

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
SIXTH SESSION – FOURTEENTH LEGISLATURE
18th Day**

Monday, March 2nd, 1964

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

On the Orders of the Day

WELCOME TO AUSTRALIAN VISITORS

Hon. A.E. Blakeney (Minister of Public Health): — Mr. Speaker, I would like to take this opportunity to draw the attention of the house to the west gallery, I am advised that we have two visitors from Australia, who are on a tour, and I think all members of the house would wish to join with me in extending to them a cordial welcome to our assembly.

Some Hon. Members: — HEAR! HEAR!

TRIBUTE TO THE LATE DR. FERGUSON

Mr. Blakeney: — Mr. Speaker, I know that a number of members will have seen in the press, with the same regret that I did, the news of the death of Dr. Ferguson, who was the chief medical officer of the Saskatchewan Anti-Tuberculosis League for a substantial number of years. His career in the service of the citizens of Saskatchewan, and in the service of the larger fight against tuberculosis, is one which can only be viewed with the greatest admiration and one which is deserving of the very highest commendation.

Very soon after graduation from medical school, he entered the field of tuberculosis prevention and cure, members will, of course, recall those decades when tuberculosis was a scourge of very major proportions, when it earned the reputation of the white plague, Dr. Ferguson devoted his life and his very considerable talents to the work of fighting these scourge. He became an internationally known authority on tuberculosis. He has written works and at least one of his books is well known in the field. He has served on international committees of the World Health Organization, and was generally regarded throughout the world, not only throughout Saskatchewan, and indeed, not only throughout Canada, but throughout the world, an authority on tuberculosis control.

He and his co-workers placed Saskatchewan in the forefront in the fight against tuberculosis at an early time and I am sure that all of us would like, at this time, to pay tribute to his work, and to extend our condolences to those who are left behind to mourn him.

Mr. D.T. McFarlane (Qu'Appelle-Wolseley): — Mr. Speaker, I would like to associate myself with the remarks of the hon. Minister of Public Health. It was my good fortune to have known the late Dr. Ferguson and many members of his family. At one time he lived in that part of the province that I have had the honor to represent in the legislature, and I would like to indicate to members of this legislature that Dr. Ferguson was one of the most devoted to the work that he did for the people not only of this province, but of all of Canada, and I would like to associate myself, along with my colleagues, with the remarks of the honorable minister.

WELCOME TO STUDENTS

Mr. McFarlane: — Before the Orders of the Day, Mr. Speaker, I would like to draw the attention of the house to the very fine-looking group of young people in the Speaker's gallery. Most of these young people have come from the town and surrounding district of Grenfell, in the area represented by the hon. member from Moosomin (Mr. McDonald) who had to be out of the legislature this afternoon. They represent the parliamentary forum of the Grenfell High School, and they are accompanied by their teachers a Mr. Matthews, and Mr. Zorn, and Mrs. Burley, and I hope that all members of the legislature this afternoon will be on their very best behaviour so that these young people will be very favourably impressed with the workings in this house, and I am sure that every one wishes them a very hearty welcome this afternoon.

Some Hon. Members: — HEAR! HEAR!

CORRECTIONS OF FIGURES IN SPEECH OF FRIDAY LAST

Mr. McFarlane: — Also, Mr. Speaker, while I am on my feet, I would like to make a correction to two figures I used in my speech on Friday last, I think I have one of the most efficient secretaries there is, but even with her the chance of typographical errors can occur once in a while, and on page (2) of my own notes where I said "it would appear that by these figures the government has collected \$46,000,000" it should be "\$40,000,000" it should be "\$34,000,000". This then will correct the whole speech, then down a little further the word "\$40,000,000" was used where it should be \$34,000,000 and "\$46,000,000" again to "\$40,000,000" a little later one.

One of the Members: — You are making it worse.

INQUIRY RE RETURNS

Mr. B.D. Gallagher (Yorkton): — I wonder if I might ask the Attorney General or the Premier when I might expect my returns from February 11th.

Hon. W.S. Lloyd (Premier): — It is so long ago, it is difficult to identify it. Does this refer to loans made or guarantees by the government to Prairie Pipe, etc? Is this the one?

Mr. Gallagher: — That is one of the ones, Mr. Speaker, and the one following was the one regarding the Cabinet Minister's trips outside of the province on government business.

Mr. Lloyd: — One has been tabled, I am told by the Provincial Secretary; the other one we will make inquiries to see how soon it can be brought down.

BUDGET DEBATE

The Assembly resumed the adjourned debate on the Budget Motion moved by the Hon. Mr. Brockelbank.

Mr. James E. Snedker (Saltcoats): — Mr. Speaker, when I adjourned this debate the other day, I had just concluded making a few brief remarks in connection with the county

system that the government endeavored to force upon the people of the province of Saskatchewan not so long ago, in its relationship to the council of Potashville.

I would like now to say a few words in connection with the recent establishment of the veterinary college at the University of Saskatchewan, in Saskatoon. Together with all other members of this house, and particularly on behalf of the members on this side of the house, I welcome the establishment of a veterinary college at our university. We are all agreed, that this is needful for our expanding livestock industry and for those of our students who wish to become veterinarians. I am sure also that all members of this house will welcome the federal government's grant of \$635,000 which has been made for our Saskatchewan veterinary college.

I think that the members of this side of the house will agree that we hope that before too long, in addition to a faculty of veterinary science at our university, a dental college will also be established to assist those of our students who wish to practice dentistry and who wish to make that their profession, and also to make dental care more readily available to our people.

Mr. Speaker, in rising to take part in this budget debate, I wish to extend my personal best wishes to all those members of the house who have decided to retire from political life.

Mr. Speaker, I am sure that all members will agree with me that due to the vast area of our province and the transport demanding agricultural and mining wealth producing nature of our economy, that transportation facilities and particularly an adequate, well-constructed, efficiently maintained highway system is of the utmost importance for the welfare of our people.

Mr. Speaker, each year I have criticized the government for not allowing the Department of Highways sufficient funds in order to adequately maintain our present highway system. I pointed to rapid deterioration taking place and warned the government of serious highway depreciation if more funds were not made available for highway maintenance. I welcome, therefore, even though small and still inadequate, the increase over last year in the highway maintenance estimates of \$699,600. That is the increase over last year. But, Mr. Speaker, the estimates of 1961 called for a maintenance expenditure of \$7,193,720. This year's maintenance estimate of \$7,342,200, and increase over the year 1961 of only \$148,480.

Mr. Speaker, I believe this is a case of too little and too late and an insufficient increase to halt massive accelerating highway depreciation and still insufficient to adequately care for our highway system, particularly when one considers the greatly increased mileage of oiled surface. Mr. Speaker, it costs twice as much to maintain an oil-surfaced road as it does to maintain black-top or gravel. An expanded oiling program therefore demands increased maintenance expenditures.

With highways presently showing deterioration and an increased oil mileage, this maintenance increase is obviously insufficient to adequately maintain the people's road investment, particularly when the extra expense of maintaining oiled surfaces is considered.

Mr. Speaker, in addition to increased expenditures for highway maintenance, I have repeatedly urged the government to increase expenditures for highway construction and re-construction, and I welcome the fact that to a very small degree, my pleas have been finally heeded, and produced an increase in this year's highway capital expenditures of \$2,933,210 over last year's estimates. But here again, Mr. Speaker, though this is an increase over last year of \$2,933,210, it is still only \$737,340 over the year 1961.

Mr. Speaker, the population of the province of Saskatchewan, is 936,000, while that of Newfoundland is only 486,000 – Newfoundland has 450,000 less people than does Saskatchewan, and certainly is not as well blessed with natural resources as we are. Yet in 1963, Newfoundland spent \$33,000,000 on its highway system while Saskatchewan, with a far greater need for highway mileage, will in 1964 only spend \$16,638,620 for construction. Last year little Newfoundland spent \$16,361,340 more than the government of Saskatchewan proposes to spend in this year.

Mr. Speaker, it is my belief that all the money collected from gasoline taxes and automobile license fees should be returned to the people in the form of road improvement. That will not be the case this year for gasoline taxes and license revenues are estimated to be \$39,965,000 while combined highway and grid road expenditures will only be \$33,265,190. This year the people will pay \$6,699,210 more in gasoline taxes and license fees than they will receive in all government road services.

Mr. Speaker, the total Saskatchewan provincial revenue from taxes in 1960-61 was only \$46,345,000 in 1964-65 it is estimated that it will be \$108,980,000, a total tax increase therefore over 1960-61 of \$62,635,000. Mr. Speaker, estimated increased tax revenues this year are more than the combined total tax take of 1960-61 by \$62,635,000. Where is our money going? Obviously, not into our highway system. If not into our highways, then where is it going?

Mr. Speaker, increased administration costs in this year's supplementary estimates alone were \$254,735 while in the regular estimates increases for administration reached the remarkable total of \$1,012,700 for a combined total of increased administrative costs of \$1,267,435. Mr. Speaker, I want to emphasize that \$1,267,435 is not by any means the total for administration, but only the increased cost of administration over last year. These increases, in the main, are not for the sincere, hard-working civil servants who are trying to do a job for the people, but for the already highly paid but rapidly departing propaganda brigade. Mr. Speaker, in my opinion desperate socialists knowingly facing defeat are vainly trying to purchase lost allegiance with the people's money. Extravagant expenditures for administration such as this are the prime cause of excessive taxation on the one hand and financial starvation in areas of need on the other.

Mr. Speaker, repeatedly I have pleaded the cause for a second trans-Canada highway and I regret that no mention has been made by the government of any effort to negotiate an agreement leading to the construction of a second trans-Canada highway. I do not consider the arguments raised against it by the government to be either logical or valid. The government has taken the position that general federal highway assistance is preferable to assistance for a specific project and while I would welcome federal financial assistance in any form, I would draw to your attention that general assistance would have to be made by Ottawa on a basis equitable to all the provinces and would, therefore, be made on a population rather than a mileage basis with those provinces having larger populations but proportionately smaller highway problems receiving the lion's share while areas of greater need such as ours would receive proportionately less.

I consider that Ottawa would be much more receptive to a specific request particularly for a project such as a second trans-Canada which would certainly receive the wholehearted support of both of our neighboring provinces. It would, I believe, be more attainable and of more help to Saskatchewan at this time than the government's present proposal.

Mr. Speaker, until 1956, the constituency which I have the honour to represent was a highly productive, diversified but strictly agricultural area. Since then, despite an unfavourable political climate, industrialization based on potash production by demand-motivated free enterprise has provided basic jobs for in excess of 1,000 people to which must be added those jobs created in the service industries making a total work generation of approximately 3,000 positions. Once more and possibly two new shafts will be started next summer and will increase these numbers. I have listened to government members discussing potash development and to hear them talk, one would think that they put the potash in the ground. While they endeavour to take all the credit, they completely fail to realize, first the potential magnitude of this development and secondly the problems attendant on it.

Mr. Speaker, we have a socialist government living in the past, incapable of accepting the fact that free enterprise, and not the government has directed this efficient automated industrial development. This fact has left the government completely stunned and therefore incapable to formulating meaningful, effective and just policies for this and other areas of industrialization.

Mr. Speaker, our workers drive to and from work, many of them on roads built and maintained by rural municipalities which is unfair to farmers and miners alike. Hospital facilities are no longer adequate and must be expanded at great cost. Schools are bursting at the seams because of increased pupil enrolment, large scale building programs have already been implemented only to be found immediately inadequate in the face of the rising flood of students.

Mr. Speaker, to meet the challenge of industrialization, our local people are paying ever-increasing costs for fire protection, police protection, road construction and maintenance, for education, health and hospital facilities public utilities, sewer and water and many other costly necessities while a wasteful extravagant government reaps the rich harvest of increased power sales, natural gas and telephone revenues, gasoline taxes, license fees, sales taxes imposed on mine equipment, sales tax on workers' automobiles, sales tax on building materials and all the other products now being used in the current industrialization process.

Mr. Speaker, municipal taxes are already too high, and the borrowing powers of many authorities are now nudging the ceiling. Property taxes do not now and cannot in the foreseeable future keep pace with rising educational and other capital costs. Children are an expense to the school system immediately upon enrolment. As soon as a worker arrives in our area, his children enter our schools and rightly so, but if he does not stay or if he stops only a short while, the tax contribution the parent makes is negligible. However, if he decides to stay and to build a home, and many do, there is at least a two year lag between the date of a child's enrolment and the time when the worker's tax dollar enters the tax stream of the school district. Taking up this slack by means of increased government grants is my idea of assisting the education of our children and encouraging an industry to further expansion.

Mr. Speaker, whatever moving boundaries may achieve it will neither change population patterns, nor produce new wealth. Potash development is here because we have the potash and the world needs it now, but it is not surprising that other industries not under the same pressure of demand are reluctant to invest when they see the deal the government is giving those presently engaged in this industry. The government has talked a lot about encouraging industry. Now let us see the government put some of our money where their mouth was.

Mr. Speaker, above all things let us have less government waste in both small matters as well as large ones. Mr. Speaker, three years ago an old farm scale, accurate and in perfect shape, upon which government employees weighed themselves, stood near the door of the cafeteria in the basement of this building. In 1962 it was replaced by a brightly painted, shiny new one at a cost to the people of \$149. I said at the time that this was an unnecessary expenditure of tax money. Where is the new scale now? It is gone – moved – a discarded socialist plaything. I discovered it in a basement store room the other day.

Mr. Speaker, I have in my hand, a front page photograph from the Leader Post of October 3, 1963, showing the huge log jam in front of the Squaw Rapids Dam. Should any of these logs enter the penstocks they would undoubtedly cause terrific damage to the generator turbines. At present they are being kept back from the dam and penstocks by an expensive log boom. Mr. Speaker, this can only be a temporary preventative measure, for when a tree becomes water-logged, it sinks and when it does so it will obviously be sucked under the floating boom and into the penstocks due to suction created there. Balsam and silver birch become water-logged quickly and a good stout birch in a turbine would really create havoc.

Mr. Speaker, this problem has arisen because the Tobin Lake Reservoir was not properly cleaned of trees and slash before the dam was closed and the reservoir filled with water. These trees must now be floated off or disposed of in some way or another. It will be a problem for years to come because many trees are still hanging on to the bottom of the lake by a root or two and may surface at any time.

