskatchewan) coverage



would include the services of general practioners and specialists on home calls, in the doctor's office or hospital, (again, just as in Saskatchewan) doctors will be free to practice, inside or outside the plan, (just as in Saskatchewan).

**Mr. Thatcher:** — Inside the act, though.

**Hon. Mr. Walker:** — Oh no, my hon. friend knows perfectly well that the opportunity to practice "inside the act" or "outside the act" was available to the doctors before the strike July 1st. My hon. friend knows that and all the publicity and organs that his friends control can never mislead the people on that fact, and so, Mr. Speaker, there was the plan adopted by the Liberal party of Ontario, similar in all important aspects to that of Saskatchewan.

**Mr. Thatcher:** — This was going to be worked out prior . . .

**Hon. Mr. Walker:** — And in the same newspaper a day later, the Leader of the Opposition referring to the action taken in Ontario, and obviously embarrassed about it, tried to find some distinction between what was proposed in Ontario, and what was already in existence in Saskatchewan and so he is quoted as saying: "Medicare without mess. — Thatcher", and the Leader of the Opposition tried to pretend that the scheme offered by the Liberal party in Ontario was different (hoping that people would assume that it was different) than it was in Saskatchewan.

**Mr. Thatcher:** — It was.

**Hon. Mr. Walker:** — He says "it was". Well, I will say it was similar in this respect, Mr. Speaker, because in the very same issue of the paper, the headline:

O.M.A. to oppose Liberal plan.

The Liberal party in Ontario have the assurance of the College of Physicians and Surgeons, in that province, that they would go on strike against that plan —

just as they did in Saskatchewan.

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The president of the Ontario Medical Association has warned that the doctors would oppose the Ontario Liberal party's proposed medical care plan.

I cite these facts, Mr. Speaker, to make it perfectly clear that the Leader of the Opposition did not have any secret formula, by which he could have brought in a medical care plan in Saskatchewan, without the difficulties attendant upon it last July.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** — He has given no indication, or evidence, that he had any method of doing that, indeed, the evidence is the opposite.

And so, Mr. Speaker, the only way in which the opposition would have differed from this government in handling the problem is that the opposition would not have had the "guts" to see the thing through and implement it.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** — That is the difference, Mr. Speaker. That is the difference.

**Mr. Danielson:** (Arm River) — Brave today!

**Hon. Mr. Walker:** — Now, Mr. Speaker, the Leader of the Opposition has had some other things to say since the last session of the legislature. He cited a return, which he said was tabled in this house in 1961, to support his claim that there were over 600 new, or greatly increased taxes, since 1944.

He leaves this impression that this represents a vast increase in the tax burden of Saskatchewan. Well, technically speaking, Mr. Speaker, he is correct that there have been 600 or more fees for services rendered by the government that have been adjusted in the last 18 years.

And I congratulate him for being technically right on this matter. In view of his record, however, Mr. Speaker, I took the trouble to look into the returns to see just how right he was. In fact, looking at the answers it is perfectly clear that most of these fee revisions were in need of adjustment for 25, and in some cases, as much as 50 years. Of that number of increases, what is the situation?

Well, there were dozens of upward revisions, in connection with the fees charged to joint stock companies. The fees for security salesmen were upped. Firms issuing investment contracts had 5 items in their tariff fees increased. When we passed new legislation, as we did some years ago, setting up licensed cocktail bars, and beverage rooms, well, there were 40 items of fees charged to the proprietors of these rooms — thus 40 new taxes! Revisions in the fee schedule charged to electrical contractors accounts for 112 of these revisions, out of the 600 that my hon. friend refers to.

Theatres pay certain fees in connection with the examining of films for public showing. There are 42 items in their fee schedule, and the theatre owners are paying slight increases in connection with these 42 items.

The maximum weight limits of trucks in this province, in 1944, was 30,000 lbs., presently it is 74 or 76,000 lbs., but at the time that the return was given it was 72,000 lbs. Now, Mr. Speaker, this meant that additional classifications of fees had to be set up for these extra weight categories, and it is true that for each class of licence there were 17 new weight categories set up, which accounts for another 100 fees. But, if you ask the truckers of Saskatchewan, whether they would rather go back to a 30,000 pound weight limit, and the fee which corresponds with a 30,000 pound weight limit, or maintain the present 72,000 pound weight limit, with the corresponding fees. I am sure they would unanimously agree that they would rather carry the higher loads and pay the higher fees.

And so, Mr. Speaker . . .

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** — . . . my hon. friend is caught out again in his old tricks and habits of deception. The hon. member should find out that he may escape the consequences of these little evil tricks at a rural political meeting where the documents aren't readily available, but sooner or later, they will be recorded in a newspaper account, and somebody will check the facts, and then, of course, his story collapses.

I suggest, Mr. Speaker, that when the people of Saskatchewan, come to choose a premier in 1964, or '65, or '63, they will seek to choose somebody whose integrity and honesty is apparent.

**Some Hon. Members:** — Hear, hear!

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**Hon. Mr. Walker:** — Mr. Speaker, hon. members opposite have referred back to 1944, they have said that this government is imposing a budget, or maintaining a budget of \$188 million, compared with only \$31 million in the last year of Liberal government, and they have left the insinuation that this money is not being adequately accounted for.

Well, Mr. Speaker, it is not a very pleasant memory to go back to 1944, and I can understand how it would be even more unpleasant for members of the opposition, to have to cast their minds back to that date.

But I would like to answer this criticism by referring to the public accounts of the province, for that year, and comparing some expenditures for that year with the expenditures for this year. Not because I have any desire to drag up ancient history, Mr. Speaker, but I suggest that if my hon. friends are going to make this criticism they have to be prepared to face the answer.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** — In 1944, the budget of this province was \$31 million, \$188 million today. So there is an increase of \$157 million, which I suppose, has to be accounted for by this government.

First of all it should be remembered that if this government had inaugurated no new programs, if it has expanded no worthwhile new projects, if it had been a “do nothing” government like its predecessor, the mere process of inflation and the higher costs of goods and services would have driven that \$31 million budget up to \$85 or \$90 million in the last eighteen years.

The higher cost of carrying on the existing programs would have resulted in a two and a half or three-fold increase in the budget.

All you have to do is look at stenographers and clerks salaries; all you have to do is look at legal fees; all you have to do is look at the cost of automobiles; all you have to do is look at the things that governments spend their money on, and that \$31 million today would be \$85 or \$90 million.

**Hon. Members:** — Don’t forget the telephone calls.

**Hon. Mr. Walker:** — Now, our present budget is exactly a \$100 million more than that. If you increase that \$31 million by a three-fold factor,

brought it up to \$88 million, you could have no new services, or no improvements in services. Our budget is \$100 million, so presumably I should have to account for an extra \$100 million. But, Mr. Speaker, I am going to review items of expenditures in this budget, which will add up to not a \$100 million but to \$146 million, expenditures that are new since this government was elected, and Mr. Speaker, I suggest that that shows that we have run the existing services of this province on less than the normal increase in costs, which would have accrued as a result of inflation and higher cost.

Our present budget is exactly, as I say, a \$100 million more than the figure which one would expect it to be if there had been no change in levels of service.

First let us look at the municipal road programs, instead of the picayune little grants that used to be distributed to municipalities, with a good voting record, now we have a massive program of assistance to municipalities to build their local roads. More than 1,000 miles of all weather municipal roads are built each year, and will be built again next year, with the province's contribution of \$6,843,000.

Does anyone in the opposition say that that is an unjustified expenditure?

This government launched a program of assisting rural telephone companies in building and extending rural telephone lines. No such program was ever thought of by the Liberal party. Our assistance to rural telephone companies will cost the province \$511,000 next year.

This government, aided by Ottawa, supports the efforts of the municipalities to provide work and wages programs. For those who are unemployed or for those who otherwise would be in need of assistance to the extent that this program succeeds, it is an alternative to the good old Liberal "relief days". The province's share of the cost of this program are expected to be \$133,000.

Mr. Speaker, we have been told in this debate how prosperous the province was in the days of Liberal government. Well, it was never prosperous enough to help the municipalities install sewer and water systems. Indeed our small urban municipalities had a very low percentage of modern homes because of this lack. next year Saskatchewan will contribute \$450,000 to assist municipalities to solve this problem.

Mr. Speaker, much has been said about support for our local schools. In 1944, Saskatchewan contributed \$2.75 million to school grants. Next year the total will be \$36.5 million, or 15 times as much. In addition the province will contribute to technical training and vocational training a further \$1,078,000.

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While we are looking at the programs which directly assist local governments in meeting their financial burdens, I note grants to hospitals and health regions. This is largely to assist in the capital construction costs of new hospitals. There was nothing provided for this purpose in 1944. Next year there will be \$3,011,000.

These increases in expenditure which I have already noted amounting to \$46,664,000 represent direct assistance to local government.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Walker:** — Many of the items which I will now refer to are of very substantial help to local government but are specifically aimed at other programs.

Much has been said about social aid. Well, Mr. Speaker, the public accounts of 1943-44 show the total of \$280,000 contributed by the province for this purpose. I realize there may have been some federal money spent in addition, but we are talking about the budgets of Saskatchewan in 1944 and in 1964. The province's share of social aid in the new budget will be \$7,537,000.

One shouldn't overlook the small sub-vote of \$4,500 for legal services to assist beneficiaries under the child welfare programs, under various other social welfare programs to assist in the maintenance of the integrity and security of the families in need.

Then there is the blind persons allowance which will cost \$84,000 next year. The disabled persons allowance, \$686,000. The program of old age assistance which will cost the province \$2,241,000 next year. Neither of these programs were available in 1944. In 1944 the total sum voted for aid to dependent families and child welfare amounted to \$540,000. This year the province will contribute \$1,635,000 in direct aid to these people.

19 years ago, Mr. Speaker, the province managed to scrape up \$43,000 to provide supplementary allowances for old age pensioners. We hear weeping and wailing across the other side about the treatment these people now receive at the hands of the present government, yet the sum voted next year will be \$537,000 — 12 times the amount spent for this purpose in the last days of Liberal government.

What are we doing for elderly people?

**Mr. Steuart:** — Very little.

**Hon. Mr. Walker:** — This government inaugurated a program, — well, if my hon. friend will listen his head won't rattle so emptily. This government inaugurated a program of grants in aid for the construction of housing for aged people. Today more than 5,000 aged people are living in dwellings built largely through grants from this government. It is true they get a larger sum in total from the federal authorities but that money is borrowed, and repayable with interest. Ours is an outright grant. Next year the province will be contributing \$189,000 in grants to assist in the operating costs of these homes. In addition the province will contribute \$500,000 for the cost of constructing five more senior citizens' homes. Neither of these programs existed until they were inaugurated by the CCF government.

Saskatchewan is famous, Mr. Speaker, for the progress it has made in the establishment of provincial geriatric centres. The institutions at Regina, Saskatoon, Melfort, Swift Current, are conspicuous illustrations of the humane purposes of this government. These, together with the centre at Wolseley, will cost the province \$927,000 to operate next year. That's not at the province's share. When one remembers, Mr. Speaker, the ill-concealed hostility of the Leader of the Opposition when he learned that the government had asked the employees of the various departments and crown corporations to be certain to give to the co-operative association of the province an even break when it came to purchasing fuel and oil for their automobiles . . .

**Mr. Thatcher:** — I never objected to an even break . . .

**Mr. Speaker:** — Order!

**Mr. Thatcher:** — I never objected to an even break, I said don't favor them over everyone else.

**Mr. Speaker:** — Order!

**Mr. Thatcher:** — Well, the hon. member is putting words in my mouth.

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Walker:** — Mr. Speaker, my hon. friend referred to a memorandum which he had in his hand, but he didn't quote from it. If he had quoted from it the fact was that my friend picked . . .

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**Mr. Thatcher:** — I quoted that you were paying about 50 percent too much . . .

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Walker:** — Mr. Speaker, my hon. friend picked a sentence out of context, but if he had read the whole statement, it was perfectly clear . . .

**Mr. Thatcher:** — I read it all and so did you.

**Hon. Mr. Walker:** — . . . it was perfectly clear that the instructions of the government were that the co-operatives were to receive an even break. My hon. friend may think that he can deceive us but I know he wasn't deceived himself on this point.

**Mr. Thatcher:** — Well, you're not deceiving the people of Saskatchewan much longer.

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Walker:** — And he flew into this tantrum of rage, Mr. Speaker, because the government had asked or reminded its servants to give these folks an even break.

Opposition spokesmen have also attacked the government because it made it possible for the co-operative movement to have a tiny share in the oil resources of the province. Well, Mr. Speaker, these ill-concealed, thinly-veiled evidences of hostility to the co-op movement in our province will not be lost on the minds of the thousands of co-operatively minded people of Saskatchewan.

**Mr. Thatcher:** — . . . lost in Prince Albert anyway.



**Hon. Mr. Walker:** — Mr. Speaker, my hon. friend and others like him have made this remark over and over again, apparently presuming that this constitutes an answer for any kind of logical argument that is presented in this house. And, Mr. Speaker, if my hon. friend really has that philosophy, if he really believes that the end justifies the means, that the only important thing is the result, then of course this explains why my hon. friend is so unscrupulous in the use of misleading innuendoes, insinuations and slurs that he casts on the government of this province from time to time. My hon. friend's character shows clearly enough without him standing up at every opportunity and saying, Ah, but we won in Prince Albert.

**Mr. Thatcher:** — Yours is the same way.

**Hon. Mr. Walker:** — Mr. Speaker, if my hon. friend really wants to answer arguments in this house he had better not think he is doing it by pointing to election results.

**Mr. Thatcher:** — Four in a row. People are the final court . . .

**Hon. Mr. Walker:** — Let him deal with arguments on their merits. My hon. friend thinks the end justifies the means. And so, Mr. Speaker, the people in Saskatchewan will not lose sight of this evidence on the part of my hon. friend.

**Mr. Thatcher:** — They didn't in four by-elections . . .

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Walker:** — Well, Mr. Speaker, though he may not be able to discern the relevance of what I am saying, I am sure that the majority of the voters in Saskatchewan will be able to discern it.

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I suggest, Mr. Speaker, that the assistance which this government has given to the development of co-operatives is not lost sight of by the co-operative minded people of Saskatchewan. Prior to 1944 all our co-operative movement had from this government was the assistance of a small branch of the Department of Agriculture, costing that year some \$23,500. . .

**Mr. Thatcher:** — . . . the wheat pool.

**Hon. Mr. Walker:** — . . . and, Mr. Speaker, my hon. friend's party gets these co-operatives into this kind of financial jam through their failure to control or influence economic conditions . . .

**Mr. Thatcher:** — Pretty weak, pretty weak.

**Hon. Mr. Walker:** — . . . and then because they come along and lend at 6 percent the money to bail them out, . . .

**Mr. Thatcher:** — It saved the wheat pool, it saved the wheat pool.

**Hon. Mr. Walker:** — This exposes his true understanding of social and political conditions that brought about that situation, Mr. Speaker. Everyone knows the evidence that this government is interested in supporting the co-operative is to be found in the fact that we established the first Department of Co-operatives and Co-operative Development in Canada. I am sure that the \$510,000,000 which will be voted this year will merit the support of every member of this house. No citizen of Saskatchewan would tolerate a member who was so short-sighted as to oppose the work of this department.

Then we have the law-enforcement agency, the Royal Canadian Mounted Police. In 1943-44, it cost Saskatchewan \$270,000. This year the force will cost \$1,336,000. Surely I don't need to justify the increase of \$1,100,000 any more than to just lay it before the house. I think it is justified on its face, Mr. Speaker.

Everyone in Saskatchewan knows how vastly we have improved the provincial highway system of Saskatchewan under a CCF. government.

**Mr. Thatcher:** — What government hasn't?

**Hon. Mr. Walker:** — The last year before . . . Well, Mr. Speaker, my hon. friend says, what government hasn't . . .

**Mr. Thatcher:** — Since 1944.

**Hon. R.A. Walker:** — It is true that all provincial governments now build better highways than they did in 1944. But that is only half the story . . .

**Mr. Thatcher:** — Better than you're doing.

**Hon. Mr. Walker:** — . . . and his old half truths and half story just won't wash. The fact is, Mr. Speaker, that when his party was in power in this province we had the most disgraceful highways in Canada, today our highways are among the best to be found in this country.

**Mr. Steuart:** (Prince Albert)— Have you been to Alberta and Manitoba? Have you been out of the province lately?

**Hon. Mr. Walker:** — Mr. Speaker, anybody who visits this province after an absence of 10 or 20 years can hardly believe the transformation that has occurred in our highways since this government was elected.

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**An Hon. Member:**— . . . this province isn't a . . .

**Mr. Thatcher:** — But he's talking such nonsense.

**Mr. Speaker:** — Order! If the hon. Leader of the Opposition wishes to take part in this debate he will have an opportunity but he must remain quiet at this time. . . And at the same time I must remind people in the gallery that they must control their outbursts or leave the gallery.

**Mr. Thatcher:** — Even they are embarrassed.

**Hon. Mr. Walker:** — Mr. Speaker, I appreciate your drawing attention to the fact that I am getting some support from the galleries if I am not getting it from across the way.

Well, Mr. Speaker, anyone who travels in other provinces knows that Saskatchewan has nothing to be ashamed of with respect to their highways. Indeed, Saskatchewan is very proud of the improvement in our highways, and I am quite confident that if we had had a continuation of the government that we had in the first 39 years of this province's history, we would still be embarrassed, be ashamed of our highways as we had been prior to 1944.

That is not all, Mr. Speaker. Mr. Speaker, I appreciate the irrelevancy of some of the interjections and I really didn't expect to earn the compliment that any of my hon. friends opposite would understand what I was saying but I do appreciate the fact that they are at least willing to recognize the fact that I am saying something. I would hope, Mr. Speaker, that sometime I will ask my 7 year old son to prepare a speech which will be equal to the intellectual level of the interjections I am getting from the other side.

Well, Mr. Speaker, previous governments spent nothing on the design or on planning or on materials research for highways. Highways were built in those days by having a foreman walk

in front of a caterpillar along the ditch to show the operator where to make the ditch, and everyone knows, and all you have to do is look in the public accounts to see that there were no staff capable of doing engineering or designing on the highway system of this province prior to 1944. Unlike other provinces the Liberal government in this province didn't believe in engineering or planning. Next year we will spend \$609,000 on these important functions. And anyone who drives in Saskatchewan today appreciates the engineering and the economic efficiency that goes into the highways presently being built in the province of Saskatchewan.