Mr. Speaker, thousands of dollars were spent to clear the reservoir of timber and burn it and some of it was good merchantable timber too. It is now estimated that the boom and the floating off process will cost more than \$1,000,000. Mr. Speaker, what an example of socialist planning. Farmers and others, would have been happy to take some of this timber out and with any degree of good management, the poor timber and slash could have been burnt clean. But no, the scrub cutting, bulldozing, basin clearing process was started too late, the wood did not have time to dry, but the planners, with a target date for the dam opening in mind, insisted on trying to burn and made the great discovery that green wet wood does not burn either clean or well.

Mr. Speaker, to the cost of the original ineffective clearing, must now be added the cost of emergency measures. In the fall of 1962 I visited the north side of the Tobin Lake Reservoir and saw this mass of logs and later I warned the minister in charge of the power corporation, the hon. Mr. Brown, of

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the impending calamity but with typical socialist arrogance, he paid absolutely no heed. Unfortunately, our people must now pay the price for this prize example of socialist stupidity. Better management could have saved millions of dollars for our people which could have been useful for either more or better hospital and educational facilities in areas of need or to lower sky-high taxes and charges.

Mr. Speaker, I stated that increased and expanded hospital facilities in our area are imperative in order to adequately meet expansion needs. These expanded demands our people are now trying to meet, but an out of date grant formula which bases provincial hospital grants upon constructions costs of \$10,000 per bed – when rising costs, in the main occasioned by excessive and unreasonable demands by the Department of Health for such things as extra out-patient space and elaborately expensive construction plans have pushed the actual cost to in excess of \$17,000 per bed, are making local contributions demands excessive.

Mr. Speaker, the federal government makes a flat grant of \$2,000 per bed but the provincial grant is based on 40 per cent of the balance left after deducting federal grants from the arbitrary and unrealistic figure of \$10,000. The provincial grant, therefore, is 40 per cent of \$8,000 or \$3,200, making a total overall grant from all sources of \$5,200 which if the actual cost per bed were \$10,000 would leave a balance to be raised locally of \$4,800.

At present hospital construction costs occasioned in part by excessive government demands, are now actually \$17,000 per bed. If we deduct from this sum the federal grant of \$2,000 per bed, we find that we are left with the sum of \$15,000 upon which the provincial grant of only \$3,200 is payable – leaving a balance to be met locally not of \$4,800 but of \$12,800, an unbearable amount of \$8,000 more per bed.

Mr. Speaker, the attitude of the government is completely unrealistic. The government is receive millions in potash royalties and taxes, but is spending the money not on needful facilities but on waste, extravagance, and vote getting gimmicks.

Mr. Speaker, the press has recently carried the following propaganda-loaded government announcements:

Government prepared to grant \$4,000,000 for auditoriums in the cities of Regina and Saskatoon.

followed by another –

Government buys the Moose Jaw Ski Club.

followed by another –

No snow at Moose Jaw Ski resort so government installs a snow making machine.

Mr. Speaker, a snow making machine in Canada – a snow making machine in Saskatchewan yet – to make snow. And another announcement said that \$500,000 would be spent by the government for a zoo. Mr. Speaker, roads, schools and hospitals are all more important than auditoriums, parks, snow machines or zoos.

Mr. Speaker, because this budget provides for no relief from excessive taxation nor any indication of a halt to waste, extravagance and sky-rocketing administration expenditures or for the expenditures of money in areas of greatest need, I shall not support the motion.

Some Hon. Members: — HEAR! HEAR!

Mr. J.R. Barrie (Pelly): — Mr. Speaker in rising to take part in this debate, I wish to congratulate all those that previously participated in it. I wish to particularly commend the hon. member from Moosomin (Mr. McDonald) for the worth-while contribution he made as opposition financial critic.

Many fine and sincere tributes have been paid to those members on both sides of the house, who for various reasons, will not stand for re-election

in the approaching general election. I wish to concur in and associate myself with these various remarks, and add to them my sincere wish for many years of good health and happiness to each and every one of those members on their retirement from public office. They will be missed by the members of this assembly and I am sure their constituencies, no doubt, appreciate the services they have rendered over so many years.

At this time, Mr. Speaker, I wish to congratulate the Premier on his good judgment in choosing Madge Lake in the Pelly constituency for this brief vacation this past summer. I hope he was favourably impressed with this scenic lake resort and will return to enjoy the natural beauty there on many future occasions. I hope, too, that he realized that he was vacationing in the finest part of Saskatchewan, so widely and favourably known as "The Garden of Saskatchewan".

Now, Mr. Speaker, I wish to turn to items relating directly to the budget. Due to the limited time at my disposal, and not wanting to trespass on the time of the next speaker who is waiting to take part in this debate, I beg your indulgence, Sir, and that of the members of this assembly, if I appear to follow my notes closely.

Three years ago in 1961, the farmers in the Pelly constituency, which I have the honour to represent, experienced a near total crop failure. As a result accumulated debts had to remain unpaid. In many instances further debt had to be incurred to finance the 1962 operations. These circumstances affected not only the farmer, but also business and professional people who are so dependent on the prosperity of the farmer, in any completely agricultural area, such as this constituency.

In the year 1962, a bountiful crop was harvested. Proceeds from this good crop changed conditions rapidly. Our farmers being thrifty, prudent, and those who follow sound principles in their business, welcomed the good cash returns. This enabled them to liquidate their debts, and avoid further interest charges. They paid their taxes and as they were able to dispose of the 1962 crop, particularly during the first half of 1963, they used the returns to improve their farmsteads, purchased necessary new equipment and generally enjoy for themselves and their families, a better standard of living. These expenditures were substantially on a cash basis. All sectors of the economy benefitted. The merchants, the professional people and local governments. During the last half of 1963, these favourable conditions prevailed, and will continue to improve in the current year, as the bumper crops of 1963 are disposed of.

The factors, Mr. Speaker, responsible for this favourable economic position are in my opinion, fourfold: one – it was largely due to the blessing of good moisture and weather conditions bestowed on us by Divine Providence; two – the talents, initiative, and industry of our farm people; three – the splendid effort and the accomplishment of the Canadian Wheat Board in disposing of the surplus grain and that produced in two successive years, 1962 and 1963, at far above average yields; four – due to the interest taken and the assistance rendered in providing the necessary finances for term credit on the sale of grain by the federal Liberal government.

This rather brief resume of conditions in the Pelly constituency and results obtained from the use made from income from two unusually good crops, is I believe typical of the majority of areas in our province and Saskatchewan farmers generally. The sound principles practised during the past two years by the majority of our people is most commendable. It exemplifies what can be accomplished by observing sound business principles and applying them in a positive, prudent and practical manner. But, Mr. Speaker, what example has been given by our provincial government? What pattern has been pursued by them? They too have been favoured with inflated revenues and the resulting large surpluses. Sound, sane and prudent business practice has been and is being ignored. Not content with ever increasing revenue from high taxation, they continue to borrow lavish sums, resulting in every increasing provincial debts.

In his recent speech in this house, the Provincial Treasurer stated that \$57,500,000 was borrowed in 1963. In the same period, redemption of our debt amounted to approximately \$19,500,000. This means our gross debt was increased during 1963 by \$38,000,000, to a total of \$575,000,000. In the fiscal year ahead, 1964-65, according to the budget, estimated revenues will reach an all time high for Saskatchewan of nearly \$215,000,000.

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Once again, the government proposes to borrow during 1964, the large sum of approximately \$55,000,000. Provisions for repayment of debt during this period, is only \$12,500,000. This program will result in adding during 1964, another \$42,500,000 to our gross debt, which at the end of the year, will amount to approximately \$617,500,000. According to the estimates, the interest bill on the gross public debt for 1964, amounts to \$28,674,000. This large amount will be paid by the people of Saskatchewan from taxation and from the electric power, natural gas and telephone rates that we have to pay. But, Mr. Speaker, irrespective of the source, Saskatchewan people will furnish the money to pay over \$28,000,000 in interest alone in the current year of 1964.

Despite protests and warnings of the past, it is most noteworthy that in 1963, loans amounting to \$25,000,000 were obtained in the United States of America. These loans are repayable in United States funds, both the principle and interest. With the current unfavourable exchange rates, between Canada and the United States, this United States loan is astonishing to say the least. Particularly so, when down through the years, the members of the party opposite have been so vociferous in their criticism and condemnation of those whom they so often refer to as the bloated capitalist money lenders and coupon clippers of Wall Street.

Mr. Speaker, I never cease in being impressed by the impractical and egotistical attitude of most members of the NDP. The repetitious inference claiming they have a monopoly on honesty, sincerity and ability, have become nauseous.

Some Hon. Members: — HEAR! HEAR!

Mr. Barrie: — It would appear that they claim, they and they alone, have a moral and humane interest in the well-being of our people and the province of Saskatchewan. Their ego is so inflated and distended, they attempt to impress all and sundry that no political party or group, other than themselves, is capable of administering the public affairs of this province. According to their warped reasoning, disaster and utter chaos would result if they were replaced as the government of this province. They even go so far, Mr. Speaker, as to impose their planning on the individual citizens, convinced by their muddled reasoning, that they are more capable of directing his or her activities than he is himself. Centralized government control and regimentation have become an obsession with them. Such contentions are prime examples of conceit and arrogance. How ridiculous, Mr. Speaker, how vain and unrealistic can those intoxicated with power and their own self-esteem become?

The NDP attempted to depict the opposition as a group of monsters, dedicated to the destruction of all things of merit and value in Saskatchewan. They insist we are determined to deprive the citizens of services, opportunities and benefits which are the inalienable right of all citizens in any democracy. The NDP would imply that the opposition are devoid of honesty, integrity and sincerity of purpose. Such an attitude is, of course, Mr. Speaker, normal to egotists and bigots. Let anyone compare, Mr. Speaker, either collectively or individually, those composing the two opposing groups in this house on the basis of the record, a record of contribution made in the best interest of their communities, past and present, and the individual's standing there, at the present time, of participation and service in local governments, of services rendered our nation in the time of war, of the degree of success achieved in personal activities and enterprise, where initiative, ability and integrity have been and are still requisites.

We of the opposition entertain no holier-than-thou attitudes. We welcome comparisons, feeling certain that in such assessments, we will not only measure up extremely well, but dispose entirely of the contentions of those members opposite that we are a group of irresponsible individuals, lacking the qualification to accept the responsibility of conducting the public business in a satisfactory manner. In my opinion, the people of Saskatchewan recognize clearly the threat the present government ideology and policies are, to the future welfare of our province. The public are awaiting the right to censor and reprimand them. Every indication is that this much desired opportunity will be soon. I have no doubt as to the end result due to aroused public interest in their affairs, so evident currently. I believe the majority of citizens arrived at the decision, they will act upon, some time ago.

Now, Mr. Speaker, I wish to turn to a subject which has been dealt with by several members in this house during this debate. It is a sad and sordid item, the plight of our native Indian population. Once a proud, independent race, they have been reduced to a group of frustrated, disappointed and discouraged second-class citizens. Who is responsible for this? The white

man, primarily, with his lack of interest in the welfare of these unfortunate people over the years. The record of administration, particularly in more recent years by federal authorities has proven unrealistic, antiquated and inadequate. This has produced to a very large degree, the current shameful situation. Little wonder the native treaty Indian has lost all initiative and pride. He has been reduced in most instances to the role of a beggar, dependent on the beneficence of a bureaucracy administering negative, outdated and unimaginative policies, in the extreme.

Canadians and the federal government have failed these natives, shamefully. As I have been referring, Mr. Speaker, to native treaty Indians, the provincial government opposite may deny any responsibility. However, I want to point out to them, Mr. Speaker, that the government opposite cannot escape a share of the blame for the conditions as they exist today. I will mention one item only, and that is by withdrawing from these native Indians, the former privileges they were in receipt of, respecting hunting and trapping on crown lands, their bare existence was in many instances made even worse. The current unenviable position of this segment of our population along with its many related problems, should be the concern of every citizen of this province and of Canada. We as citizens and our governments have failed miserably. To a more or less degree, Mr. Speaker, the conditions and problems I have outlined exist with respect to our Metis population. The Metis are the full responsibility of the provincial government. Again, we, the white men must hang our heads in shame. We have failed to provide these unfortunate citizens with a decent standard of living, commensurate with that enjoyed by the majority of us. I'm quite certain, Mr. Speaker, there are members who are familiar with the situation and conditions existing in Saskatchewan, on both sides of this house, who must heartily agree with the statements I have made.

Now, this government after 20 years in office suddenly seems intensely interested in the native population and their problems, to the extent of lip service at least. Why the sudden interest after 20 years in which they had every opportunity to do something for these people? We have been informed they are currently negotiating and contemplating the taking-over of the administration of Treaty Indian Affairs from the federal government. I am certain this is not even a partial solution to the problem, judging from the very sorry record they have, in coping with the problems of assisting and providing for our Metis population who are their sole responsibility. What hope could the native Indians have, from a change in administration? I would suggest to the native Indians in Saskatchewan, that they take a good long look at the plight of the majority of Metis people in this province. While the Indian position is far from that desired and tragic to say the least, in most instances the lot of the Metis is generally no better, and in some aspects, even worse. Again, I wish to say there are members very conversant with this condition sitting on both sides of the house and I am certain, that as sincere and honest members of this legislature and citizens of Saskatchewan they will heartily agree with what I have just said.

It is hoped, Mr. Speaker, that an aroused public opinion and an aroused public interest will bring about effective action at an early date. For once and for all to eradicate the poverty, misery and anguish existing amongst the Indians and Metis within our boundaries and thereby remove this dark blot from our midst and from our society.

Mr. Speaker, in bringing to the attention of this house, as I termed them, these sad and sordid conditions, I thought that we as citizens of Saskatchewan, and responsible members of this legislature, will not at any time try to make a political football out of the misery of these people. I would look forward and hope that every member in this legislature, at this session and the sessions that lie ahead, will co-operate one with the other, to the fullest possible extent, so that possibly a few months from now and at the session which will happen possibly this time next year, that the people in this assembly can hold up their heads in a different manner than what they can today, when they know what is occurring and what has occurred and what exists in connection with this particular problem within our province.

Now, Mr. Speaker, concluding my remarks, while I could readily endorse and support certain portions of the budget, the evident lack of sound, prudent business principle, the extravagant spending of hard-earned tax dollars on unessentials, the inevitable increase of property taxes for school purposes in 1964, due to the estimated increased costs of education in the current year, exceeding by several millions of dollars, the sums provided for assistance for education in the new budget, and the utter disregard of the limited ability of such a large number of our citizens, to carry an ever increasing tax load, Mr. Speaker, I will not support the motion.

Some Hon. Members: — HEAR! HEAR!

Hon. W.G. Davies (Minister of Public Works): — Mr. Speaker, in rising to join those who have entered this debate, I should say, in beginning, something briefly about all those members who on both sides of the house, have made the decision to retire from political life. I think that their efforts have added greatly to the Saskatchewan that we know today, they have strengthened greatly the whole area of public life and achievements and I say to them, on both sides of the house, my best wishes and may the years ahead be happy ones for you. I hope too, that in their respective communities, Mr. Speaker, as well as in this chamber, some suitable recognition is given to the retiring members. This is honourably due to each of them, but, apart from that, I believe that occasions such as this on the community basis, may serve to stimulate an interest in public life and especially among the younger part of the population — and thereby improve and strengthen the institutions of self-government and its attendant rights, liberties and responsibilities.

Mr. Speaker, may I briefly comment about some of the remarks of the two speakers who have preceded me. It appears to me that when one listens to the remarks of the hon. member for Saltcoats (Mr. Snedker) one gets a sense of inconsistency. First of all, there is great criticism on his part for insufficient monies that are spent on items like highways. This is accompanied in another vein by criticism for what he terms waste — and I'm leaving out all the adjectives that he has used in that connection.

May I comment, however, just as briefly as possible, on some of the points that he attempted to make and which I think need correction. The member for Saltcoats (Mr. Snedker) told us that \$33,000,000 would be spent this year by the government of Newfoundland on highways. I think, Mr. Speaker, that this figure is quite correct. Quite correct it is also although the hon. member omitted to say so, that \$13,000,000 of this sum is federal government reimbursement, so that the actual commitment or expenditure of the government of Newfoundland is something like \$22,000,000. This is the correction that should be made here this afternoon.

On a more pertinent scale and "scale" is what I want to make reference to here, Mr. Speaker, the member for Saltcoats talked about the weigh scales that are, he says, downstairs gathering dust, I believe was his expression. He characterized this as a useless expenditure. I should inform the member that the scales are certainly new; they replace scales that were many years old and were not functioning properly. The scales are used by the caretakers and others in weighing material and supplies that are shipped out of this building as well as by the other departments. I don't think that this is a very apt example, Mr. Speaker, if I may say so, of waste. There is also a reference on his part to the Moose Jaw Ski Resort, and the snow-making machine including a few other references in that connection. I gather that he is not in favour of the expenditure of money that is recommended for a Moose Jaw Zoo, for the two auditoriums and certainly not for a snow-making machine. I would like to suggest to them, however, that snow-making machines are not unknown at any of the ski lodges across Canada and the United States. May I also say that I will here defend the White Track ski expenditure as one of the most popular in south Saskatchewan.

Some Hon. Members: — HEAR! HEAR!

Mr. Davies: — Anyone that could have seen the opening a couple of Sundays ago, would have realized this. Five thousand people attended, many of them young people. When one thinks of the comparatively small expenditure and the large amount of enjoyment that it gives to a great number of people, I think they would contradict the member from Saltcoats (Mr. Snedker). I take it that his is an expression of the feeling of the members opposite. This will be a very interesting sentiment for voters in particularly this part of the province to keep their minds on.

I would like to assure the hon. member for Pelly (Mr. Barrie) that

I have honestly never heard any of the members opposite defined as “monsters” I don’t intend to refer to any of them myself in that manner and I hope that he will not refer to any of us as “egotists and bigots” although that was certainly an inference. I am glad that he welcomes comparisons.

May I say sincerely too, that so far as the Indian-Metis population are concerned in Saskatchewan and across Canada, I do agree that this should not be made, as he put it, a political football. I want to suggest that the government of the province of Saskatchewan in the last 20 years has not found an interest only during the last few months. One has only to look at what has been done across this province for this population in the way of bettering their health, assisting in their education, to understand that this is not a fact.

Now I think there are others who will enter this debate, who will want to deal more specifically with this part of the speech of the member from Pelly (Mr. Barrie) but I thought I should say at this time, that while I do agree there should be an united effort on the part of all the governments of Canada and the federal government of this country, it certainly cannot be said that the government of the province of Saskatchewan has been remiss in its responsibilities. If there is any accusation that may be levelled as to bureaucracy in dealing with the Indian problem, it cannot be levelled at the provinces of this country.

Some Hon. Members: — HEAR! HEAR!

Mr. Davies: — Mr. Speaker, mention has been made in the debate by the hon. member for Weyburn (Mr. Staveley) about his city’s Golden Jubilee. If it was not made in this debate, perhaps I may be pardoned referring to it in this debate. I did want to join with him in congratulating the city of Weyburn on its celebration. I was there during part of it last year, as were other members of the cabinet. We all enjoyed the hospitality we received and the fresh way in which the citizens of Weyburn organized this celebration.

In 1963, the city of Moose Jaw marked its 60th birthday or Diamond Jubilee. The city and its people arranged a goodly number of gatherings and events to commemorate this anniversary. I think there was throughout these proceedings a very evident feeling that Moose Jaw was not only paying homage to the past but was looking expectantly and confidently to desirable local growth and expansion in the future. Record sales levels, a high level of employment and building sparked this feeling of enthusiasm. Several important events – such as the Kinsmen’s International Bank Contest – attracted crowds of 30,000 people or more last year at Moose Jaw. Nineteen sixty three was a good year for the area, and we hope to go forward in 1964 to as good and even better times.

Perhaps I may have your indulgence, Mr. Speaker, in giving the house a brief sketch in miniature of the early beginnings of Moose Jaw because I believe the stories are most interesting and colorful and at this time appropriate. The Moose Jaw area from the so-called “historic dawn” period was familiar to a number of plains Indian tribes. The allied Cree, Saulteaux and Assiniboine Indians became dominant in the area after the year 1800. They moved between Qu’Appelle Valley, Wood Mountain and Cypress Hills. The first settlers in the Moose Jaw area were Metis fur traders. The names of these people have escaped the historians. It was established, though, that in the winter of 1867-68 a Donald Sinclair traded at that point. This was the same year in which the Denomie brothers, Paul and Xavier, wintered just a mile or so south of Moose Jaw at the so-called “turn” of the river. This was commented upon by Isaac Cowie, a Hudson Bay official who visited the home of the wife of one of the Denomies. He gives a description of it.

We know about the Captain John Palliser expedition in the late 1850’s and we can read about his comments on the Moose Jaw area. Of interest too, is the visit of people like Lords Caledon and Mulgrave, who accompanied Sir George Simpson to Fort Garry during the 1840’s and hunted on the prairies.

Mr. Speaker, settlers were squatting on land in 1883 when the land surveyors first came to the Moose Jaw area. The village of Moose Jaw was formed in 1882 and by February 13th, 1884, the village achieved town status. It was established, as I said, as a city in 1903.

It is interesting to note that the first mayor of Moose Jaw town, J.E. Ross, based his election campaign on the platform that Moose Jaw should organize a public school district and that education should be supported by taxation. The townspeople had very early demonstrated an interest in education, forming a provisional board and thereupon hiring a private teacher. On December 5th, 1884, the School District of the Town of Moose Jaw,

“Protestant Public School District #1 of the Northwest Territories”, came into being. It is noteworthy, Mr. Speaker, that this was the first of its kind in the Northwest Territories. A public school board followed in late December of the same year.

A good deal more could be said about the city and its past, especially with respect to a number of the elected representatives who have made their mark and their contribution to the political life of this country. It is, however, fitting that at a time when Moose Jaw has just ended its celebration of sixty years of existence, a grateful acknowledgment should be made of these many splendid efforts.

I make these remarks about my city constituency, not because we have finished celebrating a Diamond Jubilee, but because, or so it seems to me, that although Moose Jaw has had its difficulties, it is entering a more vigorous stage of development which is matched by the spirit and enthusiasm of its citizens.

Aptly enough, 1963, (the jubilee year celebration) turned out to be the best year for Moose Jaw economically speaking. The city surged forward and its prepared to surge forward again. Mr. W.J. Wilde, an official of a Calgary company, speaking to the Kiwanis Club in April of last year, said that Moose Jaw would be the most thriving industrial centre in the west because of the South Saskatchewan River Dam, shortly to become a reality. He said something else that is of general interest, and I quote:

During the next ten years Saskatchewan will be faced with the greatest era of production and prosperity in the history of western Canada. It will be in store for great transformations.

Significantly too, he commented that to bring about the transformation people have to have faith. “Most important you must have enthusiasm and optimism” he said. It seems to me especially, as we consider some of the remarks that we have heard in debates in this house, that these words are very timely and, in fact, typify the general feeling of Saskatchewan residents today. Something that we can remember and keep in mind – forget the talk of despondency and stagnation. It is all the more meaningful, I think, this message of Mr. Wilde, coming as it does from an Albertan who has seen many opportunities come because of the bountiful oil resources of his province.

Mr. Speaker, Moose Jaw has benefitted considerably from the policies of this provincial government. I have, from time to time, in this house and outside it, described what has occurred. But undoubtedly the programs of the Department of Natural Resources, to speak of only one facet of activity, have had much to do with the increasing of prosperity within the city by bringing tourists and visitors to the area, and bringing recreational facilities to the people of my city and district. It is a matter of comment from local merchants and among those who own motels and hotels, that 1963 was a very good year indeed for them.

I would like now to describe some of the things that have helped to bring this about. The Besant Campsite, near Mortlach, twenty miles from Moose Jaw, Mr. Speaker, as members may know, is probably one of the most popular campsites in Canada. Certainly it attracts many visitors. I had the opportunity of looking at the guest book and seeing the complimentary references that have been made by many tourists from all over North America and even elsewhere, on the facilities that are offered.

The Buffalo Pound Lake Provincial Park, just north of Moose Jaw, one of the newest of the provincial parks, one of the many provincial parks, Mr. Speaker, last year had the largest percentage increase of attendance of any provincial park in Saskatchewan; 286 per cent more people attended at this park last year than the year before.

The very fine recreational environment at this point – augmented by White Track – which uniquely incorporates the whole-hearted efforts of the Moose Jaw Ski and Winter Sports Organization, is something again that needs some mention at this point. Anyone that has had the opportunity, as I have said, of seeing this project and the people that make use of it will understand the enthusiasm that Moose Jaw has for what has been done here.

I would like too, to express my thanks and the thanks of my constituents for the steps that have been taken by the province in offering a zoological park development just south of Moose Jaw. This will bring into being the kind of outstanding facilities that I confidently predict will, when they are created, bring to Moose Jaw, a half million extra visitors each year. Already, the Wild Animal Park operation, which has featured the self-sacrificing efforts of many Moose Jaw people over more than a quarter century of its existence, brings 80,000 visitors each year to that point. So I think it will be seen in this context that my estimates of the eventual results is certainly not a very high one.

I will be commenting a little later, Mr. Speaker, on some of the capital projects of my department during the coming year, and I can deal then with other Moose Jaw matters.

I would not like to turn to more general provincial questions. Mr. Speaker, I think it will be apparent, that while the province is marching forward and gathering strength for an even greater development, the members of the opposition in this house have been doing nothing but their best to spread confusion and doubt about Saskatchewan's progress.

Mr. L.P. Coderre (Gravelbourg): — We didn't have to do that, you did it yourself.

Mr. Davies: — One of the favorite distortions, Mr. Speaker, concerns the so-called loss of population theory. This is a very frequently advanced, as you will know, Mr. Speaker, by our friends in the Liberal party. Now, Saskatchewan's experience with respect to population has been almost precisely that of every other agricultural area in the world where major mechanization trends have occurred. First of all there are fewer farms; secondly, there is a much greater production of many fewer people. In this context it is no use for members of the opposition to point to Manitoba and Alberta.

Mr. Speaker, Manitoba was already an area of considerable industrial status as far back as the 1920's and it is a matter of common knowledge that the chief city, Winnipeg, has half or better of the whole population of the province of Manitoba. It has far long been an outstanding urban and manufacturing area. It is no use talking about Manitoba as though it only just recently emerged from a kind of rural obscurity.

The Alberta success has been produced almost entirely on the base of oil production. Again, everybody knows that in terms of oil reserves, and according to geological knowledge, Alberta has the greatest oil potential, and this is liable to continue for some time, until this country has had exploration of greater geological depths. Yet it must also be acknowledged that oil exploration and development started in Alberta at least a quarter of a century before it really got going in Saskatchewan.

Apart from these factors, Saskatchewan has, in the way of agricultural production and agricultural land area, a pre-eminent position. One has only to look at the figures on grain production to understand that this is so.

For people to talk as though there should be some kind of an exact comparability between the three provinces in terms of evenness of development, is wholly unwarranted, Mr. Speaker! I suggest it is in the circumstances, quite absurd. To suggest again, as our friends, the hon. members so frequently do, this is due to some kind of "socialist stagnation" or because of the philosophy of this government, is just as wide of the mark and ignores the known information.

You know, some of the most rock-ribbed Conservative and Republican areas in the U.S.A. are those that have suffered considerable losses of population to the other state areas. Primarily, these changes rest on the formidable economic changes that have been so much a part of the economic life of North American society in this century.

It is evident, Mr. Speaker, that states of all political persuasion in the American union have had the same experience. The United States Department of Commerce reporting on the census of population for that country in 1960, revealed the information that twenty-nine of the forty-eight states in the continental U.S.A., had a net loss of population from the previous census ranging from a low of 16,000 in New Hampshire to 1,616,000 in Pennsylvania. If I may have your indulgence, Mr. Speaker, I will just read them into the record: Maine, Iowa, Georgia, New Hampshire, Missouri, Kentucky, Vermont, North Dakota, Tennessee, Massachusetts, South Dakota, Alabama, Rhode Island, Nebraska, Mississippi, New York, Kansas, Arkansas, Pennsylvania, Virginia, Louisiana, Illinois, West Virginia, Oklahoma, Wisconsin, North Carolina, Utah, Minnesota, South Carolina.

Now, Mr. Speaker, one can hardly argue, in good conscience, that states such as New York, Pennsylvania and Illinois suffer from socialist governments or industrial stagnation. But they have experienced substantial losses in population in a period, Mr. Speaker, when Saskatchewan has had population gains.

Some Hon. Members: — HEAR! HEAR!

Mr. Davies: — I think it is also interesting to note that the entire ten states that form the grain-growing area of the United States, or the Prairie Regina, if you prefer, suffered a substantial net loss population through inter-state movement. These states are: Minnesota, Nebraska, Iowa, Kansas, Missouri, Arkansas, North Dakota, Oklahoma, South Dakota, Montana.