I think that not only this legislature but the people of Saskatchewan owe a debt of appreciation to the Hon. J.T. Douglas and the present Minister of Highways for the interest and the inspiration which they bring to highway construction in Saskatchewan. My friends who visit from other provinces of Canada are always, well, almost always breathless in rhapsodic praise of the highway they see now, especially, Mr. Speaker, those who were familiar with Saskatchewan prior to 1944. I am not referring only to CCFs. I have some Liberal friends who visit me from other provinces and they comment upon this.

**Mr. McCarthy:** (Cannington) — Name them . . .

**Hon. Mr. Walker:** — Well, if my hon. friends' friends aren't my friends I shan't shed any tears. In the last year, Mr. Speaker, before CCF government was elected we were only able to spend \$871,000 for the maintenance of our provincial highway system . . .

**Mr. Thatcher:** — There was a war on then.

**Hon. Mr. Walker:** — Well, Mr. Speaker, it seems that under the Liberal government there was always either wars or depressions, pestilences and disasters.

**An Hon. Members** — Worse pestilences since the socialists took over.

**Hon. Mr. Walker:** — The Liberals seemed to have an affinity for this sort of situation.

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**Mr. Thatcher:** — We've had a pestilence since 1944.

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Walker:** — This year, Mr. Speaker, we will be spending \$6,642,000, or eight times as much to maintain approximately the same number of miles of provincial highways.

**Mr. Thatcher:** — How is that with Alberta this year?

**Hon. Mr. Walker:** — Alberta spends vastly more on maintenance of mileage that is less than half the mileage in Saskatchewan.

And I think right here, Mr. Speaker, is another area on which the Department of Highways should be complimented. This province, with a total highways budget of about \$25 million, less than half the budget of either of the province adjoining us in the past five years — this province is able to maintain highways of a standard that is equal to or better than the standards you find in the other provinces.

**An Hon. Member** — And more miles of road.

**Hon. Mr. Walker:** — Even a Liberal or a Conservative or a Social Credit government can spend vast gobs of money but to get their maximum in results I suggest it requires efficient and effective administration and planning — something that you would expect to find, and the proof of the pudding is in the eating.

Now, Mr. Speaker, hon. members, Liberal members are sensitive about hearing of the old roads, and I am not going to say any more about them because I see it offends their sensibilities a bit, I will leave this matter.

Mr. Speaker, next year the government will spend \$1,287 million operating the mineral audit branch, the mineral records branch, the mines branch, the petroleum lands branch, the petroleum and natural gas branch. This

expenditure represents an outlay of less than seven percent of the income which the province receives from that industry. In a manner of speaking, Mr. Speaker, you could say that this represents the expense of collecting the rent on the peoples' mineral lands. Even more significant I believe that it represents an investment in future development which will pay off in still larger crown revenues from oil production. If we had had a Liberal government in this province, these last 20 years, it would not have been necessary to spend this \$1,287 million because under a Liberal government we never succeeded in having any oil development and probably never would.

We take pride, Mr. Speaker, in our health programs; the cancer commission cost \$85,000 in the last year before we came into office.

**Mr. Thatcher:** — The Liberals brought that in. . .

**Hon. Mr. Walker:** — Or was it the Conservatives who brought it in? You had better read your history, Mr. Speaker, the hon. member had better read his history. He was saying something about the wheat board the other day. He had better read his history and see who brought in some of these things. It wasn't the Liberal party. The Liberal party fought tooth and nail against the wheat board and I remember, Mr. Speaker, that the Hon. J.L. Ralston, Liberal member, critic of the Department of Trade and Commerce, fought and delayed the passage of the wheat board legislation in the House of Commons for weeks or months — the same kind of tactics as my hon. friend used here in connection with medical care were used by J.L. Ralston in connection with the passage of **The Wheat Board Act** of 1935.

**An Hon. Member:** — What's that got to do with . . .

**An Hon. Member:** — Same old Liberals.

**Hon. Mr. Walker:** — I'm sorry I didn't hear that. My hon. friend may be able to fool himself but he isn't able to fool very many other people with his new twist on history that we hear from time to time when he makes his speeches.

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I hope I will be forgiven, Mr. Speaker, for not trying to correct all the evidences of misconceptions and misunderstandings by my hon. friends, but the ones that are most obvious I am afraid I will have to take time to deal with.

So, Mr. Speaker, this cancer commission, in 1943 \$85,000. This year \$1,140 million. Oh, a gross extravagance, waste, I am sure. Well, Mr. Speaker, in 1944, when we were first elected the percentage of survival for a five year period was 43 percent, that is the average for 1932 to 1944. In the following five years it had gone up to 53 percent — 10 percent of all those seeking treatment and getting treatment from cancer commission, 10 percent improvement in the five-year survival rate.

This is the kind of thing that this government takes pride in spending money on, Mr. Speaker; improving the health and happiness and well-being of the people of Saskatchewan. The government has sincerely attempted to bring about the highest quality of medical care and health services for the people of northern Saskatchewan.

Look through the public accounts of 1943-44, look through the public accounts of that year and you will find no expenditure that can be directly attributed to special or ordinary medical or health care services for the people of northern Saskatchewan. Today we will spend \$187,000 on this service.

As hon. members know this government has placed a great deal of importance, attached a great deal of importance to the regional and local health services, the preventive services in all areas of the province. The total expenditure for this purpose in 1944 was \$130,000; this year \$1,560 million — 12 times as much. This is in addition to the figure which I have already mentioned for northern Saskatchewan health services.

Saskatchewan is leading every province in Canada, indeed every jurisdiction of the North American continent in the quality of psychiatric services available to our people. When this government was first elected the only facilities available were the mental hospitals at North Battleford and at Weyburn. The government of that day spent, through their Public Health Department and their Public Works Department, \$1,579 million for the maintenance and running of these two institutions. Today, in addition to those institutions, we have the psychiatric services branch operating full time mental health clinics at Saskatoon, Regina, Moose Jaw, Swift Current, Prince Albert, Yorkton. In addition to our new regional mental hospital at Yorkton, the Moose Jaw training school for mental defectives and the new institution for similar purpose at Prince Albert. All of which today require a budgetary appropriation of \$11,813 million — more than a eightfold increase, in the last 19 years. It is because of



this expenditure, Mr. Speaker, that Saskatchewan is able to maintain a smaller population of institutionalized patients when the numbers are increasing in every other jurisdiction in North America.

Out of ordinary provincial revenue we will pay \$12,338 million over to the Saskatchewan Hospital Services Plan which, together with federal reimbursements and the direct hospital tax, will provide a fund of more than \$36 million to pay the hospital bills on behalf of the people of Saskatchewan. There was of course no such provision in 1944 when this government was elected.

Everyone is familiar with the blue card service, a plan which provides free medical services to certain classes of social aid recipients. This year \$2,225 million will go into that fund. This is another program which was initiated by this government.

Then, of course, there is the Saskatchewan medicare plan, and I see that out of ordinary revenue there will be \$13,804 million will go into the medicare fund for the payment of medical care accounts.

I see \$126,000 for the operation of the South Saskatchewan River Development Commission. Mr. Speaker, we had to get rid of a Liberal government in Saskatchewan as well as in Ottawa before it became possible for us to set up a Saskatchewan River Development Commission and administer a dam on the South Saskatchewan River.

Although this next item could be properly referred to and included in the estimates of the Department of Agriculture, I am referring to it separately. It is the crop insurance plan which next year will cost the treasury \$306,000. Here likewise it was necessary to throw out the Liberals in Saskatchewan as well as in Ottawa before this program could be undertaken.

Hon. members will recall the appearance in public accounts committee of Dr. Baker of the Saskatchewan Research Council, and the interesting account he gave of the work done by that group. Previous to the election of the CCF, nothing was spent by the government on scientific research. Besides research conducted in specialized fields and other areas, the Saskatchewan Research Council will cost the Saskatchewan taxpayers \$580,000. I am sure no-one will quarrel with that expenditure.

When I look at the last year of the Liberal government, I find that less than half a million dollars was spent in the entire agricultural department vote. Out of an expenditure of something over \$30 million that sum represented approximately 1.5 percent of the provincial budget. The opposition has wept copious, though crocodile tears because the

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government has not, in their opinion, done enough for the agricultural industry. I have already referred to the vast increases in assistance available to local governments, most of which are in rural areas, the grid road program, the South Saskatchewan River dam, specifically ear-marked for the department of agriculture this year is \$8,522 million net, and in addition of course there are substantial reimbursements which bring the total expenditure up to over \$11 million, or 22 times as much as the Liberals were able to find for that purpose.

The increase in our appropriation to the university from \$550,000 to \$6,694 million will not be lost sight of by the people in the Regina area and all through the southern part of the province. Young people in this area will not be penalized by being required to go away from home in order to get the advantages of university facilities. We therefore expect to bring the advantages of a nearby university into the lives of the greater proportion of Saskatchewan young people by locating an additional university in the city of Regina. The growth in enrolment in our university already gives testimony to the improvements there, improvement in facilities there, but also testimony to the improvement in the quality and the character of our elementary and high school educational program, both of these came about as a result of the policies of this government.

There are three important programs of the Department of Education, which were initiated by the CCF and which has brought further benefits to young people in virtually every community in Saskatchewan.

I refer to the scholarship program, the adult education program, the fitness and recreation program. These three programs are estimated to cost \$541,000 next year.

Conscious government planning to encourage industrial development, was unknown in Saskatchewan, prior to 1944. Nothing was spent on that kind of thing, and the results showed it. Next year we will continue to expand our efforts in that direction. The economic research branch and the industrial development office of the Department of Industry and Information, will receive an appropriation of \$207,000. Since we have now industrialized our province, or have our province well on the way to industrialization; since considerably more than half of our working force are now wage and salary earners in industry and commerce; we require a separate Department of Labour in Saskatchewan.

The vote for the Department of Labour next year will be \$1,343 million. No one, Mr. Speaker, who realizes that Saskatchewan has entered the twentieth century will quibble about that, I hope.

Mr. Speaker, in our modern and prosperous province,

more and more people can afford the time and expense for recreation, out of doors, or travel, and vacation enjoyment. Furthermore, we are anxious to develop our growing tourist industry, which we heard the other day amounted to something like \$25 million a year. Next year we will vote \$1,163 million for tourist recreational facilities and parks.

A conspicuous new policy introduced by this government in 1944, was a pay-as-you-go policy on public buildings. Previous governments invariably followed the policy of borrowing for public buildings, indeed, even for roads. Some of those debentures are still outstanding. The CCF have always met these costs out of current revenue.

Next year, we will spend \$1,600 million of provincial funds on new technical institute facilities, a further \$100,000 will go for a core lab in La Ronge. \$1,170 million will go to complete the regional mental hospital at Weyburn; \$100,000 will be voted for a psychiatric research building at Saskatoon; \$535,000 will go to complete the geriatric centre at Swift Current and \$500,000 to extend and improve the provincial jail at Regina.

This is a \$4.25 million, Mr. Speaker, being paid out of current revenue, which in other provinces is traditionally financed out of borrowings, and always was financed out of borrowing prior to 1944.

Mr. Speaker, I could refer to scores of additional programs that are highly valued by the people of Saskatchewan. I could point to millions of dollars of other expenditures, that were vastly expanded by the CCF government. But I have already referred to expenditures which account for an increase of \$146 million in our 1963-64 budget, as compared to 1944.

You will recall, Mr. Speaker, that we agreed earlier that the level of 1944 services at present prices, ought to cost about \$88 million, that should have left \$100 million of our present budget to account for — an increase of about \$100 million to explain away. Where do we get more than \$146 million from these increased programs?

Well, the answer is, Mr. Speaker, that we have trimmed and cut the cost of the 1964 programs. Instead of rising to three times their 1944 level, we have kept these costs down. All those programs which I have not itemized, the ones I have not referred to today, will cost only \$43 million in 1964, as compared with \$31 million, a much smaller increase than one could reasonably expect.

This was achieved in several ways; the purchasing agency, revolutionized procurement procedures. We don't pay \$5.46 anymore for purple dye. Purchases are placed on a competitive basis. We buy cars, and some hon. members opposite, complain that we buy cars as cheap as we can. But this revolution in the method of procurement in government supplies

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has undoubtedly saved the people of Saskatchewan, untold millions of dollars in the last twenty years.

Another saving was on interest. In 1943-44 estimates it showed estimated expenditures for interest of \$7,422 million on the public debt. Now there were some offsets against that, it amounted to \$2,208 million interest which the government took in. In those days, too, the government charged interest to the government telephones, \$600,000, the government charged interest to the wheat pool, (my hon. friend from Arm River (Mr. Danielson), makes savage attacks on this government because it collected some money from the wheat pool to pay off, the wheat pool indebtedness). Well, the government collected in interest from the wheat pool \$687,000.

There is interest from the Saskatchewan Power Corporation \$369,000; interest from the farm loan board \$350,000, adding up altogether to over \$2,000 million. But by getting rid of the dead weight debt, Mr. Speaker, we were able to eliminate this drain on our treasury for the benefit of our taxpayers. As the Provincial Treasurer pointed out, the interest which we will pay on the public debt will be more than offset by the interest which the government earned this year on various government funds, with the result that will actually take in more in interest than we will pay out next year.

Mr. Speaker, there have been other administrative and fiscal improvements brought in by the CCF government. I will not worry the house now by taking the time to recite them and refer to them. One can verify the fact that this government is giving good value for the monies that it receives from the people of Saskatchewan in the form of taxes, fees, and levies of various kinds, by taking a glance at the fiscal record of our neighboring provinces. We manage in Saskatchewan to keep our budget in line with other provinces, on a per capita basis. Yet it always seems to be the fact that our province initiates the new and desirable social programs.

I am sure, Mr. Speaker, due to these facts, the people I represent would expect me to vote for this budget.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** (Prince Albert) — In rising to speak in this debate, Mr. Speaker, there are one or two matters I would like to deal with before I get into the main topic of my speech, and I think that the display that we just witnessed, by the attorney-general brings this home more than ever.

In the more than three weeks that we have sat in this session, we have witnessed persistent attempts by the N.D.P., CCF, Socialists, or whatever they call themselves, to do two

things. First, to attempt to change the name of the Liberal party, and second, to smear our leader.

Now the hon. Attorney-General who has just been speaking, has given us a display today of the smear and half-truths about our leader, that has been typical of the actions of those opposite for the last three weeks.

And I would like to remind the Speaker, this is the same man that went across this province attempting to smear the doctors; who will smear and blacken anyone who stands in his way in this province. They like to call us Thatcherites. Well, for their benefit I can tell them, that means good sound government, and we don't mind being called that at all.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — It also means this is the man who has built up the Liberal party, so now we are in a position to put an end to socialism in the next election, and this they don't like.

Now this business of changing names, some of them call us Thatcherites, comes very strange from a party that changed their name, it is now so obviously ashamed of being called N.D.P., that is must be embarrassing to them, to their supporters and to those labor leaders down East, who are putting up the money to back them in office, and the Hon. T.C. Douglas in his campaign across the country.

I would like to remind them, I know what they are trying to do, they are attempting to spread disunity. I would like to remind them that theirs is the party of disunity; theirs is the party that is breaking up and falling apart. It was their party that lost their member down in Ottawa, Hazen Argue. It was their party, who had a cabinet minister walk across the floor and is now a very welcome member of the Liberal party.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Oh, I could tell them another one too. They had an organizer up in the Prince Albert by-election; they had this one out in the open, Mr. Speaker, they had several hidden in the civil service, and down under the counter; they had this one right out in the open. But you know a week or two ago he quit the N.D.P. I don't think the N.D.P. could stand him any longer. He quit the N.D.P. This is the party that is falling apart, and, of course, they are yelling and hollering in an attempt to attach these labels to us, to hide the mess

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they are in themselves.

Why are they doing this? This is the oldest practice in the world. It is typical communist tactics, and they have engaged in it for years. If you can smear, and kill the leader, then you kill the party.

Well, I say this, Mr. Speaker, to them and to the public. That we are united behind Ross Thatcher, united behind him, and together we are going to run these people out of office as soon as they have the courage to go to the people in a general election.

I suggest they look to their own party, and their own leadership. They say Thatcherism. What about Lloydism? It was mentioned here the other day. What does it stand for? It is becoming infamous, Mr. Speaker. Five percent tax. Upping the car rates and the insurance rates. Over-taxation. And it especially will go down in the history of this province as bringing on the terrible medical care crisis which was so unnecessary, and that we as in this province last July.

You know, Mr. Speaker, it was said years ago that people “who live in glass houses, shouldn’t throw rocks”. Well, these people live in the biggest glass house in Canada, and they won’t survive when it crashes down around their ears as soon as they have enough nerve to go to the people in a general election.

Now, Mr. Speaker, I want to turn to something the Hon. Minister of Co-operatives said when he spoke this afternoon. He made reference to certain fishing co-ops in northern Saskatchewan.

**Mr. Thatcher:** — Wake him up so he will hear.

**Mr. Steuart:** — They’ve been asleep for years, I don’t think even I could wake them up. He tried to leave the impression that all these fishing co-ops in the north were strictly voluntary, and that there was no government compulsion and no government interference. And he denied the fact that was stated by the hon. member from Athabasca, when he said that this type of interference did exist. And, Mr. Speaker, I want to tell you about 10 or 11 Métis and native fishermen, who were hauled before a J.P., I think it was in May of 1962, and charged with selling their catch, their fish, illegally to a co-operative. Now these fishermen were found guilty by the J.P. They didn’t know what they were guilty of. They were found guilty, they were charged \$10 or \$12 and cost, or 15 days in jail. Finally one or two of them realized this was wrong, so they appealed it, they appealed it before

Justice W. Nelson, in Prince Albert in February, 1963. And I want to read the judgement he found in this case, the appeal by these native and Métis fishermen.

Now just one of them appealed; it was agreed that if his appeal won, all the other appeals would go the same way. When I read these parts of this, it will prove to you and to this house, just what is going on in parts of northern Saskatchewan. Coercion, force, and the compulsion these people are using with these fishermen and with others in northern Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Now, I have here, Mr. Speaker, the judgement signed by Walter H. Nelson, Judge of the District Court, Judicial Centre of Prince Albert.

Now he states in here:

That at the outset of these proceedings I allow the accused to change his plea to one of “Guilty”. I, thereupon proceed with his appeal by way of trial. And it was agreed between counsel on the day set forth in the charge, the persons accused did market their fish to Waite Fisheries Limited, and at the time of the marketing the fish to Waite Fisheries Limited the accused was possessed of a licence upon which appeared the following in print:

All fish taken, marketed, and disposed of under authority of this licence shall be in accordance with directions given from time to time by the Minister of Natural Resources.