Mr. Speaker, these facts are submitted to point out that the information we have been getting from the opposition and the kind of conclusions that are elicited on the basis of that information on population, are not only quite misleading but by their very nature do much harm to the welfare of this province. I say, in the analysis, it must be understood that these opposition arguments do not fall upon the government, they injure our province and the future of the province.

Mr. Speaker, we have heard a great deal in this house and outside of this house about so-called “heavy taxation” in Saskatchewan, and I think this argument and part of the debate has been renewed by other speakers this afternoon on the other side of the house. I think my colleagues on this side of the house have already amply demonstrated the fallacy of these statements. They have shown that far from being heavily taxed it is probable that, in the aggregate, Saskatchewan people, because of the benefits they receive are far more lightly taxed than any other province in the dominion.

Some Hon. Members: — HEAR! HEAR!

Mr. Davies: — I think it has been shown, beyond doubt that taxation figures for provinces do not show all imposts on the ordinary citizen. This is exemplified if one looks, say to a province like Ontario. I had occasion recently to talk to a leading trade unionist from the province of Ontario and he pointed out to me a number of factors that I think the house should be interested in.

First, let's look at the aspect of medical care and hospital coverage. In Ontario today, if you chose to buy the most comprehensive private plan of medical care coverage, so that you can tie in with the Ontario Hospital Plan, it would cost your family \$180 for only the medical services portion. As hon. members know too, the Ontario Hospital services costs have been increased by 50 per cent just recently, so that the Ontario citizen now pays for his family protection in hospitals about \$76 a year. I think this is the figure in round terms. So the combined figures for hospital and medical protection would be about \$256 a year. A little simple arithmetic to measure this figure with the Saskatchewan expense shows how much greater are the costs of equivalent hospital and medical benefits in Ontario. But these figures don't show in the kind of provincial tax comparisons that we have heard in this house.

It should be observed that this most comprehensive private plan for medical care coverage in Ontario does not include all of the benefits that we enjoy in the Saskatchewan plan. There is a waiting period for removal of items like tonsils, adenoids, coverage for past conditions for which you have had treatment or advice prior to the date of your policy, (That is before the date of the policy beginning). Benefits don't begin until six months after the policy's effective date, maternity cases are not covered until the plan has been in force for eight months — and so on. I list just some of the differences, or if you will, some of the deficiencies.

Mr. Speaker, the consumer price index for the dominion of Canada, as of the last announcement, stands at 134.2 as contrasted to the Saskatoon-Regina index of 129 points. Now, some of the items within the two indexes, or some of the items that make it up, do have a variation. It is rather hard to make an exact assessment, but it is interesting to note that one of the items that makes for some of the difference, with respect to the whole index, is the items called Health and Personal Care. There is a difference on the credit side in the Saskatchewan index for this point of 18 points. I say I am not familiar with all of the factors that go into the formulation of this item in the Consumer Price Index, but it is indicative enough and the figures

speak for themselves. If one looks at this difference in Health and Personal care costs, it can readily be understood that it can be properly employed to discount the so-called "heavy-taxation" argument that our hon. friends in opposition so often like to misuse.

Mr. Speaker, if the benefits that have been, are now being conferred by good public programs in Saskatchewan, are properly considered, it is my very firm belief that overall costs to the taxpayer are much less here than anywhere else in the dominion.

Some Hon. Members: — HEAR! HEAR!

Mr. Davies: — Everyone knows that the greater part of our so-called gross provincial debt is involved with the financing of the Saskatchewan Power Corporation and the next largest portion concerns the financing of the public telephone corporation. We heard in this house again this afternoon, criticism of this kind of "heavy taxation".

I am only going to deal with the first item, that is, the financing of the power corporation. Now, Mr. Chairman, I suggest that without electrical energy, without gas for fuel and other like purposes, it would have been most difficult for Saskatchewan to have developed the expanding economy we know today. Not only has there been produced the very basis for industry in the province of Saskatchewan, but indeed the fundamental industry, agriculture, has made spectacular advances, in part because of the availability of electrical energy. All this is, of course, apart from the fact that electricity has made available, made possible, an energy source and basic comfort hitherto unknown for thousands of Saskatchewan farmers and rural residents.

Mr. Speaker, the evidence is irrefutable and irresistible. The policy of the Saskatchewan Liberal Party during the last twenty years has been against the pursuing of power and gas expansion and development in the province. There is no use in my hon. friends saying this is not the case. Because if it had been otherwise, this government would not have been exposed to the continual and sometimes abusive references criticizing us for having made borrowings to finance power and gas development.

The Liberal Party in this province must be judged by the historical evidence. It is clear for all to see, Mr. Speaker. Time and time again this house and this province has resounded to Liberal voices shrilly belaboring us for the so-called "millstone of debt" which was acquired to build Saskatchewan's future. If we on this side of the house had yielded to the importunities of the hon. members opposite we would not have a province today prepared to take new steps forward in the interests of the people of this province; we would not have an electrical and gas system on which to mount a prosperous economy, and which has already proved to the hilt its worth in this respect.

I understand, Mr. Speaker, that another new look is being taken among our friends in the opposition at this session, and this concerns their new winning ways with respect to organized labour. They still continue to tell us why the New Democratic Party is harmful to Saskatchewan's interests, namely, because the labour people within it are bound to dominate the farmer. Having exhausted this kind of theme with all its implications, as they have done for so many years, they tell us that their heart is with labour. They tell us that the Liberal Party in this province would not take away labour's gains that have been made in the last twenty years and they strive to tell us that, indeed, under a Liberal government, they would do better. Well, Mr. Speaker, I shan't bother to waste time this afternoon about the belated protestations of the Liberal Party of Saskatchewan on labour. Time and again, in this house, one has heard the kind of arguments which would make any labour man of any intelligence disquieted, to say the least and this is to put it mildly. The slick assurances that he now hears is not likely to change his mind.

I say, Mr. Speaker, when this party opposite us, through its spokesmen, have said that all organized labour wants from the farmer is cheap food, it is hardly likely, on hearing a sentiment of that kind, that organized labour is likely to express confidence in the Liberal party in this province.

You know, Mr. Speaker, the Saskatchewan Liberal Party has always castigated organized labour as a kind of "prodigal son" of the CCF. Having done this for many years, Saskatchewan Liberals now seem, at this late date, fervently anxious to themselves assume parentage of the prodigal. They have set forth a table of glittering promises to labour just before an election. In the circumstances, it isn't likely that there will be many labour people at the table.

Some Hon. Members: — HEAR! HEAR!

Mr. Davies: — But again, what about the evidence, Mr. Speaker. My hon. friends like to talk about how well labour is doing in other provinces. The fact of the matter is that if one looks at average weekly wages and salaries by provinces and, taking these figures from the dominion Bureau of Statistics, one finds that while the Saskatchewan average weekly wage and salary in manufacturing operations is not the highest in Canada, it is higher than two of the three Liberal provinces in this country.

If one looks at the latest information that once can get, and this is October of 1963, he will find that for manufacturing the average weekly wage for Newfoundland was \$71.67; for New Brunswick \$69.85; and for Saskatchewan \$82.26. The Quebec rate is about 65¢ a week higher. In consideration, as my friend the Minister of Labour has said, of all of the operations that have been deeply rooted in Quebec for many, many years, — automobile, petrochemical industries, the Seaway, — it is not hard to understand why the average wages earned in manufacturing should be somewhat higher.

I don't know how my hon. friends in the opposition hope to find any particular comfort from these figures. I think the same is true in the case of unemployment. The members of the opposition are stumping up and down the province saying that they would guarantee, if they were elected, astronomical numbers of new jobs. Well, again, let us look at the real situation. As matters were at the end of November, 1963 — and this is for the latest period on which I can get figures — the Saskatchewan rate of unemployment for the non-agricultural labour force was much less than the Canadian average. The Saskatchewan rate was even lower, much lower than this, in contrast to the rate for every Liberal province in this country. Significantly every Liberal province also had a higher rate of unemployment than the national or the Canadian average.

The Quebec rate or percentage of unemployment among its labour force was, at this date, (and I am referring now to the non-agricultural labour force) was 37 per cent above the Saskatchewan comparable figure. The Newfoundland figure was much higher than that. Figures are given, by the way, for the Maritimes, not just for Newfoundland. But it is known everywhere that the Newfoundland rate for unemployment is the highest in the whole of the dominion. In recent years it has been in the order of 24 per cent of the non-agricultural working force. Now this is, I suggest, a most regrettable figure. The New Brunswick unemployed rate is also very considerably higher than the rate for this province.

It is going to be hard for the Saskatchewan workman, who has seen his own provincial government do everything it can do, in reducing unemployment, to grasp the idea that a Liberal government will do for him in this province of Saskatchewan what no Liberal government has been able to do for workmen in the provinces where Liberal governments hold sway. And this is aside from the inferior legislation with respect to almost every major area, including Workmen's Compensation, minimum wages, hours of work and so forth.

One gets a little tired of hearing the Liberal opposition in this house talk about the spectacular successes it will bring into being when one sees what is happening under a Liberal government at Ottawa. It is true that for a variety of reasons, among which is the spectacular wheat crop in Saskatchewan, the number of unemployed in Canada is somewhat less than a year ago. But the fact is that over 97 out of every 100 unemployed persons in Canada are outside of the province of Saskatchewan. How can one escape the logic of the situation? If Liberals at Ottawa in charge of all the major aspects in our national life have not eliminated unemployment, either in this year or any year when they were in power, how can one trust a Liberal government in Saskatchewan — albeit one which seems to have time to time taken some umbrage at the reforms espoused by Prime Minister Pearson — to do the kind of job that will bring about an end of unemployment, in this provincial area. Something we all want to see. The evidence as I say, Sir, is conclusive against this assumption.

Now, Mr. Speaker, I would like to tell the house today about the programs that have been reported generally in the budget speech of my colleague, the Provincial Treasurer, but on which I should say something more in greater detail.

The total expenditure for the coming fiscal year in my department, as this pertains to capital projects, will be \$5,552,400. I am going to deal in the interest of simplicity and clarity with expenditures by departments, and I shall take first of all, Mr. Speaker, the Department of Education.

An extensive addition to the Moose Jaw Technical Institute was officially opened in the fall of 1963. However, there are certain small items that remain to be completed and these will carry into the coming fiscal year. The Prince Albert Technical High School had been in operation since the fall of 1963 at that time an official opening took place and there are here as well, some remaining construction items that must be carried through. As well as this, the entire landscaping program is to be carried out during the next fiscal year. The sum involved here is in the order of about \$113,000, I think though at this time I'll use cost terms in even dollars, since they are for the most part in any case, estimates.

The Saskatchewan Technical Institute at Saskatoon was officially opened in October of last year and there are some items of construction here, that will be finished. Landscaping will be one of them, the over all costs for finishing is about \$79,000. Additionally, construction is planned on a \$1,000,000 addition to the Saskatoon Institute. Shop and classroom space will be enlarged according to the provisions made in the original construction. The federal sharings at this stage, I should advise the house, is still to the extent of 75 per cent.

Two vocational high schools on the lines of the one recently built at Prince Albert are also contemplated. Planning will be completed and contracts should be let during 1964-65. The cost of each of these is estimated at about \$2,000,000. The locations of the schools have not yet been decided, and my friend the Minister of Education will no doubt be making announcements in due course on this. The location, of course, is not a matter for this department to undertake. About \$1,300,000 should be spent in the next year in this fashion.

Improvement work is intended at the Saskatchewan Teachers' College and the School for the Deaf in Saskatoon, a round figure involved here of about \$30,000.

Work to the tune of \$390,000 is planned for the Department of Highways at Regina, Kindersley and Tisdale. Work on the maintenance repair depot and district office building in Regina should go ahead in the coming year. The building is estimated at \$500,000 and about \$350,000 of the work should be done during the coming fiscal year. The highway weigh station at Kindersley is to be erected. This will be similar in design to others that have been built and the cost about \$25,000. A highway office and shop depot at Tisdale is to be built on the existing highways building there. This will provide space for the area foreman and assistant district maintenance engineer and supply a waiting room, locker room and toilets at a cost of about \$14,000.

Now on the mineral resources, Mr. Speaker, the demands of the mining industry have made necessary an addition to the subsurface geological lab and core storage building in Regina, and plans have been prepared by the provincial architect's office and a total cost of \$130,000 is anticipated. Additionally a subsurface geological lab and core storage building at La Ronge is to be built and construction will go forward. The building was designed again by the provincial architect's office and it will provide facilities, as with the other for the examination and storage of core samples and as well will give some office space. The total cost here is in the order of \$130,000.

A central stores building will be built at Prince Albert and this building will store fire fighting equipment, arrange for the handling and packing of parachutes, preparing of equipment and, as well, there will be some related office space. The estimated cost here is \$100,000 and the building should begin soon.

Under Public Health, the construction of the Psychiatric Hospital at Yorkton will continue. I think members know that this mental health facility is on the cottage model. It should be completed by the summer of this year and the expenditure, I would judge will be in the area of \$163,000.

The renovation program at the Saskatchewan Hospital in North Battleford will continue in the main building. Work here involves removal of old wooden flooring, replacement by tile over light weight aggregate and the installation of new doors which permit the passage of beds. Worn-out plumbing will also be restored. This part of the continuing program will run into about \$177,000.

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Also at North Battleford, at the psycho-geriatric unit, work will continue with hard surfacing under the direction of our public works engineer. The tender here for this work should cost about \$14,000. Planning will commence during 1964-65 for a new food services building for the institution. For some years facilities have not been considered adequate and in 1957-58 a survey was undertaken by a consultant. On the basis of this investigation, the Public Works Department will develop a detailed program and an architectural plan so that construction can begin during the next fiscal year. On this we have estimated \$15,000.

At the Saskatchewan Hospital in Weyburn, the program of ward renovation in the main building will also continue. This program has been going on now, for two years, about the same as at North Battleford. Local labour, I should add, as at North Battleford, will be under the guidance of Public works tradesmen, and we endeavour, I should also say, to hire the maximum number of local people when work of this kind is carried out.

The program of hard surfacing of the roads at Weyburn which began in the fall of 1963, will be completed this year as soon as weather permits, and between the two programs that I described, the expenditure will be about \$58,000. The road from the railway tracks to No. 35 highway will also be completed at a cost of about \$18,000.