And it was further agreed by counsel that the printed portion of the licence was followed by a rubber stamp imprint, which read as follows:

All fish taken under authority of this licence shall be delivered to the Co-operative Fisheries Limited.

It was further admitted by counsel that at the time of the alleged offence, and at the time of the issuance of the licence the accused was not a member of Co-operative Fisheries Limited, nor was he a member of the petitioning group and did not sign the petition.

“By Order in Council, no. 2128 of 1961, dated at Regina, December 8, 1961, the regulations under

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The Fisheries Act of the province of Saskatchewan were amended by deleting sections 25 and 26 of the regulations and substituting the following and the regulations are laid out:

What they say in brief is that:

Where a group of fishermen, may have, in the minister's opinion, a common interest in commercial fishing in any water or parts thereof, the minister may

A. Permit the group to catch all or a specified amount or proportion of the total limit prescribed for commercial fishing in any water.

and

B. Upon a request of the majority of the group cause every commercial fisherman's licence, issued to a member of such group, to contain a provision requiring that all fish caught under authority of the licence shall be marketed through a specified dealer, agency or co-operative association.

Now section 26 statutes that:

(1) No person who holds a commercial fisherman's licence, which contains a provision inserted therein, pursuant to Section 25, shall sell, barter or otherwise market any fish taken under the authority of such licence otherwise than to or through the dealer, agency or co-operative association named in the licence.

And it was under that sub-section of section 26 that the accused was charged.

The statement of W. H. Nelson goes on,

On the 13th of April, 1962, a communication somewhat in the form of a petition, addressed to the Honourable A.G. Kuziak, the former Minister of Natural Resources for the province of Saskatchewan, was received in the office of George Elwood Couldwell, Director of Fisheries, Department of Natural Resources, Prince Albert, which communication is marked as exhibit "P" and so on.

And this petitioner letter states this:

To the Hon. A.G. Kuziak.

We, the undersigned fishermen, being the majority of the total of fishermen having a common interest in and holding commercial licences on DORE LAKE



AND LAC LA RONGE LAKE AND BEAVER RIVER in the Province of Saskatchewan, do hereby request the Honorable Minister of Natural Resources to cause all commercial fishing licences issued for the above mentioned lakes to contain a provision requiring that all fish caught under the authority of such licence shall be marketed through the Co-operative Fisheries Limited, in accordance with sections 25 and 26 of the schedule of regulations under **The Fisheries Act**.

We request this provision to remain in effect until the majority of the total fishermen on the above mentioned lakes shall request otherwise, or at such time as the honorable minister may wish to withdraw such provisions at his discretion.

This document was signed by forty eight (48) names, and on April 23rd, 1962, a further communication was received at the office of George Elwood Couldwell, the Director of Fisheries, in Prince Albert, which is the second page of Exhibit P. in those proceedings, and which reads as follows:

The Hon. A.G. Kuziak  
Minister of Natural Resources,

And this states that:

Further to the signatures affixed on page one of this letter, the following named persons who previously held commercial fishing licences at Beauval are not presently residing permanently at Beauval and will not be holding commercial fishing licences at Beauval this year, as most of these people are engaged in commercial fishing elsewhere than in the Beauval area, and therefore will not be fishing at Beauval and for this reason have not been present to sign this letter.

And their names are listed and states:

Therefore for the forty-eight signatures affixed to page one of this letter constitute eighty-four percent of the potential resident commercial fishermen of Beauval, Saskatchewan.

And they have signed it and witnessed it, members of the Beauval Fishermen's Co-operative, and they signed their names to it.

Now the judgement goes on to say that:

The only witness called in these proceedings was George Elwood Couldwell, the Director of Fisheries, of the Department of Natural Resources, Prince Albert, and his evidence discloses that at the time

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the petition, was received by him there was no open fishing season either at Dore Lake, Lac La Ronge or Beaver River, and that no licences were in fact issued until the 15th and 16th of May, so that from the date of the petition, and until the licences to fish the three bodies of water mentioned were issued no one could legally fish on any of the waters, and no one did in effect hold a subsisting and valid commercial licence to so fish.

It was also disclosed by the evidence of Mr. Couldwell that an investigation of sorts was conducted for the purpose of ascertaining if the signatures to Exhibit P.1. were in fact a majority of the fishermen residing in the Beauval area. This investigation was conducted by referring back to licences covering 1959, 1960, and 1961.

It goes on to say:

That the time the petition was received by the director of fisheries, Mr. Couldwell, there was no one holding a valid subsisting commercial licence to fish any of the three waters referred to in the petition, so that they cannot be said to be fishermen by reason of the fact that they held licences allowing them to fish, but for the purpose of this case I am going to assume that the signatories to the petition were by occupation fishermen in previous years, and presumably intend to continue to be fishermen, although I can find no actual evidence to that effect.

Having received a request such as contained in the petition, Exhibit P.1. the minister was permitted under sub-section (a) of Section 25 to permit the group to catch all or a specified amount or proportion of the total limit prescribed for commercial fishing in any water, or part thereof.

On May 9th, 1962, the Honourable A.G. Kuziak sent a memorandum to Mr. G.E. Couldwell, which was referred to in the heading as an "Endorsement of Licences — Section 25 and 26, Saskatchewan Fisheries Regulations," and this document is in evidence. The relevant part thereof reads as follows:

Approval is hereby granted to endorse marketing provisions on all commercial fishing licences issued in the following areas:

And they list 25 lakes, there were only 3 to begin with, besides the 3 concerned with in this case, there is 25 lakes, and then there is The Beauval Fishermen's Co-op. Pine house Fishermen's Co-op. Pelican Narrows Fishermen's Co-op.

And this document is signed by the Honourable A.G. Kuziak.

“The witness Couldwell stated that he also received some verbal instructions from the Honourable A.G. Kuziak to endorse, or to have endorsed, all commercial licences issued to persons wanting to fish in Dore, Lac La Ronge, or Beaver River, with the following:

All the fish taken under authority of this licence shall be delivered to Co-operative Fisheries Limited.

and all licences issued on the 15th and 16th days of May, 1962, for those waters were so endorsed.

It was argued by counsel for the respondent that the word “group” referred to in the relevant sections and sub-sections of the regulations previously referred to, mean all the fishermen of the area, including even those who reside in the area and who do not sign the petition, and he argued further that the minister also had the power under section 25 to come to the conclusion or form the opinion that the petitioning group was in fact a majority of all fishermen residing in the area, but with this argument I do not agree.

It is my view that the only point on which the minister can form an opinion is whether or not a group of fishermen have a common interest in commercial fishing in any water or part thereof —

And he quotes section 25, and he goes on to say:

The minister cannot say that a certain number is in his opinion a majority. The number must, in fact, be a majority, and his opinion in that regard is of no consequence. If the request is in fact from a majority then he may place certain restrictions on the licence. However, it must first be proven that the request is from a majority of the “group” and if “group” means all the fisherman and potential fishermen of the area how can it be proven? Going back three years and checking the applications for licences does not prove to me that the petitioning groups is a majority —

It goes on to state that:

The witness Couldwell stated that he had no idea as to how many people lived within the area in question, and as all residents are potential fisherman how can it be shown that the petitioning group represents the majority of all fishermen in the area? The evidence disclosed that only twenty-six (26) persons applied to fish on Beaver River and some of those were not signatories to the petition.

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Let us suppose that forty-nine (49) applied and were granted licences to fish on Beaver River, and not one of them signed the petition. Then, suppose all signatories to the petition applied and obtained a licence to fish only on Dore Lake. Then a minority who had no interest whatever in fishing on Beaver River would in effect control the marketing agency for all those fishing on Beaver River, and this could, in my opinion, not have been the intention of the legislature.

There is no evidence before me to show that the petitioning group is a majority of all fishermen in the area and I so hold.

The judgement goes on to state:

I also feel that the Minister could not form the opinion that a group had a common interest without some basis, such as shown by the signatories of Exhibit P.1. and what basis would he have for saying that in his opinion all residents of the area have a common interest and therefore form a "group".

It goes on, and he finishes the judgement:

I therefore find the accused not guilty and allow the appeal. I order that the fine and costs be refunded to the accused, and award taxable costs to the Appellant.

And he signs it W.H. Nelson, Judge of the District Court of the Judicial Centre of Prince Albert.

Now, Mr. Speaker, we have stated before, and I think this proves it beyond any doubt, that there has been coercion, there has been compulsion, in the co-operative movement in northern Saskatchewan.

We, in the Liberal party, are not opposed to co-ops, on the contrary, not only are we not opposed to the co-op movement, we have supported it over the years and we will continue to support it, but we say this, the acts of those people, and the people employed by them, in attempting to insert and worm their way into the co-op movement, they are proving and we will prove, they are the greatest enemies that the co-op movement has or ever has had in this province.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Now, Mr. Speaker, one of the most serious problems facing the people of the province today, concerns local government, both urban and rural municipalities have many grave and growing problems.

The need and the cost of expanding most present services and adding new ones, such as more schools, and larger hospital facilities, better roads, homes for senior citizens, slum clearances, and urban renewal, are but a few. Some of these problems are peculiar to rural and some to urban municipalities, but they all have one problem in common. High land or property taxes, and the lack of other adequate sources of revenue. Now this is not a new situation, but it has grown more acute with each passing year. Municipalities have been faced with a growing range of demands. Demands that weren't dreamed of when our municipal system was set up over 50 years ago. Local government is the creation of the provincial government. When the system was instituted, property, land taxes, were given to municipal governments as their principal source of revenue.

Thank God for that. this province would never have been anything if we'd had them. They needed the pioneers with an instinct which these people never had or never will have.

These sources of revenue on land tax and property tax were probably quite adequate at the time, considering the relatively few services that municipalities were expected to provide in those early days.

Now, in 1944, Mr. Speaker, the CCF party promised the people of Saskatchewan that they would ease the burden of municipal taxes by paying the total cost of education. Well, Mr. Speaker, the socialists broke that promise in 1944 after they were elected and they have left it unhonored for the last 19 years. During those 19 years this government has introduced hundreds of new taxes and charges, they have increased hundreds of existing taxes and levies, they have increased our provincial taxes to the point where even they have to juggle the figures to try to prove that maybe we are not first, maybe we are only second or third highest taxed people in this nation.

But this is only part of the story. While provincial taxes were increasing sevenfold, municipal taxes doubled and then they tripled, and now they are four times higher than they were in 1944. At the same time many municipal services have not kept pace with demands. Far too many Saskatchewan rural municipalities, cities, towns, villages, school units are in a very precarious financial position. In 1944, Mr. Speaker, the socialists promised to solve the municipal problem; they failed us then.

Then in 1956 they made the same promise and again they broke faith with the people of Saskatchewan. That year, 1956, the government called in representatives of local government and they said we will sit down together and we will work out our mutual problems. Well, I was at that conference, Mr. Speaker, and I saw my first example of socialist togetherness.

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Now just let me explain for a moment how the socialists go about working out a mutual problem through togetherness. The first thing, they called in the people concerned, it could be local government, it could be doctors, it could be businessmen, it could be farmers. The group doesn't matter. These socialists will master plan for all of us. Well, then they sit them down in comfortable chairs and they proceed to brainwash them, with long speeches delivered by cabinet ministers but I am afraid written by imported planners. The idea is that eventually you become numb from your seat and this numbness spreads up to your brain. When this happens they hope then that they can convince you that black is white and that up is down and even that socialists plans to take away a little more of your freedom and independence is really in your best interests.

**Hon. Mr. Walker:** — The numbness started at the top.

**Mr. Steuart:** — I can't hear what you are mumbling. If you put your teeth back in I am sure we would all get along better.

The trouble is that Saskatchewan people, Mr. Speaker, are a hardy lot and they've seen through this and they are now resisting even these great master plans. Well now, this is exactly what happened at the local government conference in 1956. Local government authorities came into this chamber with high hopes. They thought at long last a start would be made towards solving their problems. They received instead long lectures from cabinet ministers on their own inefficiency, the weakness of the present rural municipalities. There was no mutual discussion of plans or problems, there was only a preconceived plan prepared long before the conference began. The delegates sat for about three days and listened to one cabinet minister after another lecture the rural delegates especially on the joys of the county system.

Now after about two days of this some of the urban delegates cornered Clarence Fines and we asked him when our problems, when the urban problems would be discussed. And I think at that time, I think he was speaking out in that corridor, he summed up the government's feeling then and I am convinced it has been their feeling ever since. He said, we won't talk to you until we've straightened out these rural boys. His exact words, and I remember them well, "We won't keep pouring money down a rat hole", referring to the rural municipalities.

**An Hon. Member:** — Shame on him.

**Mr. Steuart:** — Well, almost seven years have passed, Mr. Speaker, and we all know what has happened. First we have had the continuing committee; well, they continued so long I think some of us thought they had gone into orbit. They hold dozens of meetings all over this province. They spent about \$300,000, and I understand they are asking for more for the same purpose — to sell rural people on this preconceived plan and to give the socialists more control over local government.

First there was to be no vote; the plan like so many others would be forced on the rural people whether they liked it or not. Another typical socialist freedom. Freedom from the responsibility of running your own affairs. But something went wrong. The rural people held many votes and this opposition backed by public opinion forced the government to change their plans.

Mr. Speaker, I said that the socialists changed their plans, but they didn't change their minds, just their plans. They promised a vote to people concerned before any change would be made in municipal boundaries or in the system. Now then I see by the Leader-Post that the Hon. Minister of Municipal Affairs has promised that no change will take place unless the S.A.R.M. agrees, and I sincerely hope that this promise is kept better than most of their other promises.

But just let's for a minute take a look at how they propose to carry out that promise to give the people concerned the vote.

Well, I have here a map of what I am sure, I presume will be county No. 16, if the county system ever comes into being. This proposed county takes in seven, parts of seven rural municipalities, 92, 93, 94, 95, 123, 124 and 125. Now parts of every one of these municipalities are contained — I say parts — are contained in this proposed county. Now, under the government's plan, those people living within this proposed county will have a vote on this particular county, Those left out will have no say. whether the municipality goes in or stays out of this proposed county no. 16. They will automatically be in the adjoining county. But what if there is no adjoining county? There can be a dozen or more townships, in this particular case, cut off from their former municipality and without any form of local government. We all know what will happen. They will eventually be forced to agree to go into the next county.

Now this is their idea. It will spread. If they could get one or two or a few municipalities, groups of municipalities across this province to agree, then the rest of the municipalities would fall in line or fall over like tenpins. Now, Mr. Speaker, the fair and proper way to take such a vote is to let everyone in each municipality affected

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vote at the same time and on the same question. Let them all decide if all or part of their municipality should go into any larger unit. This would be real democracy, not socialists political tricks designed to feel and confuse our rural people.

You know, Mr. Speaker, the real tragedy of this situation is that most people realize that there is need for reform in our municipal system. Municipalities, both rural and urban, have far too many demands made on them and too narrow a tax basis. Farmers, home owners, cannot continue to pay the ever-mounting local taxes. Local taxpayers are suffering real hardships because of mounting municipal taxes. And in far too many cases municipal services are falling behind demand. Falling behind necessities. What can be done to solve this very really and very complex problem?

We all know, for example, that we must have improved local roads, we must build better schools, add to our hospitals, build low cost housing, make it available, must clear our slums; in other words we must improve living conditions as fast as we can afford to. But at the same time we cannot continue to load these terrific costs on the farm lands and the urban property holders.

To do these things, Mr. Speaker, and still leave local government in the hands of local people, without breaking them financially should be our goal. But how do we do this? Well, certainly the government's way has been a failure. The actions they have taken I say have set back municipal reform at least 25 years. Why has this happened? This whole municipal mess has been a typical socialist operating in fuzzy-minded planning. It has been imposed from the top down. You know when most reasonable people have a problem they get together and they agree on a goal, they exchange ideas, and then they reach a compromise solution. It may take time, it may not be perfect but it is democracy. When the socialists see a problem, Mr. Speaker, whether it be with doctors or businessmen or farmers or working people or rural people, what do they do? First they turn their planners loose. Then they call on the people concerned and attempt to dictate what must be done. If these people don't fall in line, they turn on their propaganda, they smear them, they blacken their name and they accuse them of wrecking the democratic process.

Well, you know, Mr. Speaker, as long as they did this to small helpless minorities, and we have talked about one here and I brought it that the poor, little fishermen, the native fishermen of northern Saskatchewan — as long as they did this to small, helpless minorities they got away with it, it worked. But now they tackled the rural municipal organization which is neither small nor helpless, and their little plans hit on the rocks. I hope our rural people continue to resist this bare-faced grab at their basic freedom and independence. And I tell you that they can be assured of 100 percent support in their fight from the Liberal party.



Mr. Speaker, let the government go back and sit down with the reeves and the mayors and the councillors and begin again. These people are experts in local government. They have the confidence of local people. Let them decide mutually what services belong to the province and what services can be best rendered on a local level by local people. Then let the government give them adequate financial resources to meet their obligations without breaking our farmers, small businessmen and our working people.

If the governments, I am convinced, did this in an honest and sincere manner, they would dispel the fear and suspicion that now prevails throughout Saskatchewan. But I am afraid this isn't the socialist way. I can assure you, Mr. Speaker, members opposite, that it is the Liberal way.

We are convinced that this is the only way to keep our free way of life and to bring real progress to Saskatchewan. This year, with millions of dollars of surplus money, wouldn't this have been an ideal time to make such a start, a start on such a program. Sound, long-term municipal help by our provincial government. But again they failed the people of Saskatchewan just as they have failed them since 1944. It has been truly said that local government, being closest to the people, is the backbone of democracy. If this government through its ill-planned action or its inactions refuses them the proper tools to do the job, they will have done a real disservice to the whole structure of our free democratic way of life.

If this government, through its evident determination to centralize all authority in their own hands, if by this manner the socialists cripple local government, they will have taken a major step towards dictatorship. Mr. Speaker, their actions in the past few years have led many people to believe that this is their ultimate goal. Let them disprove by a change of attitude towards our doctors our business people, our co-ops, and by all means, at this time, towards our municipal people. Their budget, I am afraid, shows no indication of such a change of attitude and I cannot support it, Mr. Speaker.