The lighting, drainage, law water service, etc., around the grounds will also be finished, I think this year at a cost of about \$14,000.

The program of replacing the sewage lift station at Weyburn which began during the current fiscal year will be completed in 1964-65 at a cost of about \$65,000, and transmission cables in the power house tunnel, which are in a worn-out condition, will be replaced at a cost of \$16,000.

At Saskatchewan Training School in Moose Jaw, the program of providing an irrigation system for the grounds and the pumping station, began during the present fiscal year, will be completed and with an adequate supply of water from this system, it is hoped that the grounds at the institution can be suitably landscaped. Until this time, the landscaping operation has not proceeded rapidly, as rapidly as we would like to see. The sum to be spent in these two ways will total about \$35,000.

The construction of dining room for the Riverview Cottage, which was begun in the fall of last year, will be completed in this fiscal year. The design and supervision of the operation was carried out by the provincial architect's office and the whole cost will be about \$60,000, a part of which, of course, will be spent during this coming fiscal year.

Finally, at the Moose Jaw Training School, the final phase of the modernization of the laundry equipment will be done. A washer and controls, an extractor, and a monorail will be installed at the cost of \$52,000.

At the Saskatchewan Training School in Prince Albert, it is hoped to construct a 100,000 gallon concrete water storage reservoir, install new transformers and ancillary equipment and construct a root house. Sections of the main building and the power house are to be re-wired. The entire program will cost \$32,000.

At the Saskatoon Sanatorium, we will install a new boiler and complementary equipment at the cost of \$11,000.

At the Physical Restoration Centre in Regina, work will begin on an extension. Additional occupational therapy space will be supplied through this move. The cost is estimated at \$30,000.

Work will continue at Sandy Bay, where there has been some difficulties in completing the water system which was begun in the current fiscal year.

Now, Mr. Speaker, if I may turn to the Public Works area, the third and final stage of the renovation of the heating and ventilation system in the Legislative Building is to be continued in the coming fiscal year, if approval is received, of course. The first phase was the installation of a system for distributing fresh, clean air throughout the building. The second phase underway at the moment is the removal of the old cast-iron radiators and piping and their replacement with a fan coil heating system. The third phase involves the installation of a system which will supply chilled air to cool the building

when needed. It is hoped to develop plans for a building to house the tradesmen in Regina who are under the supervision of the Maintenance and Operations Branch and who are presently located on 6th avenue in a very old and ramshackle building. The tradesmen that are now accommodated in the Legislative Building would also be housed in the new building, and this is planned for the legislative grounds, so that an easy servicing of the entire legislative and city area will be possible. It is expected that construction will commence in this year and about \$100,000 will be committed in this fashion.

A provincial office building at Moose Jaw is proposed in the estimates as well. This building will house government agencies in the city under one roof. Land is now being acquired and it is intended to begin construction in this year. The estimated cost of the building would be from \$800,000 to \$1,000,000; \$400,000 of this amount would be committed, if this year's estimates are approved.

Renovation work will be done at the Saskatchewan Power Corporation Building at 1739 and 1753 Cornwall Street in Regina so that this space can be used for various purposes. The buildings have not had much work done on them for years and a rather extensive renovation is necessary.

The department also has work programs to undertake at the Health and Welfare building in Regina, the Provincial Office building on Cornwall street, the Land Titles Office building in Regina, Saskatchewan House, Regina, and the Highways Warehouse at North Battleford, Camp Easter Seal at Watrous, The Fish Hatchery at For Qu'Appelle.

I think I should say just a word about the program in connection with Social Welfare and Rehabilitation, Mr. Speaker, the program of renovation and enlargement at the Provincial Correctional Institution at Regina will continue during the coming year. The nature of the work means that it must be done in stages so that it won't disrupt the operation of the institution. Hon. members will recall that stage one of the program was completed in 1962 with the construction of a new wing to the main building. Stage two has been divided into phases. The first phase involved the removal of certain buildings, the construction of fences, the construction of steel buildings and the provision of a parking lot. Now it is anticipated that tenders will, subsequent to the completion of phase two, be called for the remainder of the construction in this stage. This involves the minimum security wing for 60 inmates, an alteration to the main building affecting lighting, heating, ventilation, partitions, etc. The monies to be spent here will total something better than \$1,000,000.

New work will be done at the Geriatric Centre at Swift Current that will finish the intensive care portion of the building, which was officially opened in October of last year, and as well because the building is new, a landscaping program needs to be carried out. The costs of the two projects will be about \$112,000 and as I say will end the construction operation.

Now, Mr. Speaker, I have omitted some minor items that have to do with the capital program and I have touched upon the subjects which are likely to be of major interest to most members. I hope the information has been useful to most members.

Mr. Speaker, during the last year, the new deputy in my department, Mr. D.A. Larmour, formerly the Chief Engineer of the Department of Highways, has taken his place. I want at this time to acknowledge greatly the assiduous way in which he has pursued his duties, and I want too, to thank the members of the Public Works staff for their overall performance. It is not always an easy thing, you know, to provide the kind of services that are undertaken by my department, but I do believe that my people feel their obligation and responsibility and with some minor and perhaps sometimes forgivable exceptions, they do a good job.

In 1944, Mr. Speaker, \$75,000,000 of capital construction has been undertaken through my department. It is interesting to observe that about 78 per cent of the whole item of expenditure in that period, has been concerned with the provision of construction for educational, public health, and social welfare purposes. Only a little better than 11 per cent has been for buildings for public employees. I'm sure that these figures will contradict the, perhaps, general impression that most public buildings house public employees. I am very pleased to be able to tell you at this time that, during the last 20 years, most of the public buildings that have been erected by my department, in fact, more than 3/4 of them, have been for the praiseworthy purposes that I've drawn your attention to. In my opinion, Mr. Speaker, the expenditure of monies for Public Works follows the philosophy of this government that has been so constantly reiterated and so faithfully adhered to. That is to say, the buildings produced by the public should be for the good of the public. These structures that have been produced are for the purposes of ordinary people. I take some pride in making this kind of a report to this house.

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I feel rather deeply about the purposes and the intent of public buildings. I hope that in the next 20-year period the majority of the buildings that will be constructed will be for the kinds of purposes that I have told you about this afternoon.

Mr. Speaker, I have reported on one segment only of the picture which is generally presented by the estimates and by the fine speech of the hon. Provincial Treasurer. I'm proud of the address given by my colleague and I am equally proud of the good things that have emerged in the budget. To me the items are a proof of the workability and the strength of a democracy. We are in an era when that strength is of the essence for all good human purposes.

I speak today as a minister in a province of about 1,000,000 people. I like to think that the advocacy of the things that our government has fought for and worked for has spread far beyond the confines of this provincial area.

Some Hon. Members: — HEAR! HEAR!

Mr. Davies: — Mr. Speaker, it is with a sense of sincerity and conviction that the future of Saskatchewan is proceeding on a sound and solid basis, that I shall support the budget that has been presented before this house.

Some Hon. Members: — HEAR! HEAR!

Mr. J.W. Erb (Milestone): — Mr. Speaker, in rising to participate in this debate, I should like to join in the sentiments expressed on both sides of the house, to those hon. members who are not seeking re-election to this legislature. I think it can be said, without fear of the slightest contradiction that each of these retiring members made a fine contribution over the years to this legislature, and rendered outstanding service to their respective constituencies. The best proof of their personal qualities and the high esteem in which they are held by those whom they represent is seen in the number of times they have been re-elected to this legislature. It is my hope and wish for those members who are retiring due to age, that kind Providence may bestow upon them many happy and healthy years, and that as the years unfold, they may see the fulfillment of their hopes and dreams for themselves and for all those whom they love. To the younger retiring members go our best wishes I am sure, for Godspeed in their careers and the hope that their contributions to their day and generation will continue to be noteworthy in their respective endeavours. Perhaps one of the most rewarding aspects in being elected to this legislature, is the lasting friendships that are established among members on both sides of the house, regardless of the political view that are held. The only bar to such a pleasant relationship lies in the unfortunate attitude of those who allow themselves to become filled with bitterness, prejudice and hate towards those with whom they disagree, or of those whose actions they violently condemn.

My most recent encounter, Mr. Speaker, with such an expressed attitude came from my former good friend, the Minister of Natural Resources, as I greeted him and inquired about the well-being of his family last Friday afternoon. He neither returned my greeting nor answered my inquiry as to his family's well-being, but rather in the most boorish manner told me that he did not want me to recognize him and that I should refrain from speaking to him ever again. I submit, Mr. Speaker, that it is such an attitude of bitterness and prejudice by the Minister of Natural Resources that spawns the Lee Oswalds and such other actions that are reprehensible to our society.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — In relating this incident to my colleagues, one of them remarked, "Mr. Kramer ought to be grateful to you, Mr. Erb, because had you not resigned from the government, he would still be a back-bencher. But I don't suppose that has ever occurred to Mr. Kramer."

But, on reflection, Mr. Speaker, rather than becoming distraught over such an ill-mannered display of emotion one is amused. Because here is a member of a political party that gives the most eloquent lip service to peace. They are in the vanguard of the Ban-the-bomb marchers' they would seek pre-eminence in all activities directed toward mutual understanding and good will;

they are the would be do-gooders, the humanitarians; they give exhortation to the divine injunction of being your brother's keeper; they mouth the golden rule and parrot the words of the found of the old CCF party, Mr. Wordsworth, "What we wish for ourselves, we desire for others." and they would render all these virtues more effective and bestow upon them greater meaning through their new dogma of togetherness. Well, Mr. Speaker, it is clear to me, that neither I or anyone else who does not fall within the orbit of this togetherness cannot become the recipients of their peculiar brand of milk of human kindness or condescending favour.

Notwithstanding, Mr. Speaker, I shall continue to greet the Minister of natural Resources, and my former colleagues for there is no bitterness in my heart towards them. I shall continue to wish them well in everything, except, of course, their political aspirations.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — But, Mr. Speaker, I would be remiss if after having said the foregoing, I did not say that, when the cloud of bitter censure arose from some of my former colleagues opposite over my resignation from the government, there was one who gave this cloud a silver lining. And so I want to publicly pay tribute to my friend and former colleague, the Minister of Labour, for it was he who when I was being labelled as a traitor, a Judas and a scab, by the NDP, came to me during a downtown reception, gave me his hand in friendship, saying that as far as he was concerned nothing had disturbed the relationship that has existed between us.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — I submit, Mr. Speaker, it is men like Charlie Williams that make this world a kindlier habitation for they are nature's gentlemen.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — Well I was unable to be in the house when the member for Shaunavon (Mr. Kluzak) spoke, but I understand that he had criticized me, saying I at first favoured the medical care plan, then opposed it, and now I'm in favour of it again.

Well, Mr. Speaker, no one will, I am sure, be affected by what the member for Shaunavon (Mr. Kluzak) had to say, anymore than I was affected, when I received a telegram from him upon my resignation in which he said: "I hope your actions of today will haunt you for the rest of your life."

So with that, Mr. Speaker, we will pass over the member for Shaunavon and let him wallow in the backyard of his confusion.

Mr. A. Kluzak (Shaunavon): — Mr. Speaker, on a point of privilege, I never did send that wire. If he has that wire I wish he would read it, but that is not what I said in it.

Mr. Erb: — Mr. Speaker, I shall produce for the legislature tomorrow, this very wire to which I refer.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — The Minister of Public Health, the member for Regina (Mr. Blakeney) on two occasions in this house quoted at length from my speech on medical care insurance in the 1961 session, I couldn't help but think that he presented an image of a composite little Lord Fauntleroy and Perry Mason. The only manner in which the Minister of Public Health differs from the member for Shaunavon (Mr. Kluzak) I suggest, is that his confusion is more sophisticated. But I want to tell the minister that the people of Milestone constituency are not confused. I predict that they will elect to this legislature, the Liberal candidate, Cy McDonald, by a wide margin. I shall spend some time in the Milestone constituency to help see that precisely this is done.

Some of my friends opposite moaned about the fact that I did not resign my seat. Well, Mr. Speaker, when I was re-elected in June 1960 I stated that, having been elected, I now represent all the people of Milestone regardless of their party affiliation. And this I have done.

But, Mr. Speaker, it always appeared to me rather foolhardy on the part of the NDP to ask me to resign when, as a matter of record, the NDP had lost one deferred election and three by-elections since 1960. The fact that I did not call their bluff saved the taxpayers of the province the cost of a by-election. For had there been a by-election, the result thereof would still have bound me sitting on this side of the house.

An Hon. Member: — What have you got to say about that?

Mr. Erb: — I think it was the member for Regina (Mr. Blakeney) the Minister of Public Health, who inferred I was not wanted by the Liberals in Milestone constituency and now I find myself running as a Liberal candidate in Regina East constituency. Well, Mr. Speaker, in the Liberal party there is no such a thing that such and such a Liberal is not wanted as a candidate.

Mr. E.A. Whelan (Regina City): — Tell us about Regina south . . .

Mr. Erb: — Every Liberal has a right to contest a nomination. I chose to stand for the Liberal nomination in Regina east constituency because by a unanimous resolution of the Regina East Liberal Executive I was wanted. Moreover, Mr. Speaker, I didn't keep them waiting for my reply until the eve of nomination; they had my reply almost immediately, in the affirmative.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — But, Mr. Speaker, I will remember the Regina constituency CCF nominating convention of 1960. At that convention there was one aspirant who was definitely not wanted. The local CCF hierarchy executed the slickest hatchet-job on this would-be candidate; they cut his throat from ear to ear — that is politically, of course. But, Mr. Speaker, the irony, as the situation now evolves, is that this aspirant who was cast away to bleed and die, is taken up by his erstwhile mutilators with the most compelling fondness. The suspense among the NDP hierarchy must have been nerve shattering until his wanted man of all men, finally and at the last critical moment made up his mind to stand for nomination at the Regina East constituency NDP convention.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — Mr. Speaker, the budget address, inasmuch as it is an election year, naturally was designed to be a show-case, as it were, of the accomplishments of the government. And certainly no one quarrels with these accomplishments. But this government has done no more than any other government would have done under the buoyant economic conditions with which we have been favoured during the post-war and later years. But to listen to the members opposite, Mr. Speaker, one would think that economic and social progress has been limited to Saskatchewan, and that it could only possibly have come about under their particular kind of administration.