**Hon. Mr. Brown:** (Ministry of Industry and Information) — Mr. Speaker, I am happy to have an opportunity to say a few words in this debate. I want to assure you right at the start that I have no intention of wasting my time trying to answer all the ridiculous statements that I have heard emanating from across the floor during the last few days. The time left to this debate is, both today and tomorrow, rather limited and I am afraid if I used it all I wouldn't have time to deal with everything that has been said. And

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it seems to me quite obvious that it doesn't matter how hard you try you very seldom have any success in convincing our friends opposite. I am almost inclined to my current life work in trying to educate them or do something about their way of thinking.

I want to start now, Mr. Speaker, by congratulating the hon. Provincial Treasurer on the budget which he brought down a few days ago and particularly on the very fine speech that he delivered at the time that he presented the budget to this house. I have had the privilege of sitting in this legislature for quite a few years now and have listened to a number of budget speeches and have perused the budgets which were brought down from time to time and in spite of the fact that we have had a lot of good budgets and good speeches over the years, I do want to congratulate the present Provincial Treasurer on the very fine effort which he made and on the very fine budget which he brought down.

Now, there are many things which I would discuss during this debate. There are matters pertaining to my own Department of Industry and Information which I might want to touch on; there are things that I might want to say with respect to the new proposals with regard to industry development incentives and this sort of thing. I would also be interested in saying something about the Saskatchewan Power Corporation for which I have some responsibility, and I think it is only right that, in view of the fact that large sums of money are provided annually for the use of the corporation, the house be given some idea of the developments which are taking place, the ways in which this money is being spent and where we stand from time to time with regard to the ultimate objective of the corporation.

I would like then to spend a little time today, Mr. Speaker, dealing with a few matters which concern the corporation. I would like too to refer very briefly at this time to some remarks made by the hon. member for Souris-Estevan (Mr. MacDougall) when he spoke a few days ago, and the hon. member was dealing with problems of the petroleum industry and read at fairly good length from the brief which was presented a short time ago to the government by the petroleum association. The hon. member if my memory serves me correctly, after reading off all of the recommendations of the petroleum association, suggested that the government should be prepared to adopt the recommendations without question because the petroleum association said that in their view they were in the best interests of all concerned.

Now, I am not going to quarrel at any length with the recommendations of the petroleum association. I had the privilege of sitting in on the meeting at which the documents was presented and, quite frankly, some of their recommendations I can certainly agree with. And I certainly agree with what they said in their brief when they pointed out that the geological prospects in Saskatchewan are not as

favorable as they are in some other areas, and I can certainly agree with the statement which followed that to the effect that on the whole, generally speaking, the regulations which apply to the petroleum industry in Saskatchewan are considered favorable by the industry. Now what they were suggesting to the government, Mr. Speaker, was not that the regulations are particularly onerous as far as the industry is concerned but they were pointing out that because of the geological factor that if Saskatchewan wishes to continue to enjoy a reasonable level of exploration in the province, then it would be well if we could look to see if we could provide some further incentives to the industry.

And, as has been pointed out by a number of speakers including the Provincial Treasurer, this matter certainly is being given very serious consideration and I have no doubt but what some changes will be effected in the not too distant future, and I am sure that this will again interest the industry and we can expect some further step-up in exploration work.

One of the other matters, though, that the hon. member referred to was something else that was raised by the petroleum industry in their brief with respect to the natural gas purchase policy of the government or the Saskatchewan Power Corporation. And I do want to say a word or two about this, Mr. Speaker, because I want to put on the record exactly what our policy has been and I particularly want to put on the record the policy which we proposed to the delegation when we met them, that we were prepared to adopt, and I want to say right here that the reason we said that we were prepared to provide or propose this purchase policy was simply because in fact it is very little different, if any, than the policy which we have followed in the past. I want to suggest, Mr. Speaker, and this has been confirmed to me by representatives of the petroleum industry, that the complaint with respect to the fact that the corporation has a monopoly insofar as gas purchase in the province is concerned is mainly a question of principle rather than because of any actual hardship that has been worked on the industry by virtue of the purchasing policy which we have followed in the past.

There is plenty of reasons for this and I think my hon. friend should know it.

**Mr. MacDougall:** (Biggar) — One is the government.

**Hon. Mr. Brown:** — But I want to say this. That we have done little different here in Saskatchewan than has been done in other jurisdictions.

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I want to remind the hon. members that the province of Alberta, during the early years of the petroleum and natural gas industry in Alberta, saw fit to provide that export of natural gas from that province would not be permitted until such time as sufficient quantities of natural gas had been proved up to take care of the needs of the Alberta citizens in the years ahead.

I want to point out too, that in Alberta there has always been some authority which could establish the price which was paid for natural gas, both at the level of the producer and of the consumer.

Now, when we first went into the natural gas business here in Saskatchewan, most certainly we examined the prices which were being paid for natural gas elsewhere. And when we originally established our price schedule which generally called for 10 cents per thousand feet, at the well head, there was little if any complaint from the producers because, Mr. Speaker, there was no question of the price itself and besides that of course there was no alternative market available at that time.

The one factor we must keep in mind is this. That when someone suggests that the price we paid in the past was not equal to what they refer to as the price which could be obtained from Trans-Canada Pipeline which is quoted at the figure of 13 and one-half cents or so. They compare this to the 10 cent price which we pay, but they forget to point out that our price of 10 cents has been paid to the producer at the well head while the Trans-Canada price has been paid at the pipeline. In other words, the producer has had to produce and gather, dehydrate and deliver that gas to the pipeline in order to receive the 13 or 13 and one-half cents. And when you examine the costs of gathering and preparing that gas and delivering it to the pipeline, then you will find that on the whole our price over the years has been somewhat better than the price which has been paid by Trans-Canada Pipeline.

Now, a few years ago we found it necessary to re-negotiate some contracts with some producers in the western part of the province. They were not satisfied with the price which we were offering them. We were satisfied that the price which we were offering was in fact at the well head, equivalent to the price which they could have obtained from Trans-Canada Pipeline at Trans-Canada Pipelines. However, because we couldn't resolve the difficulty, the two parties agreed on arbitration and we submitted the question of price to an arbitration board. It was interesting to me, Mr. Speaker, to read the report of the arbitration board which examined the costs and the prices and concluded that there didn't seem to be any real reason why a price increase could be justified because in fact the price we were offering was equivalent to the Trans-Canada price. But, nevertheless, like a lot of other arbitration boards they said, well, notwithstanding that, we are going to grant a slight increase anyway.

Because we wanted to make it abundantly clear to the industry that we have in fact no desire to ask them to receive a price for the natural gas which they produce less than they can receive from other sources, we saw fit when we met them last to place before them a purchase policy which we felt they could have little, if any, quarrel. And let me repeat that the policy which we proposed did not cause us any concern at that time and does not cause us any concern at this particular time either, simply because it is in fact practically identical to the price structure and price schedule which we have worked under the past number of years. I think all hon. members know that during the last 10 years or so, the corporation has purchased essentially all of the available gas which has been produced here in Saskatchewan, and we have constructed gathering systems in the various fields, we've built compressor stations, and pipelines linking all of the known gas fields of economical size to our market areas which we have developed during the past 10 years.

The market which the corporation has developed over the past decade is for some 50 billion cubic feet of gas per year. I want to remind the hon. members, Mr. Speaker, that only about two-thirds of this quantity has been and can be met from Saskatchewan sources. The gas which we require to continue at this rate of consumption for the next 30 years, and this is without allowing for any further growth, in our natural gas system, is considerably more than the proven reserves of natural gas in the province of Saskatchewan.

Now, Mr. Speaker, I would not have time to refer to the purchase policy in total in the two or three minutes remaining before 5:30 so I would beg leave of the house to call it 5:30 at this time.

The sitting was recessed at 5:30 p.m.

The sitting was resumed at 7:30 p.m.

**Hon. R. Brown:** — Mr. Speaker, when I called it 5:30 I was dealing with the natural gas purchase policy which we spelled out to the delegation from the Canadian Petroleum Association. I had made reference to the fact that during the last decade the power corporation had developed a market for some 50 billion cubic feet of gas per year and we had built lines into the areas to pick the gas up to take it to the market and I pointed out that the amount of gas in Saskatchewan was not anywhere near the requirements of the corporation's system in the years ahead.

I do want to just review the purchase policy which we laid before the delegation from the Canadian Petroleum Association. First we said that the corporation would

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continue to buy natural gas wherever it is proved up in the province in sufficient quantities to make it economical to take it into the system or to transport it to market. We pointed out some idea of the volumes of gas which would be required to be proved up in order to make such reserves economically feasible for recovery and gave an illustration of the formula which we suggested might apply. We suggested that the corporation could invest about a million dollars for each 100 billion cubic feet of reserves which were proved up. This would mean that the corporation might reasonably build 40 or 50 miles of pipeline which would handle some 10 million cubic feet per day. Understandably, smaller reserves would have to be closer to available pipelines in order for that formula to apply.

We agreed, too, that while pipeline companies usually purchased the gas gathered and delivered at the pipeline, and this is the case with Trans-Canada Pipeline, the corporation has generally taken delivery of the gas at the wellhead, and I want to remind the hon. members again, Mr. Speaker, that this has involved a much bigger investment on the part of the corporation than would otherwise have been the case. We suggested to the association that the corporation will give preference to the purchase of gas gathered and compressed to pipeline pressure at a central location in the field. In certain cases, the corporation will be willing to construct the gathering system and compressor station and to buy the gas at the wellhead with the price adjustment on a cost of service basis. This is the formula under which we have been purchasing gas in the main, from our suppliers during the last decade.

We also proposed that after the initial build-up period, we would be prepared to accept the generally accepted average rate of delivery of one cubic foot per day for each 10,000 cubic feet of the reserve. This rate would be applied to new fields after an initial build-up period of some five years.

We also proposed, Mr. Speaker, that if the corporation's system cannot absorb the available gas within a reasonable time, the corporation will offer to purchase the recoverable reserves in place on the basis of payments over a 10 year period. This is the kind of an arrangement which we worked out with respect to the purchase of the Hatton-Many Islands field. This quite often is of great interest to the producers if there is no other ready market available for the gas which they are able to produce, and we favor this sort of an arrangement because it does provide an opportunity for the corporation to buy up reserves which they can produce when required in the years ahead. And it safeguards us to some extent at least from rapidly rising prices for natural gas.

The pricing policy, as I mentioned earlier, originally established by negotiation with the producers, were as I said generally considered to be somewhat more favorable than the

prevailing prices in Alberta. Over the last three years the wellhead contract price in Saskatchewan has been some 10 and three-quarter cents per thousand cubic feet, and as I mentioned, the producers have chimed that other markets exist for the gas and that Saskatchewan prices should take them into account. As I said before, we are satisfied that we have in fact been meeting competition insofar as gas prices are concerned but in order to make it abundantly clear to the producers that we seriously mean to pay competitive prices, this is a proposal which we laid before the Canadian Petroleum Association.

We said that the Saskatchewan Power Corporation will meet or exceed Trans-Canada Pipeline's average purchase prices. For new discoveries of natural gas meeting Trans-Canada Pipeline specifications, gathered and compressed to pipeline pressure, the corporation will pay a price schedule as follows: the base price will be the weighted average price for 1,000 B.T.U.s. of gas, paid by Trans-Canada Pipelines for field gathered and compressed gas in Alberta or Saskatchewan over the previous three years, plus one-half cent per thousand cubic feet for an annual load factor over 75 percent, plus three-quarters of one cent per thousand cubic feet for an annual load factor of 62.5 to 75 percent, one cent for an annual lead factor of 50 to 62.6 percent, and for annual load factor below 50 percent we are prepared to pay the weighted average Trans-Canada price plus one and one-quarter cents per M.C.F.

I think this should indicate quite clearly, Mr. Speaker, that we have no intention of forcing the producers to sell their gas at an uneconomical price or a price much below that which they might be able to obtain elsewhere.

We further suggested that for sweet gas purchased at the wellhead, and this again would be for new discoveries of gas, the corporation is prepared to pay the schedule I just outlined a moment ago, less a fixed gathering charge of some 3 cents per thousand cubic feet and a compression charge of one-third cent per 100 pounds of compression. This is in line with the procedure which has been established over the past ten years or so.

Now, having spelled out a schedule of prices which we feel is abundantly clear and should not be open to too much question, we have gone further and suggested that while we firmly believe that every effort should be made to retain in Saskatchewan natural gas which may be proved up, in order to meet the requirements of Saskatchewan citizens in the years ahead, and this again is in line with the practice which was followed in the province of Alberta, we are prepared if it can be adequately proven that a price is available higher than we are prepared to go, or if the gas which is proved up is in such a location that it is not economically feasible to take it into our own system, we are prepared to waive our rights for sole purchase and in fact permit the export of that gas from the province. Our own view is that with the price

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schedule which has been proposed, plus the fact that the corporation is prepared to purchase gas in place which it cannot immediately use in the system, there is very little likelihood that export will be demanded or in fact required.

It has been proposed by the association that there should be some means for arbitrating the prices that are paid by the corporation for gas obtained from the producers. Again, let me say I would suggest that there is not too much likelihood that the situation will arise where arbitration will be required, but again our view is that we don't quarrel with this sort of a proposal. It has been used in the past in order to establish prices which the corporation has had to pay but we are somewhat at a loss as to how you could establish an arbitration board which would be completely independent and which could be considered as being fair to both parties concerned. And I suggested this in my discussion with the petroleum industry. I am sure that there would be some squawks from the producers if we suggested to them for example that some government agency such as the local government board was empowered to arbitrate gas prices. And rightly so. By the same token we wouldn't feel that the corporation was being given a completely square deal if we had a board which was made up of individuals whose leanings might be towards the petroleum industry. I think that the association as well as ourselves recognize that the problem of finding a body or a group of individuals which might be considered completely unbiased and fair in a matter of this kind. However, as I said, we certainly suggested to them that we didn't quarrel with this sort of a proposal and that we could work out some arrangement to our mutual satisfaction for an arbitration proceeding then certainly we would be prepared to go along with that sort of an arrangement.

I want to take just a few minutes, Mr. Speaker, to review a few of the highlights of the operation of the corporation during 1962 and I hope that time will permit me to refer to the extension of the natural gas system which the corporation will be undertaking during 1963. There are a lot of other matters that I would like to touch upon but I don't want to encroach on the time of the other members on both sides of the house who are looking for an opportunity to speak this evening, so I will make this as short as I possibly can.

I would like to suggest to you that in 1963, the present year, is likely to be a year of objectives or achievements realized as far as the power corporation is concerned. Squaw Rapids, our first hydro-electric system, will begin delivering power to the provincial system within the next few weeks. Also, early this summer the corporation head office staff will move to their new building at the corner of Scarth Street and Victoria Avenue. Now I know there has been a lot of caustic comment made about the new head office building and I am not going to try to answer all of the rather ridiculous criticisms which have been levelled at the



building. I only hope that all members on both sides of the house will take an opportunity this summer when the building is completed to visit it and to see just exactly what we have provided as a headquarters for this great utility that belongs to the people of Saskatchewan. As far as I am concerned, Mr. Speaker, it will be a matter of satisfaction when we can move our staff into that building. This will be the first time since about 1950 that we have been able to have all of the head office staff of the corporation under one roof. At the present time we are operating from some 24 floors of 10 different buildings located throughout the city of Regina. I suggest to you that there are not many utilities operating in the dominion of Canada that would attempt to operate under those conditions for too long. The head office building is badly needed, it is long overdue, and as I say it will be a matter of satisfaction to me have the corporation under one roof for a change.

I want to refer too to one of the major developments in the natural gas picture and that is the development of underground gas storage located at a couple of points on our system. We started this year by constructing a storage cavern up around Melville, we are presently building just out of Regina here in order to provide a storage cavern in this area. The purpose of this of course is to assist us in taking care of peak requirements during the winter season and it is a means of postponing development of looping of our major transmission lines from our source of supply.

It is interesting too this year, and I believe this was mentioned in the speech from the throne, that this year the corporation expects to add its 200,000th customer to the electrical system and it is also expected that the 100,000th customer will be added to the natural gas system.

I would like to just mention briefly some of the benefits to the people of Saskatchewan which will accrue as a result of the completion of the Squaw Rapids project. I think all hon. members know and realize that hydro-electric stations are more expensive to construct than either steam or internal combustion operated stations. However, this initially higher cost is more than offset by lower costs of operation and maintenance. The lower cost of operation of course reduces the cost of the production of power, and I want to say, Mr. Speaker, that it is the intention of the corporation to pass these savings on to the people of the province of Saskatchewan.

The government is hopeful that the corporation will be able to develop rate reductions in some areas which will facilitate greater use of electrical energy by our people. We are hopeful that a lower run-off rate for farmers will be established. This proposed rate reduction is designed to facilitate economic water heating for domestic use. I suggest that this will apply to a large cross-section of our rural population in conjunction with the family farm improvement

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branch program of providing water and sewage facilities for our Saskatchewan farmer.

Residential customers may expect reductions where higher consumptions are concerned. Our basic electrical needs are still being met by our steam plants and unfortunately reduction in the basic rates cannot be made at the present time. Hydro power will initially be used to augment steam production and will play that similar kind of a role on your electrical power bill. As the consumption increases the average cost per kilowatt hour will decrease.

We are hopeful too that with industrial rates it will be possible to reduce rates for industries which use electricity in their operations on a high load factor basis. The cost of providing power for a sustained electrical load is considerably lower than cost of production for high demands over relatively short periods. We are hopeful that it will be possible with bringing in the first hydro-energy to the system that we will be able to provide a reduced rate for our industries operating on a high load factor basis. And this, Mr. Speaker, can apply to a fairly substantial number of our larger industries in the province.

I would like to remind you, Mr. Speaker, that our utility at the end of 1944 showed only some 13,000 customers, including rural customers throughout the province. Today, with the number of electrical customers approaching 200,000, there are more than 60,000 farms connected to this system.

While the farm program was officially completed in 1961, an additional 1,700 farms were added to the system in 1962. I think it is interesting at this time to note that one indication of the benefits of electricity and the greater use which is being made of electricity by our farms is the fact that some 2,400 farms found that their electrical needs had grown during 1962 to a point where it became necessary to convert their 5 horsepower services to 10 horsepower services. As a matter of fact, because of the conversion to the higher horsepower services the corporation ceased buying the 5 horsepower transformers a couple of years ago.

Power generated by the corporation has increased more than seven times during the last 14 years and in the last 10 years average residential consumption of electricity has risen from some 900 kilowatt hours annually to an average of some 2,900 kilowatt hours in 1962. The average farm in Saskatchewan used 2,700 kilowatt hours of energy in 1957 and 4,300 kilowatt hours in 1962.