Well, Mr. Speaker, the people in other parts of Canada, particularly our sister provinces, are not less healthy than our people in Saskatchewan; their children are no less well-educated, their aged and infirm are no less well-cared for. In spite of the boasting by this government of having the best labour legislation in Canada, the wage earner in Saskatchewan earns less on the average than that of several other provinces. Except for the two bumper harvests Saskatchewan has been fortunate to have, bringing our per capita income up to among the highest in Canada, it has for years remained among the lowest. And we will again find ourselves in that position should our crops, unfortunately, fall below normal.

Our criticism of the government, Mr. Speaker, is not aimed in those areas that make for better health and welfare, better education, better roads and so on, for these are the products of an enlightened and progressive society. Our quarrel is with the administrative procedure and the financial techniques employed in the operation and support of programs, dictated by government policy.

The financial support for programs must, of course, come from revenue sources such as taxation, royalties, tax rental agreements and federal grants.

It is seen at once, that the major source of revenue is derived from direct taxation of the people of Saskatchewan, and the huge surpluses that have resulted are for the most part due to direct taxation.

Members to your right, Mr. Speaker, try to counter our claim that this government was unable to estimate revenues within \$45,000,000 over the past three years by saying that the Alberta government under-estimated revenues by \$30,000,000. But, Mr. Speaker, I am confident that the surpluses experienced by the government of Alberta are not due to the reasons as apply in Saskatchewan. It will be found that Alberta's surplus, in the main, resulted from increased resource development and expanded economic growth – rather than from direct taxation as in the case in Saskatchewan.

It is in the are of direction taxation that the burden of our complaint of government policy falls. According to the latest DBS figures, Saskatchewan is among the very highest taxes province in Canada – if actually not the highest. The consequences of such a high tax structure, as obtains in Saskatchewan, create a chain re-action, as it were, resulting in those conditions, which have retarded economic growth, resource development, industrial expansion, retarded employment opportunities and loss of population.

This NDP government can talk all they like about the supposed utopia in this province, but the cold hard facts do not bear out their contention. The fact is that while our health and welfare services rate among the best in Canada, we fall far behind our sister provinces of Alberta, Manitoba and B.C. in those very areas of activity that should form the economic base on which these services rest.

I shall not weary the house by quoting from DBS figures go show the veracity of this statement, the financial critic, the member for Moosomin, (Mr. McDonald) very eloquently demonstrated that this is, indeed, the case. The NDP government, Mr. Speaker, has failed to attract to our province industry and investment capital in such quantity and quality that would keep us abreast of the other prairie provinces.

The fact that our population has the lowest rate of percentage increase of all the provinces – even lower than tiny P.E.I. is eminent and eloquent proof that the kind of activity that makes for job opportunities has been lacking in our province.

Mr. Speaker, I submit that to have people, we must have jobs; to have jobs, we must have investment capital; and to have investment capital, there must be confidence on the part of potential investors in the government of this province.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — It is crystal clear that this has not been forthcoming, that this confidence has not been forthcoming from these investors who build the pulp mills, the petrochemical industries, and such industrial situations that employ masses of people.

It is obvious, Mr. Speaker, that is has been the attitude of the government toward private enterprise, chambers of commerce and the capitalist system generally, which has militated against the flow of investment capital, in quantity and quality, such as our sister provinces have enjoyed, and which has accounted for such favourable economic growth and population increase in those provinces.

It is strange, indeed, to see members opposite, particularly the Attorney-General attempting to justify our low population. He cities China and Asia generally as examples of highly populated areas and attributes the poor social and economic conditions prevailing in those lands to over-population. He would infer, therefore, that we should not encourage more population in Saskatchewan, lest we run the risk of becoming like China, with all its social and economic evils and short comings.

After the next election, Mr. Speaker, the Attorney General no doubt, will pursue the practice of his profession. I would suggest he use his talents in a capacity other than a court-room lawyer, because if his logic in building his cases in no better than that which he portrayed in arguing against population increase, he will starve.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — Mr. Speaker, let me now cite two countries with dense populations where the reverse of the social and economic conditions of China obtain. We all know, Mr. Speaker, how completely devastated Germany was after the war. Her industrial complex was destroyed, her cities flattened and, worst of all, her people were divided into east and west Germany, with Communism in the east and democracy in the west. What has happened in Germany, in West Germany, in less than two decades, is a modern social and economic miracle. We all know this remarkable story.

Here is a country, West Germany, with almost 70,000,000 people crowded into an area less than two-thirds the size of Saskatchewan whose natural resources of timber, oil, minerals can hardly compare to those of Saskatchewan. Yet, in spite of its almost 70,000,000 population, there is no unemployment. Indeed, West Germany has had to import labour to fill the manpower needs of industry.

Here, Mr. Speaker, is a classic example of what private enterprise can do for a country (and a province) if given the kind of climate, political and economic, wherein it can bring to bear its tremendous technical know how and industrial organization.

Similarly, Japan, the major area of which is mountainous, with a population similar in numbers to that of Germany, yet Japan's economic growth has been as remarkable, I think, as that, of West Germany. It too is experiencing a labour shortage, as revealed in latest reports from that country.

So, . . .

Mr. A.G. Kuziak (Minister of Mineral Resources): — How about its agricultural population?

Mr. Erb: — So, Mr. Speaker, I would suggest that the Attorney General peddle his fallacious argument against more population for Saskatchewan where people are less sophisticated than the citizens of our province.

To our criticism of the NDP government, their spokesmen reply that we are down-grading Saskatchewan — selling her short. Mr. Speaker, there isn't one of us in the opposition that does not love our province just as much as any member opposite. Most of us were born here — if not all of us. Our parents are counted among the pioneers of our province. My father, incidentally, came to Saskatchewan in 1898, he broke his quarter section with two oxen and a walking plow. He like many others helped to build our province, they believed that Saskatchewan is a good place in which to make their habitation.

No one, Mr. Speaker, is going to tell us we are down-grading our province. We want to see our province grow and prosper like other provinces of Canada. We will be satisfied with nothing less — and toward that end a new Liberal government will bend all its energies and efforts.

It is evident, Mr. Speaker, that the NDP government realizes that the time for its involuntary departure from office is at hand. In desperation they have started a fear campaign by saying that a new Liberal government would throw out all the progressive legislation enacted since 1944. They are attempting to brain-wash the people by inferring that to elect a Liberal government means a return to the 1930's. What utter rubbish, Mr. Speaker! No government throws out legislation that is beneficial to the people.

The Minister of Public Health, on a recent telecast, (and I'm sorry he is not in his seat) said "Can a Liberal government be entrusted with the health of the people of Saskatchewan?" or words to that effect.

What presumptuous and arrogant nonsense. He would like to leave the impression that only the NDP is fit to govern. At the Regina West NDP nominating convention the Minister of Health stated and I quote — "There is a single and fundamental issue — whether Saskatchewan people will accept or repudiate the medical care plan." In effect, what he is saying is this: That unless the people of Saskatchewan vote for the NDP they are voting against the medical care plan. The Minister of Public Health now presumes to tell the people of Saskatchewan how they must vote.

Mr. Speaker, the present medical car plan is no issue whatsoever, no issued whatsoever. But you can explain it to these people over and over again, but the obdurateness of their skulls is such the you couldn't penetrate them with blast gun.

I say, Mr. Speaker, that the medical care plan is not issue in this coming election, because the Liberals voted for every amendment in the 1962 session of August 2nd, whereby the objectionable features were removed from The Medical Care Act, and the Liberal party supported the act as amended and they know it, Mr. Speaker, they know it.

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — The Liberal Party having voted for the act as amended, therefore, it follows we are in favour of the plan, that we support the plan. Well, you see he still tries to make this an issue. This fear campaign, Mr. Speaker, this technique of fear, saying in effect if you elect a Liberal government and you will lose the medical care plan.

Well, Mr. Speaker, I am confident that the people of Saskatchewan will place their confidence in the political integrity of the Liberal Party and its leader, Mr. Thatcher, when he says a new Liberal government will not throw out the plan, rather than be swayed by what amounts to the basest kind of propaganda by the Minister of Public Health.

Mr. Speaker, I know that one goes through an almost useless exercise in saying what I have said insofar as the opposition is concerned, I can only say this — that we are going to wait for the election, Mr. Speaker, and I think this will settle and clear the air for all time as to just exactly who was right.

Well, Mr. Speaker, I suggest that when the Minister of Public Health states that the medical care plan is the single and fundamental issue in the coming election, he consult with the Premier, because the Premier, speaking to the Moose Jaw forum yesterday said approximately this: "I agree with the Liberals; the medical care plan will not be an issue in the coming election".

Some Hon. Members: — HEAR! HEAR!

Mr. Erb: — Now, Mr. Speaker, just a moment ago they laughed when I said that it is not an issue, now, when I read the words of their Premier to them, you can see it leaves them absolutely dumbfounded.

Well, you know, it is almost axiomatic that people in a hurry often go off half-cocked, and this is precisely what happened with the Minister of Public Health. Perhaps this experience will serve to contain, somewhat, the member's enthusiasm and exuberance regarding issues in the coming provincial election.

Mr. Speaker, it is obvious from my criticism that I shall not support the motion.

Some Hon. Members: — HEAR! HEAR!

Mr. Cliff H. Thurston (Lumsden): —Mr. Speaker, in rising to take part in this debate, it is a little difficult for me to follow the speaker who has just taken his seat. I didn't swallow a dictionary, and use a lot of eloquent phrases but I'm sure that I will be just as honest and sincere in my remarks. Mr. Speaker, I had no intention of taking part in this debate, for many of the things that I would want to say have already been dealt with by previous speakers. But at the outset, Sir, I would like to pay tribute to those members who have signified that they will not be seeking re-election, particularly the four senior members, two from this side of the house and two from the other side. I'm referring to the Hon. Mr. Williams, Mr. Stone, Mr. McCarthy and Mr. Horsman, and I am sure, Sir, that I speak for all members when I say that they have added dignity to the procedures of this legislature while they have been members.

Some Hon. Members: — HEAR! HEAR!

Mr. Thurston: — I would, Sir, at this time like to pay special tribute to my counter-part, Mr. Horsman, the opposition whip. I can honestly say to the members of this house that my relations as dealing as whip with Mr. Horsman have

been pleasant and cordial at all times when we have met to line up speakers, or whatever the business that was necessary, it was done in a spirit of co-operation and to you, Mr. Horsman, I want to say thank you. It has been a pleasure to work with you.

Some Hon. Members: — HEAR! HEAR!

Mr. Thurston: — The hon. member from Humboldt, (Mrs. Batten) has added much to the debates in this legislature. True, that I may not have agreed at all times with what she has had to say, but I did try to listen attentively and I am sure, Sir, that the years that she has been in this house, a member of the Liberal caucus, that she has given much valuable advice to that caucus. I'm not sure, Sir, that at all times her leader has heeded that advice, I've no doubt that she will be missed in that caucus. She may also be just missed by our Attorney General.

The other members, the member from Notukeu-Willowbunch, (Mr. Klein) and the member from Kelvington (Mr. Peterson) too, will be missed in this house and I want to say to all the members who are not seeking re-election that we wish them the very, very best.

Now, Sir, in turning to the budget itself I would first want to congratulate the Provincial Treasurer, not only for the able manner in which he presented that budget, but also for a budget in keeping with our soaring economy. Many of the things that I would like to have dealt with, as I said at the outset, have already been dealt with by previous speakers but there are just two or three points that I would like to emphasize.

Firstly, I would like to have a word to say about our so-called provincial debt. I don't intend to get into the argument about whether it is a dead-weight debt, or self-liquidating debt. To me there is no doubt but what the debt can be attributed to the expansion of our power corporation and our government telephones. I am sure, Sir, that the majority of the people of my constituency do not classify this as a debt, as all the towns and villages in my area are covered by electrification, and there is not a farm in the whole constituency that hasn't been served by electrical energy or it is available to them.

As to natural gas here again the constituency of Lumsden is served very well. I want to thank the minister, Mr. Brown, for the people of Pense, Pilot Butte and Balgonie, and for McLean, for bringing to them this cheap, efficient fuel. I would like to say to the minister that I hope that when he announces his 1964 gas program that the hamlet of Grand Coulee, towns of Lumsden, village of Craven, will be amongst the ones to receive it this year.

Mr. R.A. McCarthy (Cannington): — Why?

Mr. Thurston: — Why? Mr. Speaker, first of all, the town of Lumsden is a very thriving town, situated on highway No. 11 in the Qu'Appelle Valley, it has sewer and water; we have now entered the larger school unit; it was announced in the press the other day that a high school will be built in the town of Lumsden, a 10 room school, and I think it will not only be for the benefit of the citizens of that town but I am sure with a program such as that, it will be well appreciated if the gas comes to the town this year.

Much has been said about the lack of industry in Saskatchewan. Well, Sir, I can sit on my back porch back at my farm home and see the cement plant, the paint plant, the steel mill, the clay products plant, the location of the newly announced fertilizer plant, all within the area of my farm home. All of these plants, and all you have to do is take a look, to drive by them and see the power lines going in to them, all of these plants require a tremendous amount of electrical energy and of natural gas, and to talk of trying to save money and not to borrow it, to have sufficient source of this kind of energy to be able to offer industry, reminds me of my old grandmother saying "penny-wise and pound foolish" and speaking of this, Mr. Speaker, the kalium plant is also situated within the boundaries of my constituency.

I was amused some few weeks ago to read a letter from one of my friends at Pense, talking about stagnation, and when I was over to Pense they showed me the letter and this man lives within a mile and a half of a \$50,000,000 expansion, he didn't take his glasses off that morning.

Now, Mr. Speaker, much has been said about population, and the lack of population. Now I'm not going to enter into the debate but I would like to refer to Macleans magazine of July 27th, 1963. Big headline, startling group portrait of 3,250,000 in the U.S.A. It tells why they go, how they live, and what losing them means to us.

Now, Sir, I'm not going to take the time of the house to read all the articles but it goes on to point out that in 1963 45,000 to 50,000 Canadians left for the United States. In 1950 about 3,500 of these were classified as professional and managerial but by 1962 this figure had nearly doubled. It gives three examples, Sir, of three young people leaving this country going to the United States, professional people.

The first one is a Mr. Norman Bell, 35, of Boston. He leaves to face a greater challenge. The second one William A. Tiller, 33 of Pittsburgh. He left to work with the best. The third a Donald Bingly, 34 of Bellingham California, he left to earn a greater salary.

Now, what I'm saying, Mr. Speaker, in checking all of these – not one of them is from Saskatchewan, and I want to suggest, Sir, to try to say and not only in this house, but I have heard opposition friends on the radio and TV – blaming it on this provincial government that our young educated people are having to leave our province to get gainful employment, but here a national magazine states there are nearly 7,000 leaving Canada every year for gainful employment elsewhere. To me, Mr. Speaker, when you try to use that argument, it is cheap, and it is certainly, in spite of what my hon. friend from Milestone (Mr. Erb) says, still trying to cheapen our province.

Now, Mr. Speaker, I would like to just have a word to say about our highways. I first want to congratulate the Department of Highways for the tremendous job that they have done in the last 20 years in taking Saskatchewan out of the mud. This is just not a smart saying, Sir, but a recognized fact, that 20 years ago Saskatchewan was in the mud. Criticism has been levelled at this government by the opposition for not having enough tourists visiting our province. Well, Sir, Saskatchewan a few years ago was known to our American friends as a province with the poor roads. And it has only been in the last few years that we could honestly ask tourists to come to this province, that is if we wanted them to drive on all-weather roads. Today they can go from east to west, and from north to south on all-weather roads, roads that have been built to a high standard, roads that are planned to carry our ever-increasing traffic.

I want to say, Mr. Speaker, last fall, when Saskatchewan was the host province to our Parliamentary Association, as you well know Sir, you were amongst us, we toured this province, and I want to say that the delegates from the other parts of Canada, on that tour, were amazed, first at the mileage and the condition of the roads, and the population that was keeping it up. I can say Sir, that many were the compliments that I received for the Department of Highways.

Lumsden constituency has fared very well in the provincial highway system. This is only natural when one considers that within the border, the boundaries of Lumsden, we have two large urban cities, Regina and the city of Moose Jaw.

I would like, Sir, to say to the Minister of Highways, that his department should keep a very close watch on highway No. 16. This highway is not built to modern standards, and I feel that the ever-increasing users of this road, especially with the talk of rail-line abandonment, will make it even more essential that his road be rebuilt to a high standard and dust free. Again I ask the minister to keep highway 16 in mind, in planning any future construction. And so again, I'm going to ask the government to give serious consideration to taking into the highways system, that portion from Francis to Qu'Appelle in the highway No. 35. I'm asking for this not because the member from Qu'Appelle-Wolseley (Mr. McFarlane) is surprised as he stated the other day in my not having any influence with the minister, I'm asking for this because I firmly believe that it should be in the highway system. I can say to the hon. member from Qu'Appelle-Wolseley, that he need not be too concerned or too surprised about the member from Lumsden. The people of Lumsden know where I stand in this issue and on many others, and I can assure him that when the election is over, they will demonstrate the confidence they have in their member.

Some Hon. Members: — HEAR! HEAR!

Mr. Thurston: — Now, Mr. Speaker, there are many other points as I said that I would like to have dealt with, I would have liked to have dealt with the whole field in the Department of Education, but as I understand the minister will be on tomorrow and I certainly wouldn't want to attempt to give his speech and I'm sure that the members of this house wouldn't want to listen to me trying to do so.

But, I want to say, Mr. Speaker, that I'm not concerned that the Provincial Treasurer out-guessed his budget, and got the surplus that he has indicated. I, in a very much smaller way try, with my wife, at the first of January every year to sit down and draw up our own family budget. And I only hope, Mr. Speaker, that if I err, I err in the way that the Provincial Treasurer has. To me, and I'm not a financial wizard, just an ordinary farmer, but to me it looks that when you have a budget such as the Provincial Treasurer brought down, without any new taxes – they could talk all they like about taxes, but the fact is, Mr. Speaker, that we must have a soaring economy – to have the type of budget that he was able to bring in, and in spite of what is said to the contrary, you will not be able to prove to people of this province, when we have a \$215,000,000 budget, that there is very much stagnation.

Mr. Speaker, I think that you have gathered by these few remarks, that I will be supporting the budget.

Some Hon. Members: — HEAR! HEAR!

Mr. A.L. Stevens (Rosetown): — Mr. Speaker, in rising to take part in this budget debate this afternoon, I first want to commend my colleagues for the eloquent and thorough manner in which they have discussed the major issues in this province today. They have placed on the record in a most forthright and sincere manner the position of this government on these matters, and no one could improve on their clarity, or hope to present CCF principles more convincingly. I do wish, however, to add a few comments of my own to what they have already said, with particular reference to how these principles have benefited my constituency.

But, before I do, I cannot help but comment on the difference in attitude this year of the opposition in this budget debate, from that of former years. I can recall in 1961, the first year of this legislature, the many flimsy excuses and invalid reasons offered by the opposition for losing the 1960 election. Even then they had the courage to stand up and threaten us differently. In 1962, after the by-elections and two or three sawed-off Liberals had been admitted to the house, their courage was very high, and we were constantly confronted with cries of "Go to the Country, you are afraid of an election", and so on, and even in 1963 with the medical care plan safely and successfully on its way, they had high hopes that their constant, harping criticism, together with the false charges of their compatriots in the KOD and the opposition of the College of Physicians and Surgeons, that that would be enough to kill the enthusiasm for the plan, and destroy its effectiveness in the minds of the voters, and so in that year also, there were many loud and exuberant cries across the floor "Go to the polls, we'll murder you, etc.". But what is the situation this year, Mr. Speaker? Rarely could one find a more dispirited, hopeless and dejected opposition in a slough of despond, than we have seen in the house this session.

I have not in the whole month of February, heard a single anguished cry for an early election. What is the reason for this great change of heart, Mr. Speaker? Can it be that as the day of reckoning approaches, they are becoming afraid to face an unforgiving public for their vicious and defamatory disapproval of the medical care plan. We have been told by the reports of the Star Phoenix that a new image is being created by the Leader of the Opposition, and that a less bombastic and more restrained approach to politics is being used. In my mind, this is not a new image, but the natural demeanor of a man who in gamblers language "has crapped out six times in a row", number seven is coming up, Mr. Speaker, in June of this year or next, and crapping out seven times in a row will be enough for everyone. But I predict that provision is already being made for such a situation. Obviously, new senators will be appointed when the new Liberal Senate Reform of retirement at age 75 comes into effect, and what else could a man discuss in 15 minutes with Mr. Pearson, but a senate appointment.

Some Hon. Members: — HEAR! HEAR!

Mr. Stevens: — His speeches in that house will receive very little attention, like all the rest in the Senate, but some of his speeches here should be long remembered. I can recall on one occasion in the fall of 1961, when he rose in his place, pregnant with prognostications and made some prophesies that are interesting to us all.

One prophecy was particularly interesting to many of my people who are receiving benefits from the Saskatchewan River Dam, and expect to receive a great many more in the future. As that time in the speech as the chief spokesman for the Liberal Party of Saskatchewan, he classified the South Saskatchewan River Dam as a non-essential expenditure. By this statement, he proved what we have long suspected. We had been aware that until we got rid of an arrogant Liberal government at Ottawa, there was no hope for this construction. Mr. St. Laurent, in 1957 in Saskatoon had been honest enough to tell us that they would not be building it, but this statement of Mr. Thatcher proves that even with a sympathetic CCF or Conservative government in Ottawa, we would not have had a hope of its construction if we had a Liberal government in Saskatchewan.

After this speech, a strenuous hour and a quarter, when the Leader of the Opposition sat down again with dew in every dimple – this was before the new image – a new record had been set: more wrong prophecies in one hour than any other in this house's history.

May I just quote a paragraph or two of this reverse Sermon on the Mount – Mr. Thatcher in the speech in the special session of 1961, volume two, page 16:

In addition to the new provincial debt of more than \$500,000,000, this administration has undertaken other very substantial financial commitments. As nearly as I can gather, we have committed ourselves in the South Saskatchewan River Dam, the province's share to roughly be \$135,000,000. What about the Squaw Rapids Dam, as near as I can find out we owe \$50,000,000. We'll have to find the money, the power corporation pledged to bring gas to many towns and communities in the province. That program is going to cost a lot of money, much of it well spent, but still a lot of money. We don't think the power office in Regina that is going to cost \$7,000,000 is, despite what everybody says in this house, such good expenditure. There are some who think this government might be obliged to make good its guarantee in loans to Interprovincial Steel of \$16,000,000. I hope they never have to honour it, still it is a commitment. There are certain other companies which the industrial development office has guaranteed that could be in financial trouble. What about crop insurance? Where to the taxpayers stand there? These are all commitments that this government may have to meet in the not-too-distant future. Surely then, this economic picture all adds up to one thing, sure to indicate the one sensible course of government action. The Liberal Party believes that in the critical period ahead this government should make a major effort to eliminate non-essential expenditures.

Now, Mr. Speaker, there are many in this province who I am sure were not pleased to hear that the dam was a non-essential expenditure, that it should have been eliminated, along with the power building, the aid to the steel mill, crop insurance, natural gas to towns and villages, and aid to industry, through the industrial development fund. No, these certainly do not sound like Liberal projects, and Saskatchewan would have none of these without a CCF government in power under the dynamic leadership of Premier Lloyd.

I do not believe either, that there are many in Saskatchewan so naive as to believe we would have our so-successful medical care plan very long, were the government to change. Let me quote another paragraph from the speech of the Leader of the Opposition on the subject:

In the public mind there is belief that some kind of a medical plan sooner or later is inevitable, but there are great numbers of people who wonder if it shouldn't be a national plan. The conservatives have come out and said "We're going to have a health plan in this federal election.

Premier Douglas: The Liberals said that . . .

Mr. Thatcher: The Liberals have done the same thing, and they are the only two parties who can form a federal government, as I say the Liberals and the Tories are the only two parties who can form a federal government, so obviously we are going to have a national health plan after the next federal election.

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Some Hon. Members: — HEAR! HEAR!

Mr. Stevens: — Well, Mr. Speaker, we have had that federal election, a Liberal government 60 days of decision. We have had two throne speeches, two federal budgets and not a single sign or word about a national health plan.

Some Hon. Members: — HEAR! HEAR!

Mr. Stevens: — We are still going to have one after the federal election. The people of this province have long wanted universal tax-supported medical care, so they quit chasing rainbows in 1944, they elected a CCF government that keeps its promises and got the medical care plan they wanted, as soon as it could be properly financed.

Some Hon. Members: — HEAR! HEAR!

Mr. Stevens: — I had the great honour of sitting in this legislature in 1961, behind Premier Douglas, when the medical care bill was being debated, and I can remember quite vividly when he rose in his place and predicted that after this bill became law, it will only be a matter of four or five years before the Liberals would claim it as their own, as they had done with the hospitalization bill of 1947.

Well, Mr. Speaker, it hasn't been four or five years, it has only been two years and now they have the gall to claim it as their own already, and they have done it because public opinion and a few not-so-discreet questionnaires have forced them to do it. The people of this province have much longer memories than for anyone to think that they could be kidded into believing that the Liberals now or ever supported the medical care plan. So perhaps, Mr. Speaker, there is good reason for the great change in the attitude of the opposition. The lack of spirit in debate and the lack of the early election challenges.

The budget presented this year, Mr. Speaker, is undoubtedly one of the most optimistic and impressive budgets in Saskatchewan's history. The Provincial Treasurer, I think is to be commended both for the composition and presentation of such a document. Also for the efficiency and dispatch with which the financial affairs of this government are conducted. With all due regard for the former Provincial Treasurer, the Premier and the Minister of Health, who I hasten to add are doing an incomparable job in their respective posts, I feel that this province can rejoice in the continued good health of the member from Kelsey (Mr. Brockelbank) . . .

Some Hon. Members: — HEAR! HEAR!

Mr. Stevens: — . . . in anticipation of his guiding hand and even better and more prosperous budgets in the years to come. The continued and more emphatic trust of our good economic good fortune this year has been reflected in this budget and its benefits may be felt throughout every department of government. The increase of \$5,000,000 in school grants, will be appreciated by all school officials and ratepayers who are at present being buffeted by the great desire and need of our students for a good education on one hand and the constantly and steeply rising cost of education on the other.

This \$42,000,000, the total amount of the grants could not be better spent than in the investment of our young people of this province. The sum of \$2,000,000 more for the student aid fund, \$2,000,000 for new vocational schools, \$1,500,000 more for the operating grant for the university and another \$4,500,000 for building construction will mean that we will be able to keep pace with a need for the highest quality of an educational system for our young people. How easy it would have been, Mr. Speaker, for this government to yield to the hue and cry of the Liberals for a tax cut, its only purpose is to curry favours with the voters and then have to cut back these grants because of the lack of revenue which their action would obviously precipitate. This year will see in Rosetown school unit the completion of a 20 year building program that will place a new school building in almost every school district in the unit. I want to commend the School Unit Board and the people who support it, for their wisdom in this regard. Large and constantly increasing school grants have made this possible, without the mill rate higher than most other areas and still considerably less than that of Alberta and Manitoba.

Our hospital facilities in Rosetown constituency have had considerable expansion and improvement in the last few years. Outlook has had a new 30 bed hospital constructed in 1961, Rosetown will complete one this year, one of the finest 36 bed hospitals in Saskatchewan, complete with nurses residence and regional health space, costing over \$900,000 and we hope to have a nursing home in conjunction with it in the future. Mildred is building a new nurses residence this year and in the Doddsland area thought is being given for either alterations or a new hospital in the future.

This all adds to what I think is the finest hospital accommodation for our people, of any place in North America and what is even more gratifying is the fact that it is available to everyone, regardless of the thickness of their wallet and based entirely on their own needs. This is a tribute to the foresight of the people of this province and this party which introduced the hospitalization program in 1947 over the bitter opposition of the Liberal Party.

Some Hon. Members: — HEAR! HEAR!

Mr. Stevens: — Again, Mr. Speaker, how easy it would have been for this government to yield to the hue and cry of the Liberals for a tax cut and have to cut back on these expenditures and the grants that made these building projects possible.

Again, this has been done without a four mill tax on land and property for the hospitals, as they have even in oil-rich Alberta.

The budget this year also provides for an expenditure of \$16,000,000 for new highway construction, over 20 per cent higher than the expenditure of last year. This will be welcomed by the many motorists, tourists and farmers of this province, who are now demanding the highest quality of transportation facilities and travelling comfort. In my own constituency last year, the oiling of an additional 35 miles on highway No. 15, from Outlook to Rosetown, and the completion of another 25 miles on No. 4 between Rosetown and Biggar has been much appreciated. These two projects enable the larger part of the constituency to have access to the major cities of the province and to the tourist facilities of the great North West by completely dust-free surfaces.