Power consumption in the province has risen to compare very favorably with the national average in Canada, and this is a matter of great satisfaction as far as I am concerned because not too many years ago our average consumption was considerably below the national average and it is indicative of the greater use that the people of the province are making of electricity in their daily lives.

It is interesting to note too, Mr. Speaker, that while power consumption across Canada increased by some 4.3 percent in 1962, consumption in Saskatchewan increased by some 11 percent. I think it is even more significant, Mr. Speaker, to note that the seasonal peak demand in Saskatchewan was up by some 15 percent. During 1962 Indian reservations in the province were served for the first time in the history of the corporation. A total of 4 reservations were served in time for the Christmas season. With electricity now available to every settled area of the province our Indian reservations represented the last frontier to be crossed with modern electrical power. The program of electrification of Indian reservations will continue until power is available to every family in the settled areas of the province.

One of the interesting developments in 1962, Mr. Speaker, was the establishment of the first underground distribution system on our provincial power grid. This was completed in a new residential section of the city of Yorkton. This distribution system energized at some 25,000 volts will provide some of the highest underground voltages on the continent, providing adequate power for future requirements and eliminating one step in transformation from the corporations 25,000 volt system.

We propose in meeting the requirements of planners and architects to install underground electrical systems in all new subdivisions of larger urban centres in the future.

During the year 1962 the corporation constructed a number of high voltage transmission lines designed to provide alternate service to some areas, to improve existing services and to prepare for the transfer of energy from the new hydro station at Squaw Rapids into the settled areas of the province.

In natural gas operations, the corporation added a record number of communities to its natural gas system, some 28 as a matter of fact. Members will recall that we originally mentioned the program of some 16 during the session last year but because treasury was able to provide us with some additional funds we were able to add a further 12 communities to the system during the year; 20 new gas wells were brought into production in the Hatton-Many Islands area and we built a new compressor station at Hatton in order to boost the compression in our system.

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I mentioned earlier the construction of the gas storage cavern at Melville and this I might mention was quite successful and when it is finally completed, it is not quite done, it is interesting to note that we will be able to store sufficient gas in that cavern to take care of the needs of the Melville-Yorkton area; our gas customers in that area, for quite a number of days in the event that we should run into any problems in any other part of the system, and find it impossible to put gas from other parts of the system into that area.

As I mentioned a moment ago too, it is our intention to continue to buy these storage caverns as the need arises in various parts of the province in order to take care of the peak needs of the citizens.

By the end of 1962, the corporation was operating some 10,500 miles of electrical transmission lines, and some 58,000 miles of electrical distribution lines, serving some 198,000 customers.

At the same time, the corporation operated some 2,100 miles of natural gas transmission line, and 1,400 miles of distribution mains serving some 89,000 customers. Power consumption in the province for 1962, was, 1,394,000,000 kilowatt hours, and some 44,800,000,000 cubic feet of natural gas was supplied to customers.

It is interesting to note here, when we speak of the consumption of natural gas in the system, that the consumption of natural gas by customers of the system, during the month of January this year, was greater than the consumption of the entire system in the year 1956. I mentioned a moment ago that we expect to commence operations at the Squaw Rapids Project in the very near future. We are hopeful that by the end of this month we will have the first of the 33.5 kilowatt generators at the project in operation, and we will be continuing to add units as we go along during the year, and as we add these units and bring them into production it is the intention then to gradually close out the Moose Jaw and Prince Albert generating stations.

At the present time as far as Squaw Rapids is concerned, all of the work on the dam, and the spillway in the power canal, and the generating station intake structures, is complete. Work on the high voltage transmission line is continuing and the work on the plant itself is well under way.

The corporation was involved in the construction of the South Saskatchewan River Dam project during 1962, only to the extent of supplying steel liners for the three diversion tunnels, which will act as power pen stocks when the project is completed.

Investigation and design work for the Coteau Creek hydro-electric power station was well under way, and we expect this station will be brought into operation, in time for the winter season of 1967.

Our expenditures on the South Saskatchewan project to the end of 1962, amounted to \$6,6 million and nearly \$4 million was the corporation's share of the cost of the reservoir.

Studies of the Saskatchewan river system are continuing, to determine the river's most economic development. These studies include preliminary investigation into the feasibility of increasing Saskatchewan river flow, by diversion from the Athabasca, the Peace and the Columbia river systems. The government of western Canada, the provincial governments appear to take a rather favorable attitude toward eventual augmentation of prairie water supplies through co-operative action of some kind.

There is much more could be said, Mr. Speaker, with respect to the operation of the corporation during 1962. I mentioned earlier there are a number of objectives will have been achieved; 200,000 customers of the electrical system, 100,000 customers of the gas system, completion of the first hydro station at Squaw Rapids, and completion of the head office building in the city of Regina.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Brown:** — However, this is not the end of the story, as far as the corporation is concerned. It is indicated that in the years ahead if we are to continue to meet the demands of our people for electrical energy and natural gas, that expansion of the corporation must continue in both fields, with very little abatement.

Anyone who may think that it will be possible to drastically reduce the amount of money invested in the corporation annually, in the immediate future, is simply whistling in the dark. We will no sooner complete the Coteau Creek station, than we will be well underway with the construction of possibly another hydro station somewhere on the Saskatchewan River, and this again will not be the end of the demands for electrical energy by the people of this province.

Our forecast of consumption demands an increase in load growth over the years ahead, indicate that it will be quite some time in the future, before we will be able to sit back and say that we have sufficient capacity in our system to take care of the growing demands for electrical energy by the people of this province.

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By the same token our consumption of natural gas will continue to rise over the years ahead, we will undoubtedly be adding more customers to the system, as the years go by, and it is obvious from past experience, that the consumption of natural gas by established customers will continue to go up, with greater use being made by commerce and industry of the natural gas, it is quite apparent that one of the major phases which we will have to face up to, in the not too distant future, will be the need for looping many of our major transmission lines, presently in existence.

I think this is obvious, when you note in the speech and the budget brought down by the Provincial Treasurer, the fact that the corporation will be provided again this year with a rather substantial amount of money, some \$46 million. This money will be spent as it has been in the past, on the various activities and I don't intend to take the time to try and break it down to you in detail, but I will be glad to discuss it in detail with any member of the house, who wishes to have more information on the matter, but it would take a great deal of time to tell you about all the places we are going to build a little bit of transmission line and this sort of thing.

I think I can sum it up, or break it down, in this way, that something over \$11 million will be spent again on generation and a good portion of this will go towards the completion of the Squaw Rapids project.

About \$7.5 million will be again invested in transmission lines, a good portion of this in high voltage lines in order to be able to take the power from the Squaw Rapids station down to the settled areas.

Almost \$8 million will be spent on distribution systems and about \$13 million will be spent on the natural gas system and some \$6.5 million on administration.

Now, I think the main interest of the members on both sides of the house, because this affects their constituencies, is the extent of the natural gas program for this year, and the communities to which we have decided to extend service during 1963.

So, I think I will conclude my remarks simply by putting on the records of the house, and for the information of the members, the natural gas program which we intend to undertake in 1963, and may I suggest to members on both sides of the house, that while there may be some disappointments, I hope you will have regard to the fact that we have only so much money that we can spend, and we are trying to do our

best to provide service where it is economically feasible to do so, and where we feel that we can pick up the greatest concentration of customers in the light of the investment which we will have to make.

Now, I think I have said before that sometimes when I get up and announce this program, I almost feel I should walk across the floor of the house and make it from over there, because I might be safer from my colleagues on this side of the house, so I am going to ask them to be a little tolerant this evening, and keep in mind that I always try to be fair to everyone, and I think that this will be abundantly proven when I tell you the places to which we intend to take gas this year.

We are going to add 15 new communities this year, and I'll just run down them — the town of Alask, will be added, the town of Marengo, or is it a village in the southeast part of the province.

We feel that we have sufficiently overcome some of the gas quality problems and other problems which we were encountering down there, with respect to the flare gas which we buy from the plant and we are going to make a start in providing service to that area this year.

We will be adding Carnduff, Carievale, Gainsborough, Alameda and Oxbow to the system. And moving from that part of the province up into the central part of the province, we will be building a line to serve the communities of Muenster, Englefeld, St. Gregor, Watson, Quill Lake, Wynyard and Wadena, and one lonely little point out west, the town of Piapot will also be added to the system in 1963.

The only closing comment, I wish to make, Mr. Speaker, is this that I seem to recall the hon. member from Melville, making some comment some time ago, when he spoke in the house, that the things that people were entitled to and they should have them, and by golly, they should have more, particularly the people of Melville constituency should have more. I just want to put on the record once again, and to point out, that once again the constituency of Last Mountain, still doesn't have one community added to the gas system, and nevertheless I will support the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. Erb:** (Milestone) — Mr. Speaker, since the Provincial Treasurer brought down the budget on Friday, March 1, 1963, the people of this province have become painfully aware of the fact that they are now, indeed, among the highest, if not the highest taxed citizens in the nations.

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**Some Hon. Members:** — Hear, hear!

**Mr. Erb:** — They don't like it. Well, in the face of the forecast of the former Provincial Treasurer of a deficit for 1962-63, it is relatively simply to understand the embarrassment of the present Provincial Treasurer, and the government over the surplus of some \$20 million. Both the financial critic of the opposition, the hon. member for Moosomin (Mr. McDonald) and the hon. member from Maple Creek, (Mr. Cameron) as well as others on this side of the house have made some very lucid analysis of the situation in which the Provincial Treasurer and the government find themselves, and at the same time, Mr. Speaker, they exposed the manner in which the government endeavored to hide its embarrassment by way of supplementary estimates.

Now, Mr. Speaker, no one ever need feel sensitive about having a great amount of monetary wealth, providing that at all times one can look one's fellow man in the eye, and of course, good business ethics would dictate that one be able to do so at all times.

Well, the position of the Provincial Treasurer and the government, therefore, I submit, Mr. Speaker, is one that finds them looking down at their boots, as a result of the glaring revelation of the extent of which they have extracted millions of dollars out of the taxpayers pockets.

**Hon. Mr. Brockelbank:** (Provincial Treasurer) — I can see my boots anyway.

**Mr. Erb:** — You must wear an awfully big size. During the federal election campaign of June, 1962, that is during the federal election of June, 1962, the Minister of Industry and Information, speaking at Elrose, said, "Now, if the government bowed to the doctors, it would have meant accepting dictatorship under white-garbed gangsters with scalpels at our throats" and he compared them to gangsters with guns at our heads. Well, presumably my hon. friend, Mr. Speaker, was speaking for the government. Well, one can only conclude from the remarks made by the hon. member that somehow, unless restrained, these white-garbed gangsters would extract too much money out of the pockets of their patients for medical services.

Well, Mr. Speaker, there are several members of



Her Majesty's advisors, to your right, Mr. Speaker, were forced by reasons of emergency, or otherwise, to submit themselves to the scalpels of these white-garbed gangsters; and they are alive because of their knowledge and skill. Now, I ask, was their price too high? Was this an unwarranted extraction? Well, events certainly have proved the analogy the hon. minister attempted to apply to the medical profession, in reality is infinitely more appropriate in its application to those on the treasury benches to your right, Sir. For if ever people anywhere have had to submit to an unwarranted extraction of money by a government, it is the people of Saskatchewan, and as it were, with guns to their heads.

**Some Hon. Members:** — Hear, hear!

**Mr. Erb:** — Well, for some time now, the Premier of this province has belabored the people over radio and T.V. about the value of paying taxes, and that through programs provided by them, there derives a strange “togetherness” that makes for greater freedom. The Provincial Treasurer now takes up this theme in his budget address. That more government intervention, more taxes, in short more statism “will enable men to stand up as individuals, and to be free in the fullest sense of the word”.

I think, Mr. Speaker, people everywhere are becoming wary of the suggestion, or the propositions that freedom is equated to the extent that government becomes involved in, with, and directs the actions of people in their province.

Freedom, like democracy, is open to many interpretations. The claim of Mr. Khrushchev is that the Soviet Union has the only real democracy, a people's democracy, and, therefore, its citizens presumably enjoy the greatest amount of freedom, because the state has relieved them of their problems. By his interpretation of freedom and democracy, Mr. Khrushchev can also say that this “enables men to stand up as individuals and be free in the fullest sense of the word”, and, perhaps, the majority of Russians agree with him.

The fact, however, is that we in the western world do not accept Mr. Khrushchev's interpretation, neither of democracy nor of freedom. Neither do we believe that the people of Saskatchewan will accept what in effect, is an attempt to legislate them into a gregarious state of existence, beyond their natural inclination to associate.

Well, this doctrine of “togetherness” espoused by the Premier and embraced by the Lloydites, the fulfilment of which is to be attained by government intruding more and more into the lives of people, and going deeper and deeper into their pockets, is indeed a strange and alien concept of freedom, Mr. Speaker.

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Just how the doctrine of "Lloydism" makes for more freedom is something obviously that only the "Lloydites" can comprehend.

**An Hon. Member:** — Termites.

**Mr. Erb:** — Because to the average normal Saskatchewan citizen, more and higher taxes constitute a threat to his freedom, and make no mistake about it, more and more intrusion by the government into his affairs, under the guise of helping him with his problems, eventually becomes an infringement upon his liberty. One hundred and fifty years ago, a great English statesman and Prime Minister William Pitt, said this:

necessity is the plea of every infringement of human freedoms. It is the argument of tyrants; and it is creed of slaves.

I think we would do well to ponder these words of wisdom spoken in the 19th century and to observe their accuracy in the light of events of the 20th century. And it is also well, I suggest, for the people of Saskatchewan, to ponder this positive role for government that is advocated by the Provincial Treasurer and his N.D.P. cohorts.

Well, indeed, governments should exercise a positive role, but not in a manner that can be interpreted, Mr. Speaker, as paternalism. It is only a truly positive role when government provides the kind of leadership for people to meet their social and economic problems, in such a way that they become increasingly less and less dependent upon the state. But from the pronouncements of the N.D.P. and its hierarchy, it is evident that the N.D.P. government is not capable of this kind of leadership.

**Some Hon. Members:** — Hear, hear!

**Mr. Erb:** — For the warp and woof of its philosophy is promised on stateism, and its interpretation of freedom and democracy, therefore, is not in consort with the establishment of accepted traditions.

Well, as I noted at the beginning of my remarks, Mr. Speaker, the people of Saskatchewan have become painfully aware that they are indeed among the highest, if not the highest, taxed citizens of the nation. And what creates even a more gloomy picture, is the fact that their per capita income is among the lowest in Canada. In the face of such unencouraging statistics, and the \$20 million surplus,

derived in the most part by direct taxation, is it any wonder then that the gentlemen to your right occupying the treasury benches are looking down at their boots.

I submit that much of the embarrassment of the government over its \$20 million surplus, derives from the inordinate haste to plan, legislate, and implement the medical care plan. Because as everyone knows the original date of the commencement was to be January 1, 1962, hence the reason for the special session in October, 1961. But as the old adage has it, Mr. Speaker, "that the best laid plans of mice and men gang aft a glae". And so as a result of this, the next starting date was to have been April 1, 1962, but again the realism of the officials of the Department of Public Health prevailed and July 1, 1962, became the target date. However, this time with a vengeance, "That it will come in with or without the co-operation of the doctors".

Well, now the legislation that was passed at this special session in October, 1961, provided for three new taxes to support the medical care plan, as everyone knows. Beginning January 1, 1962, the new tax revenues began rolling into the treasury. But it was only after the signing of the Saskatoon agreement, July 23rd, that the medical care commission commenced to pay bills for medical care services rendered to beneficiaries under the plan. Incidentally, Mr. Speaker, as a palliative to the unsavoury manner of extracting money from the people for a service that they were not receiving for a period of approximately seven months, the people were given a bonus, as it were, by the government, by waiving the per capita tax for the remainder of 1962.

Well, in short what does all this manipulation add up to? From January 1, 1962, to December 31, 1962, revenues from the three new taxes amounted to in excess of \$15 million. Whether or not they all have been collected or not is beside the point, but the amount paid by the medical care commission for medical services rendered to beneficiaries, after July 23, amounted to some \$5 million, or less. In other words, this government extracted out of the pockets of the people over \$10 million, over and above what was necessary to finance the medical care plan from July 23, 1962, to December 31, 1962.

Well, I suggest, Mr. Speaker, that the people would have had better luck had they been able to take this \$10 million to Las Vegas. The odds that they would have come back with some of it would have been infinitely better than the stacked deck from which their hand was dealt by this government.

**Some Hon. Members:** — Hear, hear!

**Mr. Erb:** — Well, we are now witnessing the spectacle of a remorseful and embarrassed administration, attempting to administer

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to an irritated people, a variety of palliatives by way of supplementary estimates. We are all agreed, Mr. Speaker, that the three kinds of aids to new industries, outlined in the budget is a forward step in creating incentives for their establishment. It is something, of course, that has been long overdue.

Of course, no one will quarrel with the increase of the \$3.8 million in gross expenditures for farm programs, and the \$3.8 million for community pasture development and so forth, but I submit, Mr. Speaker, that it would have been infinitely more palatable to the taxpayers in this province had the government budgeted for what now appears in the supplementary estimates in an orthodox and conventional manner.

Well, in any case it is hoped that out of this potpourri the most significant thing that will materialize is increased resource development and economic growth. Because unless this occurs our house of essential services is built on shifting sands. Direct taxation on the people for essential services have now reached the point beyond the saturation point.

Unless an expanding economic basis is forthcoming soon to meet the inevitable increments in costs of services, the prospects for our province are not too bright, and are unpredictable. While it is hoped that this look the government has taken on in respect of their attitude towards private enterprise, Saskatchewan will move forward in economic expansion, recent statements by the national leader of the N.D.P., Mr. T.C. Douglas, indicate that the attitude of the N.D.P. towards the United States has not changed. The anti-American campaign carried on by the rank and file of the N.D.P. is in no manner conducive to inspiring confidence and goodwill that is required attract investors to our province and for the most part, American investors.

The rank and file of the N.D.P. are unable to comprehend that were it not for American initiative, enterprise and investment capital Canada would not be enjoying one of the highest standards of living in the world. Indeed, were it not for American risk capital, there would be no oil or gas development in this province, and no potash industry such as our friends across the way boast about, about which we are glad.

Well, charges made by the national leader, T.C. Douglas, such as he made in an address last weekend to an N.D.P. meeting at Saskatoon are enough to get the jaundiced eye of the United States. In his attack on Lester B. Pearson, T.C. Douglas in effect accuses this great Canadian of entering into a dark and sinister and monstrous conspiracy with American interests for the sell-out of Canada.

I don't know how many members have had the opportunity to read what he said but this is what he said in part. Mr. Douglas said:

In the future Mr. Pearson would be remembered for two things. First, he brought honor to Canada by winning the Nobel Prize for peace, second, he brought dishonor to his party by failing to stop its conversion into a satellite party for the United States interests.

He said:

If Mr. Pearson wished to challenge this proposition he would show his good faith by disclosing contributions to the Liberal campaign chest by United States owned industry in Canada.

**An Hon. Member:** — I'd sure like to see it.

**Mr. Erb:** — The N.D.P. leader attacked the defence policy of the Liberal party concerning Canadian acquisition of nuclear arms, charged that the Liberal stand was determined by one man in the dark on the basis of Pentagon rumors.

Mr. Douglas said:

During its years in office, the Liberal party allowed decision-making with respect to Canadian economy to be taken out of Canada. We are now witnessing the completion of the process; an economic satellite becomes a political satellite as surely as night follows day.

Well, certainly, Mr. Speaker, the Hon. Lester B. Pearson has done infinitely more than our Canadian in cultivating the goodwill and understanding of our good neighbor to the south and of the nations of the free world generally.

Now I say, contrast Mr. Pearson's performance to the pro-Castro sentiments of the N.D.P. leader and his disciples . . .

**Some Hon. Members:** — Hear, hear!

**An Hon. Member:** — They hide their heads . . .

**Mr. Erb:** — And having done so we find that the Hon. Lester B. Pearson is

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bringing honor still to his country, which he has served so many years and will continue to serve with great distinction, Mr. Speaker, will continue to serve with great distinction.

Tonight's editorial has a very fine comment, I think, on what Mr. Douglas has been saying, and I think it should be put on the record of the house, and I quote from the editorial of March 12, 1963,

Mr. Douglas and his N.D.P. party are not only opposed to nuclear arms but they would have us withdraw into isolation both from NORAD and NATO. Now is the time for nations of the free world to stand up and be counted. If this was not realized before, surely it must be brought home forcibly on those who saw the CBC documentary film on Cuba over the national network Sunday night. With Russian's help the communist bridgehead to the North and South America continents now is more heavily armed than Canada, according to the commentators on this film. The film showed some of these armaments.

Well, it goes on to say why was the CBC permitted to take the film, obviously the communist desire to impress the people of the Americas with tiny Cuba's armed strength. But it must have had other effects on many Canadian viewers. It must have shocked them — it must have made them ashamed that an issue in the election campaign is whether or not we hold up our end in the collective security arrangement for the defence of the free world, and for the defence of our own country.

How could any true Canadian, after viewing this show of Cuba's might, support the N.D.P. part and its policy for Canada's withdrawal from NATO and NORAD?

Mr. Pearson and the Liberal party alone in unambiguous terms are calling upon the Canadian people to stand up and be counted as full partners with other free nations in their defence and our defence of freedom. The election of Mr. Pearson, the man of peace, who at the same time is a firm believer in the efficacy of collective security, will tell the world "that we stand firmly behind our allies at this critical time when the communists are knocking at our front door".

Well, I said, Mr. Speaker, contrast the pronouncements of the N.D.P.'s leader and his followers, to that stand of Mr. Pearson, and I think out of all this, we shall see the red slip of the N.D.P. and its leader showing consciously or subconsciously.

**Some Hon. Members:** — Hear, hear!

**Mr. Erb:** — Well, the wailing of the N.D.P. and its leader, about the domination of the Canadian economy by Americans was exposed for what it really is by Professor Harry Johnson of the Department of Economics of the University of Chicago. An editorial of March 13th . . .

**Mr. McDonald:** — We would like to see it . . .

**Mr. Erb:** — . . . said this:

The contention of the N.D.P., that there is an increasing problem of American domination of the Canadian economy, has been shot down in an address to the Canadian Club of Toronto, by Professor Harry Johnson of the Department of Economics, University of Chicago.

Professor Johnson did not mince words, he said:

American domination of the Canadian economy I regard as a spurious problem. Insistence that it is a real problem, seems to me to be a piece of hypocrisy, perpetuated by greed aiming to exploit the Canadian inferiority complex, under the guise of patriotism. Its main significance in keeping with the irrationality from which it starts is that it consistently supports policies which will probably bring about the very things it claims to dislike, American ownership of Canadian industry and a second-rate economy for Canada.

Well, in the editorial of March 12, 1963, I should also like to read a comment made by this editorial upon Mr. Douglas' charge that we have now become an economic satellite of the United States.

It goes on to say:

When Mr. Douglas was the head of Saskatchewan's government, this province borrowed heavily in the United States. At one time approximately 50 percent of the province's outstanding bonded debt represented money borrowed across the border.

If what Mr. Douglas said with respect to Canada becoming a satellite economically under the Liberals,

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it must be true that under Mr. Douglas' premiership, he permitted Saskatchewan to become economically subservient to the United States.

After his near defeat in 1948, Mr. Douglas pleaded with the petroleum industry, then and now dominated by U.S. capital, to come to Saskatchewan. When it did so, Mr. Douglas boasted of his achievement, the \$14 million potash mine and the refinery near Esterhazy represents the investment of U.S. capital in Saskatchewan. The government which Mr. Douglas formerly headed singled out this development for laudatory references in both the speech from the throne and budget, and hope is being expressed that even more foreign capital, including U.S. money, will come into the province to finance other potash potentialities.

Is Saskatchewan becoming a U.S. satellite through the investment of capital from that country in our province

it asks.

Well, Mr. Speaker, if it is a question of bringing honor, stability and prosperity to Canada, the Canadian people will look to Lester B. Pearson and the Liberal party to do just that. Because from the pronouncements of the N.D.P. and its leader it is obvious that they are incapable of bringing honor to our nation, and insofar as Saskatchewan is concerned, incapable of generating the kind of atmosphere that will make it possible for Saskatchewan to move ahead with other provinces in economic development and growth of our population.

And I suggest, Mr. Speaker, that the real solution to Saskatchewan's problem is a provincial election, without delay, so that the decks may be cleared for a new administration — a Liberal administration — yes, a Liberal administration which will create the kind of atmosphere which will bring about renewed confidence in our province and its leaders, and enable Saskatchewan to prosper socially and economically in a manner that is hoped for by all its citizens.

Now, Mr. Speaker, from what I have said and what others on this side have said, I am sure that it will be gathered that I cannot support the budget.

Therefore I shall move an amendment, seconded by Mrs. Batten:

that all the words after the word 'that' be deleted and the following substituted therefore:

this Assembly regrets that the proposals of the Provincial Treasurer as contained in the budget



do not meet the needs of the people of Saskatchewan since they would continue to levy excessive and unwarranted and unnecessary taxes of the present time rather than providing for substantial tax reductions which could be instituted with no adverse effect to the responsible commitments of the government.

**Some Hon. Members:** — Hear, hear!

**Mr. Speaker:** — In looking over this amendment I believe from my reading of the rules and so on that the wording is in order so, therefore, I will rule this amendment to be in order.

Is the house ready for question on the amendment?

**Hon. Mr. Nollet:** (Minister of Agriculture) — Mr. Speaker, I wish first of all to congratulate the Provincial Treasurer on the budget he brought down in this house. And I very much appreciated his address in connection with the budget. It was down-to-earth, common sense and I particularly appreciated the allocation which has been made to the Department of Agriculture in the estimates for this year.

I wish also to pay my respects to the hon. Provincial Treasurer that he has assumed this responsibility to probably climax now 25 years of public service. I can remember a good many years ago, 1943 to be exact, when Mr. Brockelbank came to my own constituency to speak. I never realized at that time, when we were travelling over muddy roads, as he said was the case in his own constituency, during that period and earlier than that, I never realized that we would ever have the improvements that we have in that area at the present time. I never realized at that time. We were a bit depressed, Mr. Speaker, we had a Liberal government in power at that time and it was very difficult to see anything optimistic on the horizon — I never anticipated that we would have all of the modern conveniences that result from the public utilities that the hon. minister spoke of a while ago.

I am very proud of this budget, Mr. Speaker. Unlike the hon. member that just took his seat. I believe the hon. member mentioned that if he were associated with this kind of budget with the heavy burden of taxes that it placed on the people of this province, he wouldn't be able to look his fellow-men in the eye. Well, I can assure him, Mr.

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Speaker, that for a lot less money in the budget and aside from any budget, if I did what he did, I wouldn't be able to look my fellow-man in the eye. Mr. Speaker, there is no one that has ever been more intimately associated with another member of this legislature as I have with the hon. member that has just taken his seat and I know his philosophy, and know it well. Either he had no conviction then, he was either dishonest in his conviction then or he is dishonest now, in light of the kind of statements he made in this house.

**Mr. Thatcher:** (Morse) — The hon. member has accused one of the members. He must withdraw.

**Mr. Speaker:** — Order!

**Premier Lloyd:** — The Leader of the Opposition knows enough not to be talking from back there.

**Mr. Thatcher:** — Mr. Speaker, will the hon. member withdraw what he just said. He accused the hon. member from Milestone (Mr. Erb) of . . .

**Mr. Speaker:** — Order!

If the hon. member is in the house he can speak for himself. If the hon. member is not in the house it would be for one of his colleagues to raise the point.

**Mr. Erb:** — He made the charge that I was dishonest — I think that is unqualified and I ask that it be withdrawn. . .

**Mr. Thatcher:** — Coming from him of all parties . . .

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Nollet:** — Mr. Speaker, I think I know what I said. I didn't accuse anyone of being dishonest, I said to the hon. member that

he was either dishonest then when he held those convictions and by his completely changed attitude I can only come to the conclusion that he is dishonest now in his opinions, in his philosophy.

**Mr. Thatcher:** — Withdraw your statement. Withdraw. . .

**Mr. Speaker:** — I will ask for the withdrawal of that statement. I think the minister is aware that imputation must be withdrawn.

**Hon. Mr. Nollet:** — Very well, Mr. Speaker, I will be very glad to withdraw the imputation, Mr. Speaker, and I can say this, Mr. Speaker, that it is only by the grace of God and your ruling that the hon. member has escaped.

Mr. Speaker, I would like first of all to proceed with matters relating to agriculture. I noticed when the hon. member for Moosomin, (Mr. McDonald) who spoke sometime ago, mentioned that the price of livestock had fallen, that the price of cattle had fallen by 9 cents a pound. This again was an exaggerated statement but the thing that I was interested in was — he says the Minister of Agriculture sits there and doesn't realize that cattle have fallen 9 cents a pound. I thought I would find out just what the facts were, Mr. Speaker. And I did. I find that the price of cattle — I'm talking about good choice steers now — the price in November 1962 was \$28.59 a hundred weight, and February 16 was \$23.05. Well I took the best figure, that's about a drop of \$5.54 a hundred cwt. Feeder cattle good steers, November 1962 — I am talking about Winnipeg.

The price of feeder steers, November 1962, was \$25.39; February \$21.40. This is a drop of \$3.99. It is a drop and I am aware that cattle went down, but the point I was interested in, Mr. Speaker, was that the hon. member for Moosomin then proceeded to say that we should howl to Ottawa about this. This isn't the way they used to talk on the opposite side of the house when there was a Liberal government in Ottawa. They used to say to us, you solve these problems. What are you always running to Ottawa for. So I was interested in making a few comparisons to see what actually did happen in Ottawa in respect to price fluctuations, particularly for cattle. I find this, Mr. Speaker. That when the Liberals were in power in Ottawa in 1951 the average

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price for all classes of livestock on the Winnipeg market was \$27.40, in 1952 it fell to \$18.85 a hundred weight — a drop of about 8 and one-third cents a pound. And by the next year it had dropped \$13.63 a hundred weight. In two short years, Mr. Speaker, a terrific drop. A far different situation than the drop in price that he referred to recently. I know the hon. member is conscious of the drop in cattle prices, so am I, but the predictions are that they will likely go down a bit more so I would advise caution in the feeder business for the next little while.

When you look over the records of prices you find these extreme fluctuations have been characteristic throughout a long period of years in Ottawa when Liberal regimes were in power during all this period.

I intend to refer a bit more to general agricultural economic problems farther on in my address, Mr. Speaker, but I choose now to deal specifically with my department.

First of all, Mr. Speaker, I would like to review a bit the development of conservation programs in our province.

When the first steps were initially taken to correct some of the effects of the natural hazards and handicaps under which the agriculture economy of this province has labored over the years. Way back in 1922 there was organized what is called a 'Good Farm Conference' and a survey was made of the agriculture situation at that time and certain recommendations came out of it, and as a result of those recommendations the soil survey services at the university were instituted. Saskatchewan pretty well led other provinces in soil survey research work and soil survey work generally.

The first pasture was established in 1922, and this was a provincial pasture known as the Matador pasture. This was the first pasture established in the province of Saskatchewan. Then came the bitter experience of the dry thirties and out of that P.F.R.A., another agency set up to correct, as well as possible, the ravages of drought in this province and the harmful consequences on the farm people in this area. P.F.R.A. came into existence in 1935, and in the period 1935 to 1948, this 13 year period, there were 1.25 million acres of land placed in P.F.R.A. pastures. In 1948 we reorganized the direction of policies within the lands branch and in that same year we established a new branch called the conservation and development branch. Between 1948 and 1961, a 13 year period, an additional 1.2 million acres of land were added to the pastures in this province, including P.F.R.A. pastures, provincial pastures and co-operative and municipal pastures. The total acreage in pastures at the present time, either established in operation or under development, is 2.6 million acres. This has meant a tremendous increase in this particular activity. I believe I mentioned in the course

of my throne speech debate that as a result of policies pursued in the lands branch alone and in conjunction with pasture and fodder development and administration of lands, some 26,000 Saskatchewan farmers are receiving the benefit of crown land in one form or another. This, I think, Mr. Speaker, a most significant contribution towards stabilizing the pattern of agricultural settlement in this province.

We have consistently as provincial ministers made representation to the government at Ottawa, particularly the ministers from provinces who did not have the benefit of P.F.R.A., requesting that additional policies be inaugurated by the federal government under which provinces could share developments of various kinds associated with soil and water and general resource development. As a result of this ARDA came into existence and I would like to speak a bit on the ARDA program and to point out immediately that the policies and programs that we have had in effect over the years can now be greatly expanded, and you have noted in the estimates of the department a sum of \$1,224 million for expansion of our pasture program, and some \$2.6 million for land acquisition. This means that the acreage in community pastures and fodder projects in the next two years will increase tremendously. I should say too that it is a challenge to the Department of Agriculture, particularly the lands branch who, without any substantial increase in staff, will be carrying out and discharging this program in the coming year.

We are going to have a very busy year, and I can assure you the Provincial Treasurer that we are going to do our very best to spend the money that he has allocated to us, for what we believe to be a very worthy purpose, and if there is one of those expenditures that will strengthen the economic base of this province, that the hon. member who just took his seat, states should be done.

I should mention first of all, that we haven't been standing still on the ARDA program, despite the fact that the federal government's estimates have not as yet been approved. Last year within our usual programs we will share some benefits under ARDA. We have included under the ARDA agreement, any projects that we undertook, as from June 1 on, will be shareable under ARDA, and we expect that we should, therefore, obtain something in the order of \$400,000 to \$500,000 for program work that we undertook in the fiscal year, 1962-63.

Hon. members will also note that in the supplementary estimates, additional allocations have been made to the lands branch for land acquisition in the amount of \$100,000. Additional money has been allocated to the conservation and development branch, also to expand their branch's pasture

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development activities of this winter. We have had a good winter, we have been working pretty well around the clock to get the full benefit of the programs that have been now made available to us.

I should mention that to date about a million and a half dollars worth of projects have been submitted to Ottawa under the ARDA programs, and we will be adding to them very substantially in the next few months.

In explanation of the ARDA program, I should say that the master agreement, that is the over-all agreement, was signed in October last year. The water and soil and research agreements have all been signed, and as I have said, we have submitted to Ottawa, some twenty projects for approval, involving about a million and a half dollars.

Now, Mr. Speaker, I would like to turn for a minute to the conservation and development branch. It too, will have an active year. Since this branch was formed in 1948, it has spent something in the order of \$19 million for pasture development; for flood control; for reclamation of land under irrigation; for reclamation of land by drainage; and dry land reclamation projects as well. Time will not permit any details. Information in regard to the various activities and the accomplishment to date. I think I spoke of this during the Throne speech debate.

I should mention one item, and the hon. members will note in our supplementary estimates, there is an item of \$180,000 to the conservation and development branch, for well water development.

This program has gone very well, as you know, it is a shared program with the federal government, inaugurated in the drought year of 1961, under which program the federal and provincial government paid between them, 70 percent of the cost for ground water development on a community basis, with the rural municipalities putting up the other 30 percent.

This was a good program and I want to say this, Mr. Speaker — all the while that the Liberals were in power in Ottawa, I could never convince them that it was to their own interests, that they ought to contribute something to emergency relief programs in this province. But we were able to get some help in transportation assistance, from the federal government, and particularly in this program of ground water development. To date, the total value of well completions is \$242,000. The department has paid \$170,000 to date, to this program to develop, 127 wells that are completed and applications are authorized for 206. It has been an excellent program, and if the drought continues, its full value will be appreciated. As all hon. members know throughout this summer we were very fortunate in that we did have showers over quite a large area of this province, that gave us a good crop. We were very fortunate.

The general moisture situation this spring doesn't look any better, and unless we get a great deal of snow, we will have a very serious water problem. I just want to draw to the attention of the hon. members, again, we have taken timely action in anticipation of the occurrence of these situations when we inaugurated these programs. There is a possibility we may be able to continue this emergency well development program into 1963.

I turn now to the plant industry branch, this is the branch that had the responsibility for administering emergency assistance. In 1961-62 fiscal year there were some \$3,360 million paid out for transportation assistance on top of that the assistance for well development that I just mentioned, and on top of that again, subsidization of grasshopper chemicals. The hon. member for Yorkton (Mr. Gallagher) is not in his seat, and I don't think he was aware of the fact that the Department of Agriculture has been subsidizing grasshopper chemicals. In 1961-62 the subsidization amounted to \$125,000, in 1962-63, \$185,000, and it is predicted for the coming year, we will likely have a minimum subsidization of grasshopper chemicals in the amount of \$240,000. If the outbreak is serious, if we don't get a period of wet weather this spring, this figure could go up to a half million dollars. So we are subsidizing grasshopper chemicals, and the increase can be attributed in the coming year largely due to the fact that we feel that it is advisable to discontinue the use of Dieldrin in any form. Therefore, for the coming year we intend to use the existing supplies for cut-worm control and for grasshopper control during the early states of growth, beyond that we would strongly recommend that the chemical be not used. In fact we will not make it available to farmers after a certain date of growth has taken place. This will be done in order to minimize and reduce completely the possibility that the chemical may show up in cereal grains. We are not aware as to whether or not it is in fact injurious to human life, but the food and drug people advise that the tolerance, insofar as residue is concerned is nil, and we must govern ourselves accordingly.

We will be using several other chemicals; we will be using seven, and there is a new chemical on the market called sygon, which I think farmers will be able to put through their sprayers a little more easily — it is more costly and the subsidization will, therefore, be greater.

I would like to at this time, Mr. Speaker, extend my sincere appreciation to the radio people and particularly to the T.V. people, both stations, CKCK in Regina, and CFQC in Saskatoon, for their very helpful co-operation in providing technical assistance and the facilities at their studios, to carry on our agricultural extension program. This program has become very well accepted by the farmers of the province,

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and I want to particularly extend my appreciation to the radio, T.V. stations and to the press, for the public service they have rendered in providing the general farming public with up-to-date information on farm practices but more particularly during emergency situations.

Now, Mr. Speaker, I wish to turn to the animal industry branch, and one of the high-lights in the budget, insofar as agriculture is concerned, will be the dedication of \$1 million towards the establishment of a veterinary college on the University campus in Saskatoon, if and when a decision is arrived at, that the veterinary college will be located on that site. It has been suggested in this house, that perhaps our interest hasn't been too keen in furthering the interest of veterinary medicine and giving the farmers of this province adequate protection from diseases occurring in livestock.

Again, Mr. Speaker, I mention a new program, and I'll only mention a few. Sometime, Mr. Speaker, I hope perhaps next year, I will very carefully review the innumerable new programs, new legislations, new services, that have been introduced in the Department of Agriculture, since I became minister in 1946. When one looks back it makes very interesting reading, and certainly the field of animal disease control is no exception.

One of the new pieces of legislation that was placed on the statute book, was **The Veterinary Service District Act**. This was enacted, I believe in (if I remember correctly) in 1946. Since then 47 veterinary service districts have been established. In fact in the past seven years they have increased in number from 20 in 1955 to 47, with a practising veterinarian in 1962. This is a very good record, Mr. Speaker, and the other new policy introduced was the bursary plans provided to Saskatchewan students, who wished to take veterinary medicine at the veterinary college in Guelph, Ontario, or the veterinary college at St. Hyancithe in Quebec.

As a result, and we led the way again, in providing these bursaries or scholarships, so that in 1963, we had 49 veterinary students, 48 attending the veterinary college at Guelph, and one at the college at St. Hyancithe in Quebec.

We had more students in the veterinary college at Guelph than any other province in Canada, with the exception of Ontario itself.

**Mr. Thatcher:** — None of them came back. . .

**Mr. Speaker:** — Order! Will the Leader of the Opposition refrain from interrupting, especially when he is not in his own seat.



**Hon. Mr. Nollet:** — Well, Mr. Speaker, I overlook it, he can't restrain himself.

**Mr. Speaker:** — I will not overlook it.

**Hon. Mr. Nollet:** — The hon. member says "Well they didn't come back to Saskatchewan". Quite a number of students came back and they will be coming back. We didn't put any firm strings on them, initially we did, they were required to come back and practice in Saskatchewan for three years, we reduced it to one year, and it is still one year, we have obtained veterinarians and they will be coming forth in increasing numbers. The hon. member is good at knocking, I don't suppose he accepts that the programs I just mentioned have proved beneficial. I notice, Mr. Speaker, that in his new platform he says that they are going to do everything they can to establish a veterinary college, and I want to say at this juncture, too, that the new champion of the veterinary college, the hon. member for Saltcoats, the new champion, that would move heaven and earth, to get a veterinary college in Saskatchewan, I invite both of them to put their vote where their mouth is, when the time comes to vote on this budget.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Nollet:** — This is particularly true of the hon. member for Saltcoats, after having said what he said in this house. If the hon. member for Saltcoats doesn't vote for the budget with a million dollars dedicated to the veterinary college he is going to have to talk a lot faster than he is accustomed to talking, Mr. Speaker, to talk his way out of that.

**Mr. McFarlane:** (Qu'Appelle-Wolseley) — You voted against family allowance . . .

**Hon. Mr. Nollet:** — The hon. members says I voted against family allowance.

**Mr. Speaker:** — Order!

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**Hon. Mr. Nollet:** — This is typical of the hon. member . . .

**Mr. Thatcher:** — Tell the truth . . .

**Mr. Speaker:** — Order!

**Hon. Mr. Nollet:** — I'm sorry.

**Mr. Speaker:** — The Leader of the Opposition keeps interjecting and saying “tell the truth”, and he knows that is very unparliamentary to sit in your seat and keep talking, and to make comments like that. I cannot permit it.

**Hon. Mr. Nollet:** — Mr. Speaker, he seemed to speak very quickly when he accused me of suggesting that someone was dishonest in principle and thinking. And if, Mr. Speaker, we haven't been unmindful of animal disease control — again I say that we led all of the provinces of Canada in originating a comprehensive program of Bang's disease control. In the early days when we began testing — before the federal government came into the picture and our vaccination program — while the federal government came into the picture and undertook Bang's testing, we continued the vaccination program at an increased tempo. And I want to say here, at the moment, that I very greatly appreciate the supreme effort made by the federal health of animals branch in being able to cover ground so quickly in Bang's testing throughout the province, to the point where we practically have the whole province tested. Next year the program will be completed, it is so well advanced that we feel that we can discontinue the calfhood vaccination program, and this may be done.

**Mr. McFarlane:** — A mistake . . .

**Hon. Mr. Nollet:** — The hon. member said it is a mistake, well I am advised too by veterinarians, who provide plenty of advice, and at the present time we are told by the federal health of

animals people that the incidence of Bang's found in testing is about 0.8 percent. It is down very considerably, and when the municipalities have all their tests completed, I think there is a general feeling that it isn't necessary to continue the calfhood vaccination program.

Well, Mr. Speaker, I would like to turn to another item, another new service, provided by the provincial Department of Agriculture, and that is the agriculture machinery testing organization. This is one service that the hon. Leader of the Opposition is not going to have in his program, it is going to be earmarked for abandonment. So he said, "I don't think the hon. member is aware of the demand for this kind of service, by the farmers in this province, when some 20 percent of the farmer's dollar goes to the purchase of machinery, considering the high prices being paid for farm machinery at the present time, it certainly is advisable, extremely advisable, that some effort be made to improve the workability of farm machines, and also a machine's capacity to work under various soil conditions, and various conditions through the province. The farm machinery testing organization will be testing 13 machines in the coming year for various companies. Included are three combines, and it takes a very considerable time to properly test combines, two windrowers, rakes, balers, sprayers, one-way discs, heavy duty cultivators, swathers, and this type of machinery.

Moving from that, Mr. Speaker, I wish to refer now to the family farm improvement branch, and make some reference to the activities we can expect from this branch in the coming year, and the progress that they have made to date. In 1963, some 4,000 farmers are expected to order water and sewage materials through this branch, and it is expected that some 3,000 farmers will require construction services and technical advice through the branch.

The number of farmers contacted in the field will in all likelihood reach 4,000 in the coming year. Some of the figures to date are quite interesting. To date over 11,000 applications have been processed by the family farm improvement branch, and many of whom, of course, will be contacted during the balance of this winter, and in the coming year. Over 7,000 orders for materials have been placed, and as I mentioned during the throne speech debate, 6,000 water and sewage systems will be installed by the end of 1962, or were installed by the end of 1962.

This is an interesting figure, because this is as many water and sewage installations made in three years, as have been made in 75 previous years, so from this figure one can readily see the great need and necessity for having provided this kind of service to our farm people. I should mention that it complements pretty well the water and sewage program that is provided through towns and villages. Certainly, it would have been most unfair to have provided

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this service to residents of towns and villages and have neglected our farmsteads.

To date, some \$340,000 in grants have been paid to farmers, who utilized this service and took advantage of it in all its aspects to bring this modern convenience, not only to the farm homes, but to the farmstead generally.

I should mention that under the legislation in connection with this program, there is provisions ultimately for farm planning and farm beautification as well. It has complemented handsomely the rural electrification program. I hope that the hon. member for Humboldt has finally been converted to the merits of the family farm program, since I heard her say in this house, and have been informed that she said the same thing in the country, that all this was, was another piece of socialist regimentation, that we would now be sending people to farms.

**Mrs. Batten:** (Humboldt) — Oh! Oh!

**Hon. Mr. Nollet:** — She says oh! oh! I can get the evidence if she wants it, and she said we were going to tell the farm housewife where she could have the bathtub, where she could have her sink, where they could have the washbowls and this sort of thing. In fact, Mr. Speaker, she made such a speech in a town at a time when a meeting was held to organize that particular municipality, to enable the farmers to come in this program on a group basis.

**Mrs. Batten:** — Will hon. member, Mr. Speaker, tell us what he is talking about? What speech is he talking about and what town, and where?

**Hon. Mr. Nollet:** — The hon. member says “what speech”, she should know, I wouldn’t be able to keep track of her.

**Mrs. Batten:** — I can assure the hon. member I would know if I had made this speech, but since you dreamt it up, when did you dream it up?

**Mr. Speaker:** — Order!

**Hon. Mr. Nollet:** — Mr. Speaker, I didn't dream it up at all. If she will just keep her patience, I can give her the place and time and so on, if she wishes to have it . . .

**Mrs. Batten:** — Let's hear the rest of your story.

**Hon. Mr. Nollet:** — Yes, she'll hear some more about this too.

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Nollet:** — Now, Mr. Speaker, all I want to say in regard to these kind of remarks — is it shows that the hon. member's minds travel at the lowest possible level. They would like nothing better than to get mixed up and no doubt they probably are too when doing this sort of thing.

Now, Mr. Speaker, I wish to turn again to the economic aspects of agriculture. We have heard a good deal over the years about agricultural policy; we have heard promises made over the years that the farmers ought to have parity prices; we have heard from both Liberals and Conservatives, promises that if they were elected to power, farmers would be provided with better prices. None of this has materialized. Everyone knows, as a matter of fact, Mr. Speaker, it may come as a surprise for the house to know that one can go back 44 years ago and find wheat prices higher than at present. We find that wheat now is still lower than it was 44 years ago. And I go back to the year 1917, when the price of wheat was \$1.95 a bushel, now the average price to farmers is \$1.28 per bushel.

The hon. member for Humboldt (Mrs. Batten) shakes her head, these are facts, and one can go over the years, one after another, and note the fluctuations in the price of grains over the years . . .

**Mr. McFarlane:** — Mr. Speaker, was the . . .

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**Hon. Mr. Nollet:** — In 1925 . . .

**Mr. McFarlane:** — When you quoted the price of wheat at \$1.28, is . . .

**Mr. Speaker:** — Order! Order! If the minister wished to permit a question he would take his seat while you asked it. The fact that he didn't signifies that he doesn't wish to answer a question.

**Hon. Mr. Nollet:** — I am quoting the price of wheat to the farmer, including all of these payments. Now we have the example again of the Liberal party offering \$2 wheat. Mr. Argue used to talk about parity prices a great deal, now he is talking about \$2 wheat, and Mr. Hamilton . . .

**Mr. Thatcher:** — Are you against it?

**Hon. Mr. Nollet:** — I'll come to you, and Mr. Hamilton is telling him that \$2 wheat would make it tough for the eastern cattle raisers. Now, I can say this, Mr. Speaker, that the Liberals promised \$1 wheat. I can remember during the thirties, this was an election pledge, and it took a huge delegation of western farmers to go down to Ottawa, after they were elected . . .

**Hon. Walker:** — Ten years . . .

**Hon. Mr. Nollet:** — Yes, ten years after they were elected to make them fulfil that promise.

The same thing has happened in the switch of government recently. For the benefit of hon. members I have got a message for you. The hon. member said, I might have guessed it. Certainly not, but here's what I'm for, here's what I say. That the farmer does not live by wheat alone. The Liberals don't say what they are going to do about other farm prices. They say that they are going

lay the emphasis — yes, I'll come to it in a minute — but here we have the figures. Everyone recalls that a huge delegation of farmers, businessmen and some clergymen, went to Ottawa after the election of the Conservative government, they didn't go there because of the consequences of Conservative government rule, they went there at that time because of the consequences of Liberal government rule.

And I might say things haven't improved, Mr. Speaker, since. Here is what they said. Farm costs have been going up, farm prices have been going down. The same as ever. And this delegation submitted a brief in which they said that the plight of the wheat producer is even worse while farm prices generally have declined about 12 percent since 1947, the price of wheat at the farm is down 21 percent, and I am saying that the spread in price and cost has widened since that time. And they took two comparative years, they took the comparative periods 1954 to 1956 inclusive compared to the years 1951 to 1953 inclusive, and the delegation said that the farmers of Saskatchewan in those comparative periods of time had lost \$500 million on account of wheat alone, in disparity of price relationship. That is what they said.

And it is this thing that is bothering and worrying the people of this province. It is not the taxes that the hon. member says worry people; because want better services but above all else they want the money to pay for these services; people want them. And I am saying, Mr. Speaker, that both of the old parties have failed completely in meeting the farm situation. They have been fooling the people ever since they have ruled the roost at Ottawa. That rule is coming to an end; if it doesn't come to an end in this election it's going to come to an end in the next election, certainly in the following federal election — you can be certain of that.

Mr. Speaker, I would like to say something about farm policies, and it is this. When I get through I hope the hon. members applaud when I get finished because I am going to say something to them.

Mr. Speaker, we have been attempting to deal with the agricultural problem on a piecemeal basis. First, it's the price of hogs that is worrying people; then it's the price of butter; then it's the price of milk; then it's the price of grain and we have been endeavoring to deal with this problem in a piecemeal fashion, unrelated to the whole. We have never yet seen a policy introduced that would deal with the total agricultural problem, and I am suggesting this — this is not fish or timber — or anything else that you have up in your country, — the time has come, Mr. Speaker, as a result of the tremendous changes that have taken place in the agricultural economy that the agriculture industry as a whole be assured of an income sufficient to meet its total costs; and I have some interesting figures gathered in this

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connection. Any less than that will not be enough. And I am saying, Mr. Speaker, that this income to the industry must be guaranteed, year in and year out, and one can't supply this need for stabilized income to the industry in relationship to its total cost by fixing prices alone. This is not enough. Any comprehensive marketing and farm income policy, to be effective, must provide sufficient income pricewise to enable substantial deductions to build up an income stabilization fund to take care of crop failure years, to make a redistribution of income within the industry, to guarantee that all farmers in Canada will be given a guarantee of minimum income based on family farm needs. This is essential.

I am convinced that this can be done. This can be done without disturbing whatever the pattern of existing settlement. And if it isn't done we will continue to fail the agricultural industry. This industry and the people employed, self-employed within it are entitled to the same income security as the people are who are employed in other segments of the economy. And I am saying that this can be done. And this happens to be the N.D.P. federal farm program. It is up-to-date and it is a program that faces realistically the situation that is facing the agricultural industry. It intends to deal with the total agricultural problem and to also associate the solution to the farm problem in conjunction with finding a solution to the growing problem of unemployment.

Prosperity for the nation starts at the lower levels. If we can't stimulate business by improving income at the lower levels, we cannot do it any other way. The hon. Leader of the Opposition feels under his private enterprise philosophy all that you need is a few more millionaires, a few more million dollars to invest in business enterprises to make profits and somehow some of this prosperity will rub off onto others and that we will have general prosperity will rub off onto others and that we will have general prosperity. He is starting at the wrong end.

**Mr. Thatcher:** — We wouldn't tax the daylights out of the farmer.

**Hon. Mr. Nollet:** — We've got to improve the income position of the little people before we can expect the general economy to become stable, and to move progressively forward.

**Mr. McFarlane:** — That is a very rocky platform.



**Hon. Mr. Nollet:** — Mr. Speaker, the hon. member says this is a pretty risky platform, whatever his words were — a pretty rocky platform. Let me point this out. People . . .

**Mr. Thatcher:** — Five percent sales tax and 22 percent income tax . . .

**Hon. Mr. Nollet:** — People don't mind a five percent sales tax, they don't mind paying taxes if they have the money to pay for these services. I am saying to the hon. member, his private enterprise sector of the economy is taking a lot more out of people's pockets and giving them less in value. There is no money, Mr. Speaker, for which people get more value than they do for their tax dollar and get better services and the kind of services they demand. Sure, it's the hue and cry of the hon. members opposite and the hon. member for Milestone, their latest addition, is echoing the cry of taxes. What is this for, Mr. Speaker? High taxes. This is pure political propaganda and eyewash, and they know it. They talk about glaring promises being made. Anyone that goes out and promises the people of this province, or any other province, that they are going to reduce taxes is misleading the people. This has never been done.

**Some Hon. Members:** — We are.

**Hon. Mr. Nollet:** — I do know, Mr. Speaker . . .

**Premier Lloyd:** — All afternoon, and all evening, this gentleman who comes from the constituency of Morse (Mr. Thatcher), has been sitting here interjecting about every five or six minutes. I think it is time that he observes some of the common courtesies of the house and kept quiet for a period.

**Mr. Thatcher:** — Mr. Speaker, on a point of order. Since when has a bit of heckling or interjection been contrary to the rules of the house. It is done in Ottawa, it is done in every legislature that I know of. Now what are these gentlemen so sensitive

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about. I am not . . .

**Mr. Speaker:** — Order! Order! It is contrary to the rules of the house. The rules of the house make it quite clear that people are not supposed to speak from their seats and interject that way. The rules of the house are quite specific. Members may say “hear, hear”, or “divide”, but both can be construed as a breach of privilege against the legislature, and that is against the rules of the house.

**Mr. Thatcher:** — It is a custom, Mr. Speaker, I know that is done in England or any other British parliamentary system. I don’t know why my hon. friends and particularly the Premier are so sensitive.

**Premier Lloyd:** — On the point of order, Mr. Speaker. I don’t think anybody objects to a little bit but certainly the extent to which it has been carried on this afternoon and this evening, and I have risen only once, the only time I have had anything to say whatsoever. It is time that we had a halt to it.

**Mr. McFarlane:** — I suggest, Mr. Speaker, the Premier may be leader of the group to your right but he has no more privilege in this house than any other member. He is only the member for Biggar, and he won’t be the member next time.

**Hon. Mr. Nollet:** — Mr. Speaker, may I proceed?

**Mr. Speaker:** — I would ask the members to turn to page 114 of Beauchesne and read what he says there. It is pointed out plainly that interruptions are against the rules.

**Mr. Johnson:** (Kerrobot-Kindersley) — I would draw the attention of the house, especially the Leader of the Opposition, to our own standing orders, Order 10, subsection 3, and it says this Mr. Speaker, — “When a member is speaking, no member shall interrupt him except to raise a point of order.” I think this is quite clear, Mr. Speaker.

**Hon. Mr. Nollet:** — I've mentioned that the big problem that will be facing the nation in the future is the growing problem of unemployment and I suggest that the kind of comprehensive and enlightened, imaginative agricultural policy that I referred to very briefly is part of the solution to this problem. I am looking at a recent press report appearing in the Leader-Post that mentions the unemployment insurance fund starts to plunge to bankruptcy. I am proposing, Mr. Speaker, that we do have a comprehensive program to provide able-bodied people with gainful employment and I am suggesting that providing the agricultural industry with adequate prices, to do all the things that I said, is rewarding people for productive labor, that if this were done in connection with a program directed towards not only solving the problem of unemployment but providing employment for increasing numbers of young people who will come on the employment market each year. These things we can do, and must do. And I say to the hon. Leader of the Opposition — you cannot avoid this kind of economic planning. And the kind of ranting and raving and destructive criticism that I hear from members opposite certainly is not adding anything in the direction of finding a solution to these problems. You can call it what you may but the facts are, governments will have to plan in the future, plan employment.

Could the hon. members tell me, if they can, how they are going to continue to bolster these insurance funds to pay people to sit around idly, to pay farmers on an acreage payment basis? People must produce things, must either produce farm commodities or render some service to society. And if they are rewarded for doing something constructive and creative in terms of production, this adds to the gross national product. And any monies paid out in support of prices for example to encourage people to work is not wasted money and is not a burden on the taxpayer. The only time it is a burden on the taxpayer is when you pay people for sitting around doing nothing.

Now I would like to make some comparisons. The Liberals have a policy too, they tell us. Let's take a look at it; the hon. Leader of the Opposition had a very limited provincial agricultural policy but all of the planks contained in it will be pretty well filled by 1964.

But I was interested in the national agricultural policy. And here what do we find, Mr. Speaker. The same old hokum that we have been getting for the last 44 years, as I mentioned, culminating in lower wheat prices now than existed 44 years ago. What does Mr. Pearson say about agriculture? One — a shift in price supports from butter to skim-milk powder and cheese. This will help overcome the surplus problem without hurting the farmers' milk cheque. There is a surplus of butter, so they propose now to cut the price supports from under butter and raise the

price of skim-milk. And this kind of juggling is what has been going on now for 44 years, Mr. Speaker. And they haven't found a solution to the problem. Hon. members opposite know this is no answer to the problem. They haven't got any. They are worried about surpluses. We wouldn't be worried about surpluses in a world where so much hunger prevails. One thing has been proven, as a result of the Chinese wheat deal, it's been proven conclusively that Canada alone could by long-term credit build up markets for all the farm commodities that we can produce in Canada. But what has the policy been of the Liberals and Tories. It's been attempting prosperity by restricting production. One can't bring prosperity by restricting production. So they introduce acreage payments. So they manipulate the price of hogs down at a convenient time when farmers produce too many hogs. They don't want to worry about too many hogs or too much butter. They don't seem to find the answer. They don't know that the answer is to find markets for the production that our agricultural plan can provide. Mr. Pearson says we are going to shift price supports from butter to skim milk. As a matter of fact, when the hon. Leader of the Opposition was in Ottawa, he didn't want any butter price support at all, none whatever for the farmers, and the farmers of this province haven't forgotten that yet, and the Liberal party is still preaching the same thing today.

**Mr. McFarlane:** — Your government over there buys margarine.

**Hon. Mr. Nollet:** — They mention a system of free milk for school children, a meritorious program but this isn't going to get rid of all of our production certainly. They go on again for support for a livestock nutrition research program to cut the cost of livestock enterprises. What does that mean? Nothing, nothing at all. And then they state continued freight rate assistance for the movement of feed grain — well, this has been going on for years; I think it is a meritorious program. They mention a more realistic system of grading livestock. Big stuff. More realistic system of grading livestock. Nothing fundamental contained anywhere. And they say then that the farmer, here's a profound statement from Mr. Pearson — an admission of what I am saying. He says the farmer was less able to share in the immediate post-war buoyancy and in the Diefenbaker years has been caught tighter than ever in the cost-price squeeze. He admits they had the cost-price squeeze under the Liberals but it tightened under the Conservatives, Mr. Speaker. So everything I say about their policy they confirm by this statement, so Mr. Speaker, they shouldn't say anything about agriculture in this house, Mr. Speaker.

I want to quote you another one of their great authorities on agriculture. And this gentleman happens to be the generalissimo of the Liberal party's federal election apparatus in this province. Here is a gem. And I wish the hon. members opposite would convey this to Mr. Argue, to tell him to go up and tell Dean Lang about his \$2 wheat and about his parity concepts, go up and convince him, and tell the people of this province as well — Oh, nobody has repudiated the statements made by Mr. Lang, so we must accept that these are some of the things that the Liberals will do or won't do when they get into power in Ottawa. A most interesting observation this gentleman made. I want the hon. members to listen intently. He was talking to the Agriculture Graduates Association during Farm Home Week at the university. And I quote:

He says:

that there are many things with regard to the well,

I ought to start here, Mr. Speaker. He starts off like a Mother Goose story, he says:

Once upon a time the homesteader arrived in Saskatchewan, settled himself on a quarter section of land and there he chopped a bit and cleared a bit and planted a bit and built a house when he could or a shack when he first had to, and there in due course, with what additional improvements he had, he was able to make by simple savings in his labor.

A beautiful little rhyme. I can just see it. Then he goes on. He says:

But there are many things in regard to the family farm.

Here is a man who is supposed to be concerned about the family farm and its preservation.

There are many things in regard to family farm which may be possible to do on a more local and individual level.

He doesn't believe in togetherness, co-operating, or anything.

It may, for instance be possible to make this good life, which is the life on the farm, an even better life so that the men and the women who are living this sort of life are willing to stand for a slightly larger gap between the income which they are obtaining on the family farm and which they would obtain if they were earning their income elsewhere.

And he goes on, in case there are any doubts in the hon. members' minds:

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And they will by that much also lead more and more men and women to choose this sort of life at the cost of certain economic sacrifices. And I will always want to urge that it is extremely important to remember the non-economic values which you can obtain from your family farm, indeed from your life wherever you may be living.

He says farmers should live on fresh air and sunshine at a time when farmers' costs are rigidly fixed.

I am saying the farmers' income must be fixed in relationship to these fixed costs. And it can't be done alone by just providing more income pricewise. There must be a system of building up an income stabilization fund from which a redistribution of income can be made within the industry to guarantee a minimum income, to every farmer in the country. And I say that crop insurance should be a part of such a plan. It is income that we are talking about and it should be integrated in one complete farm income insurance plan. This will have to be dealt with, Mr. Speaker.

I would like to turn for a moment to rail abandonment. This is a dilly, Mr. Speaker. With a combination of cost-price squeeze ever tightening during the post-war years with a complete lack of national transportation policy, and no indication on the horizon that either the Tories or Liberals will provide a national transportation policy for Canada, which will integrate the various transportation systems that we have in the country into a whole so that none will be injured. In the post-war years the only means that they adopted was to increase freight rates. I think the Liberals increased freight rates around nine times when they were in power. The Conservatives have increased them too, and the farm income shrank and the railways continued to lose money, and now they throw up their hands in desperation and say we've got to abandon rail lines in the provinces if the railways are going to operate economically.

I want to say to this house, Mr. Speaker, that these railways were built originally on these prairies to bring the products of the farm, principally our grain products, to the markets of the world, and in this process Canada obtained credit from abroad to develop her industrial sector of the economy. It was very important in those days to put rail lines on these prairies and today, and with duplication too, this was private enterprise, competition, railways running side by side until, as Will Rogers said one time in Canada, he said "There's a couple of railroad lines, you can ride 'em with one foot on one car and the other foot on the other car for miles and miles" — they are so close together.

These prairies have been settled for a long time,

actually we are producing more grain in most of these localities than was being produced when the railways were first put in. And here in 1962 we are talking about pulling those lines out. I am not suggesting that there is duplication, that there does not need to be some adjustment, but I am saying this — the full burden of cost should not be carried by the farmer and the local community. I haven't heard hon. members talk about rail abandonment at all. I don't think they are interested in it.

**Mr. Speaker:** — Order! I would like to call to the minister's attention that there is a resolution on the Order paper about rail abandonment.

**Hon. Mr. Nollet:** — Oh, I am sorry. I will be very glad to speak to that resolution, when it arises in the house.

Mr. Speaker, all I have to say is that never in the history of Canada was there such a great need for a national transportation policy and I have seen no evidence of it from either one of the old parties.

The one other thing I want to just say a very few words about — and this is about medicare. I want to reiterate what I said in the speech in this house a year ago, that it seems to me that the forgotten man has been the little man. No one has talked about the benefits, either the hon. members opposite or some of the professions, they haven't said a word about the benefits this plan would bestow on little people, people who are unable to afford medical services, or other people who, if they did attempt to pay their medical bills, would face financial ruin as a consequence.

This is the thing that grieves me, Mr. Speaker. And I am going to suggest this — that I believe that the time has now come when this continued harassment, and I am turning it the other way, harassment needs to cease. We will need co-operation to make this plan a success. And I mean great co-operation to do so. I am reminded of a statement made by Louis Pasteur, some of you have probably seen the Life of Pasteur recently on T.V., when he made this statement to his fellow research workers, he said:

The benefits of science are not for science but for humanity.

And I say in all sincerity that it is time for professional people to rejoin humanity, to become associated with their fellow-men in working co-operatively for a plan that will

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bring the blessings of medical care to every man, woman and child in this province.

**Some Hon. Members:** — Hear, hear!

**Hon. Mr. Nollet:** — In my opinion, Mr. Speaker, the biggest hoax, the biggest political hoax that was ever perpetrated on the people of this province was that this legislation would somehow regiment the people and take freedom away from them. This was a complete hoax and a falsehood and, Mr. Speaker, the government has signed an agreement, the government will honor that agreement and it will not use it as any means of gaining additional advantage. By the same token though, other people will need to stop their harassment.

All I've got to say to them, and it includes the medical profession, they don't need to think for one minute they are going to hurt the image of the government any more. They loosed their best endeavors in that direction. All I've got to say to them is if you continue this harassment it's your own image that will suffer. I say that to politicians and I say that to members of the medical profession as well. People are just getting a little fed up and tired and, as the hon. Leader of the Opposition — he made this statement — he said "that if the medical care plan is a success, we'll not be able to defeat this government." I hope he . . .

**Mr. Thatcher:** — Mr. Speaker, on a point of order. Would the minister say when I made that speech? I never recall it. Would you quote the date that I ever made that speech. You didn't do it for the member from Humboldt (Mrs. Batten) maybe you will do it . . .

**Mr. Speaker:** — Order! Order!

**Hon. Mr. Nollet:** — Mr. Speaker, I took the hon. member's statement out of a newspaper clipping. I haven't it with me and I am sorry that I haven't.

**Mr. Thatcher:** — Well, if you haven't got it, then I demand that he withdraw it, Mr. Speaker, because I am telling you that I didn't make this statement.



**Mr. Speaker:** — Order! Order!

**Hon. Mr. Nollet:** — The hon. member intimated, according to a press report that I have, that if this plan were a success, that this government would be — ‘we wouldn’t be able to get them out of here’.

**Mr. Thatcher:** — Mr. Speaker, I say that the hon. member either substantiate that or withdraw it.

**Hon. Mr. Nollet:** — Well, if the hon. member says that he hasn’t made the . . .

**Mr. Thatcher:** — Rules of the house, Mr. Speaker, . . .

**Mr. Speaker:** — Order! Order!

**Mr. Thatcher:** — . . . say that he must either substantiate that when I say it’s not correct, or withdraw it.

**Hon. Mr. Nollet:** — Mr. Speaker, he won’t even give me a chance to. If the hon. member didn’t make the statement, I am glad he didn’t make the statement. I am also very glad he didn’t make the statement. It would be quite unusual and not in keeping with his usual statements if he did. And I would suggest that if this is the case, that the hon. member refrain from continuous harassment of what the government is endeavoring to do and the commission as well in regard to making this plan work. I believe it can be made to work successfully, provided we have co-operation — there is no more need for any more controversy, and I would appeal again that everyone join the human race and we will associate together in order to make this wonderful service a success, insofar as the people of this province are concerned.

I will vote against the amendment, and for the motion.

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**Mr. Gardiner:** (Melville) — Mr. Speaker, I can assure the minister if I hadn't thought he was going to make some important declaration on behalf of his department, I would never have acceded to the request that he be given a little extra time for his address. I thought possibly we might hear something tonight to solve some of the problems of the farmers of Saskatchewan, but instead we have the usual type of attack that we have had from the other side of the house, and I might just suggest that the actions of my friend across the way remind me of the editorial, that has appeared in one of the papers in Eastern Canada, in relation to what has been taking place in Ottawa.

It appears that the Conservatives accept the fact that the Liberals are going to be the next government, and they kept acting like that, and the same thing is taking place in this house.

**Some Hon. Members:** — Hear, hear!

**Mr. Gardiner:** — Instead of attempting to solve the problems of this province and providing a solution to them, the members on the government's side of the house, keep pointing to this side of the house and say "You give us a solution to the problems of the people of this province". I can assure the Minister of Agriculture that within the next few months, whether it is three months or whether it is 18 months, that he will certainly hear the policies of the Liberal party, from the members of the Liberal party and their leader, which will receive the support of the people of this province in the next election and return a Liberal government."

**Some Hon. Members:** — Hear, hear!

**Mr. Gardiner:** — I just want to take a moment to say this, that I was never so ashamed of a Minister of Agriculture, as I was tonight, when he stood up here and said that he was no longer going to speak for the farmers of this province when problems came up relating to their affairs in this province, particularly the question of the drop in cattle prices within the last few weeks. He tries to make out that . . .

**Hon. Mr. Nollet:** — Mr. Speaker, I am going to ask the hon. member to withdraw the statement, I made no such reference whatever in

my remarks.

**Mr. Gardiner:** — Well, certainly it is the only thing that I could take — you said the opposition had said something about howling to Ottawa, that was the only thing to do; well that is all you did for years, and you didn't seem to mind it while the Liberal government was there, why now howl now, when there is a Conservative government, when you can help the farmers when they are facing a serious situation in the cattle industry.

What has the Minister of Agriculture to say; he goes back . . .

**Hon. Mr. Nollet:** — The hon. member doesn't know the difference between Liberals and Conservatives.

**Mr. Speaker:** — Order!

Is the minister rising on a point of privilege or a point of order . . .

**Mr. Gardiner:** — He is not right, in any case, but he goes back to 1951, and starts comparing the prices in the year that a situation took place in this province, that he and his government didn't make any move to assist the government of that day . . .

**Mr. Guy:** (Athabaska) — Hear! Hear!

**Mr. Gardiner:** — What happened at that time, Mr. Speaker, the foot and mouth disease threatened this province. The government for next used that item for their own political benefit in this province. Going up and down . . .

**Mr. Guy:** — Going into orbit.

**Mr. Gardiner:** — . . . they had the civil servants going into beer parlors in the Last Mountain constituency, spreading one of the worst lies about a man in public life, in the Dominion of Canada, and

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did not have the nerve to get up on a public platform and make the statement, going from beer parlor to beer parlor, the servants of this government were helping to bring about the re-election of that government because of a catastrophe that had struck the livestock population in this province.

Why didn't the minister point out that from 1950 to 1951, there was an increase of \$7 a hundred in the price of cattle, during that year. He was quite ready to show that there had been a decrease in the following year, and that there had been a further decrease two years from then, and that decrease stayed at that point until the effects of the foot and mouth disease were over, and Canadian cattle were again allowed on the American market.

Then the price began to go up. The minister knows, and I know, that the American price and the fact that we have been able to ship our cattle to the United States, has been one of the solutions as far as the livestock industry is concerned for the last four or five years.

And so when the minister stands up and says nothing can be done about this present situation, he knows better; he knows the government could have controlled this situation; he knows that a protest to the government of Canada two months ago could have prevented this situation from arising, and prevented New Zealand beef from coming into Canada and bringing about the lowering of prices to the livestock producers in western Canada.

**Some Hon. Members:** — Hear, hear!

**Mr. Gardiner:** — Here is the man that dares to stand up and criticize the actions of other political parties. A few years ago he howled to high heaven every time the government did anything that he thought was against the best interests of the farmers of this province. But for the last four or five years, he sat almost silent as far as the problems of the farmers are concerned.

**An Hon. Member:** — He's got the gout . . .

**Mr. Gardiner:** — And he might well sit silent because he had as much to do as anyone else in seeing that the present government was in office in Ottawa, and he only has to look at the statistics that are put out by his own departments of government, to indicate what the true story is in regard to farm income in this province, both during the last five years while we have had a Tory government and in the previous five years completely under a Liberal government. We find this story, the net income of the farmers in the last five years has been a total of

\$1,443 billion. In the last complete five years under a Liberal government the net income of Saskatchewan farmers was \$2,2 billion. In other words a difference of \$600 million more that the farmers of this province received under a Liberal government than they have in the last five years.

And yet our Minister of Agriculture would try to indicate here tonight that we have had better results in the last five years for the farmers of this province than we had in the previous five years. All I want to point out to the minister and his government is this — that the only assistance . . .

**Mr. Speaker:** — Order! Order! It is now 10 o'clock.

**Mr. Gardiner:** — If you stop the clock for a minute I will finish up.

**Hon. Mr. Nicholson:** — It is 10 o'clock.

**Mr. Gardiner:** — If you give me about two minutes I'll be through . . .

**Mr. Speaker:** — It is 10 o'clock.

**Mr. Gardiner:** — Well, I will adjourn the debate, the Minister of Agriculture took all the time . . .

**Mr. Speaker:** — The house now stands adjourned until 2:30 p.m. tomorrow.

The Assembly adjourned at 10 o'clock p.m.