Next year a major project of the program of the highway department will be the paving of No. 7 highway, west of Rosetown to Kindersley. This is another step in the plan to make Rosetown the centre of the cross of two primary highways in this province, No. 4 and No. 7. It has thus been most gratifying to see that at the present rate of highway construction, all highways in my constituency will be soon dust-free. Again, how easy it would have been for this government to yield to the hue and cry of the Liberals for a tax cut, its only purpose to curry favour with the voters and then have to cut back or eliminate these road improvements. Again this construction has been done with the gas tax lower than most other provinces.

I could go on in other fields of government activities and stress the same point, the social welfare branch which looks after our aged and needy people, the natural resources branch which looks after our parks, resort and wild life, our agricultural department which looks after the many needs of our farmers and water resources, our Department of Municipal Affairs which assisted grid roads and other municipal expenditures and improvements. All these require an ever-increasing amount of funds because of rising inflation, because of the expanding need of these services. How easy it would have been to cut back on all or any of these services, because of a tax cut, as the Liberals have advocated.

No one should be so naive as to believe you can spend without income for very long. For while the Liberals have called for tax cuts, not one of them suggested just where, or in what branch of government the inevitable cut in expenditure should take place. Tax cuts, therefore, can only be made in places such as electrical power, where increase deficiency and hydro development had made possible the \$2,500,000 cut in rates and in medical care, where a surplus has developed in the fund, and a \$5,000,000 reduction in premium has thus been possible.

In studying the figures of the economic progress of Saskatchewan, this year as outlined by the budget and report of the Retail Merchants Association, one cannot help but be impressed by the great gains of income from both the agricultural segment and the non-agricultural segment of our province. But what has impressed me even more is that it now can be truly said that Saskatchewan has now become a province that shares its wealth and opportunities equally between the farmer, labourer, and the small businessman.

In 1961, farm income dropped to a very low level and the farmers required help and assistance and were unable to contribute a large income to the province's economy. The non-agricultural segment of the province, labour and business continued, at a decreased rate, of course, but were able to carry the load of our economy and its needs because we had become diversified and Saskatchewan did not fall back, as it would have done in former years. In 1962 the normal crops and better sales made possible an agricultural comeback and recovery of this lost ground, and in 1963, the farm industry had its greatest year ever. It has been able to carry with it, to new highs, the benefit to labour and business, that an enormous farm income brings. What greater proof should anyone require that the prosperity, the hopes and the aspirations of all segments of our economy in Saskatchewan, small business, farming and labour are all tied firmly together, each dependent upon the other's prosperity each unable to forge ahead without the other, each necessary and vital complement to our provincial economy.

The natural outgrowth of these facts of life has been the desire of these people to work together, to complement one another, to plan their future together in one political party, the CCF. It has also been most necessary for us to work together, in Saskatchewan, because on every occasion Ottawa has heated, taxed and tariffed us, placing every possible object in our paths to progress with a government under the old line parties who have been dominated by the financial interests of Ontario, Quebec and Washington. Higher tariffs, more dumping duties and after that, more trade restriction agreements with countries like Japan and China. Higher freight rates, higher interest charges on money and higher income taxes affect this province more adversely than any other. This has meant higher cost for the things we buy and lower prices for the things we sell.

Federal policies control the price of things we buy and the things we sell for export. Nearly all farm products have thus gone down in price from last year, hogs, cattle, turkeys, broilers and even in the wheat market where things could not look more favourable we have suffered a loss of some three to five cents from last year's final payment. On the other hand, everything we buy has increased in price at a rapid rate. Farm machinery is up ten per cent from last year's high-price tractors sell now for \$7,500, combines \$10,000 and up, a small disc for \$25.00. Repairs for these machines have risen in price, even faster than the machines themselves. The cause of all this is federal policies and the fact that inflation continues unabated. This federal Liberal government has been printing money, that is increasing the money supply that causes these inflations at an unprecedented rate. When the Pearson government came into office in April last year, the money supply, that is the currency in circulation and deposits in chartered banks, stood at \$15,551,000,000. In eight months, as of January 1st of this year, it had increased to \$17,064,000,000, an increase of nearly ten per cent. How could prices help but rise disastrously under this pressure, and none will be affected more adversely by this federal Liberal sabotage than the Saskatchewan farmer. His prosperity this year has been because of his own efficiency and his extraordinary production, not because of any help from Ottawa, but rather in spite of Pearson and his policies. The latest two slaps at Saskatchewan by the Pearson government have been, first at the dominion-provincial conference when Saskatchewan was a victim of a phony formula that cost us from \$5,000,000 to 10,000,000 in equalization payments. And secondly, now they have declared depressed areas in Liberal and other provinces, so that new industry can be subsidized there with our own tax money.

If this is an example of Liberal policy, Saskatchewan can well do without them. But in spite of all I have said about the success of our financing and high quality of the services provided in the budget, there is no doubt that the real issue in the next election will be whether or not the people of Saskatchewan want to keep their highly successful medical care plan under the CCF or want to repudiate it and send it down to destruction under the Liberals.

Mr. J.W. Erb (Milestone): — The Premier said it was no issue . . .

Mr. Stevens: — The Liberals have no other choice in spite of what they say than to make those minor changes which will convert the plan to the farce of the one proposed in Ontario or the fraud of the one they have in Alberta. In Alberta out of a population of 1,330,000, only 166,823 people are enrolled according to Dr. Pat Rose, the head of the plan, and of this number he reports 46.75 per cent are over 65 years of age. Now they should have free medical care anyway, and do in Saskatchewan if they need it. So if you subtract that number you find that less than 90,000 or less than seven per cent are getting

any benefit from the plan at all, and the rest of the population are paying higher medical services costs than ever before and the schedule of the medical fees of the College of Physicians and Surgeons for those who pay their own bills has just recently increased in the neighbourhood of eight per cent.

The Assembly recessed at 5:30 p.m. until 7:30 p.m.

Mr. Stevens: — I was reviewing the lack of federal Liberal policies and the policies that they did have that were detrimental to Saskatchewan, and especially to the Saskatchewan farmers. My speech was almost completed when 5:30 was called, however, I have thought of a few items since then that I would like to bring to the attention of this house. Most speakers when they sit down after a speech can think of all the things that they would have liked to have said. Tonight I'm happy to be in the position of having another opportunity to do so.

Much has been said about taxes by the opposition, but strangely enough you never hear them say a word about the federal 11 per cent sales tax, the increase in federal income taxes and the almost doubling of their own salaries by the Liberal members from \$10,000 to \$18,000. Much has been said about municipal taxes in Saskatchewan, and I agree that they are higher than they were but you never hear the opposition say what is the real cause for this increase. Road machinery costs, building costs, and other equipment costs, have risen in the same manner as they have for the farmer, and the reason for this is exactly the same. Inflation, and high tariff costs, high freight rates, and continually sky-rocketing profits of monopoly corporations which the federal government continues to do nothing about.

This is the real reason for taxation increases by municipalities while this government has provided ever-increasing grants for education to keep municipal taxes down, ever-increasing grants for good roads to keep taxes down and the largest share of welfare costs to keep taxes down. How regrettable it is that we can't receive any similar assistance from the federal government at Ottawa and thus completely hold the line on land tax increases.

It has been interesting this afternoon, Mr. Speaker, to hear the remarks on medical care from the misrepresentative from Milestone. After having quit in an attempt to prevent the Medical Care Act from being implemented, he is now trying desperately to associate himself with it before the next provincial election. How great is the power of that little questionnaire that the Liberals covered the province with a short time ago when they found just exactly just what percentage of the people in this province are over-whelming in favour of medicare.

Some Hon. Members: — HEAR! HEAR!

Mr. Kuziak: — They swallowed their pride . . .

Mr. Stevens: — I was rather disappointed that the member for Milestone, (Mr. Erb) did not continue reading the report of the Leader Post and the Premier's speech at Moose Jaw yesterday. If he had he would have revealed the true interpretation of the speech as correctly reported in the paper, instead of the distorted meaning he presented by quoting only a small portion of it out of context. It is true that he did say that medicare itself would not be an issue in the next election but he goes on to say that the issue is, however, the Liberal Party's position with regard to medical care insurance in 1960, and the whole story of the Liberals' irresponsible conduct when medical care was being introduced. Not only was medical care insurance being introduced, but parliamentary procedures were being threatened in a way they have never been threatened before in the history of Saskatchewan. What is an issue is the whole sorry record of the Liberal Party, both provincially and federally with regard to medical care insurance.

Some Hon. Members: — HEAR! HEAR!

Mr. Stevens: — Now this is quite a switch from what the member from Milestone (Mr. Erb) tried to misinform the house with a few moments ago. I hope that the member from Milestone and the Progressive Conservative candidate from Hanley, due to their close affinity during the medical care dispute, will not find it difficult to find occupations more compatible with their ability for a quick switch after the next election. Mr. Speaker, as I mentioned in my speech this afternoon this budget provides for increased opportunities for all the people of Saskatchewan, it provides for new programs for resources development and housing in the northern part of the province and new programs for water resources development in the south, and continued development of the South Saskatchewan River Dam project. Because of this and because of the better opportunities the people in my constituency will have to share in the general prosperity in this province, I am honoured to support this budget motion.

Some Hon. Members: — HEAR! HEAR!

Mr. Robert Perkins (Nipawin): — Mr. Speaker, I wish to say a few words in support of the budget so ably introduced by our Provincial Treasurer on February 21st, last. I wish to add my congratulations to the Provincial Treasurer on his presentation of the budget speech at that time. A close perusal of this speech portrays a pretty true picture of the calibre of our Provincial Treasurer.

This speech portrays his long experience and familiarity with the most detailed position of the province of Saskatchewan. It ranges from contemplation of international affairs as they affect our provincial economy, to the introduction of practical measures to deal with problems on the provincial and local level. This speech is a good combination of vision and practical common-sense. It exemplifies the understanding of the Provincial Treasurer of world affairs and at the same time his sympathetic understanding of the problems of the common man.

I wish too to congratulate those who have spoken before me in support of the 1964 budget. Needless to say most of the items in the budget have been commented upon and quantities of figures have been quoted. I will endeavour in the few minutes at my disposal to avoid repetition and to shy away as far as possible from the quotation of figures which have already been presented.

I have listened with a great deal of interest to the speeches made so far this session, both on the budget and on the speech from the throne. I could not help but notice the great difference in the tenor of the speeches made on this side of the house and the speeches made on behalf of the opposition. Optimism, purpose and reason marked the speeches of government members, while the opposition members, with one or two notable exceptions, seemed to cling to the technique of three little pigs in the nursery rhyme, "I'll huff and I'll puff and I'll blow your house down".

So far they have not had much success, and their countenances show that they realize that they are blowing up against a pretty solid structure. Opposition charges against the government and against this budget, Mr. Speaker, are noticeable for their repetition, their hopelessness and their contradictions. They condemn practically every act of this government during the past twenty years and in the next breath they claim credit for everything that has been accomplished.

Opposition speaker after speaker have painted word pictures of their individual districts as grey, down trodden listless communities. All of the young people have left their district. All of the young people have left the province. Buildings are deserted and windows boarded up. The few people left are loaded down with taxes. One time it is \$600 taxes and the next time it is \$1,200.

Where last year the opposition's theme was stagnation, compulsion, regimentation, now the cry is high taxes and population loss. Well, they have at least found out that the public has caught on to their bogus charges, and know that stagnation and government compulsion in Saskatchewan is as far away or further than anywhere else on earth, so they are not shifting to the high taxes, population tune.

One of the members made the claim that the Liberal Party was neither to the right nor to the left, but straight down the middle. The so-called Liberal Party in this province resembles nothing so much as a corkscrew, and they may be in the middle all right but it is a long way from being straight. The hon. member from Moosomin (Mr. McDonald) was so kind as to say during his

speech the other day that the CCF group a few years ago had initiative, leadership, and ability. I was curious to find out if he had ever been admitting this at any time. I could find no account of him ever admitting it until now. I notice in his remarks on the speech from the throne in the 1951 session that he was at that time making the claim that this same CCF government was inefficient, and not providing the provinces with services, and with not keeping people on the farms. He said then that the thing we need to keep people on the farms was (a) telephones, (b) power, (c) roads, not necessarily in that order. He claimed that the most important was roads, and ventured the opinion that the vast majority of rural people could not get into town more than three or four months of the year. Well, apparently, the government has supplied those roads, telephones, and electrical power, so now the hon. gentleman is complaining about the taxes. He and others on your left, Mr. Speaker, are playing up the taxes and population loss theme.

Now in regard to taxes, Mr. Speaker, nobody really likes taxes, not for their own sake. No government likes to set them and no one is overly anxious to pay them. But I think we must all agree, Mr. Speaker, that taxes of one kind or another, imposed as evenly as possible, will continue to be one of the main sources of governmental revenue. A balanced budget or budgetary surplus has always been the desired attainment of all governments, and this twist of the opposition in describing the 1963 surplus as over-taxation is another one of their corkscrew capers.

I have said many times, and I wish to repeat here, that this reference to last year's budget as over-taxation could be more accurately described as the result of accelerated business activity. The 1963 and also the 1962 budget were based on the expectation of an average grain crop in the province of Saskatchewan, with the resultant average trading pattern. They were based on average oil and mineral production, on average travel with usual gasoline consumption and on average liquor consumption. With the exception of the latter activity, Mr. Speaker, these are all signs of a healthy and expanding economy. They are the chief source of funds upon which the government must operate, as property taxes since 1951 have been imposed entirely by local and municipal governments.

The sales tax and other rates were, and are, set to yield sufficient revenue in an average year to build and maintain highways, assist municipalities in building grid roads, school districts to build and operate schools, university and other projects of an educational nature, to towns and villages for surfacing of streets and installation of sewer and water services, to maintain courts of law and law enforcement, grants and loans to industrial projects, loans and grants for farm modernization, establishment of community pastures, reduction of provincial debt, provision of homes for the aged and infirm, the retard and disabled.

When the tax yield is substantially greater than expected it naturally enables the government to provide more of these services. This is certainly nothing to weep about. When the budget based on expected average conditions produces a surplus it is plain evidence of a better than average economic activity. More production, more processing, more manufacturing, more trading, cause these very surpluses, and all these should be commended rather than criticized.

Some Hon. Members: — HEAR! HEAR!

Mr. Perkins: — I wish to mention the reference that has been made to the rates of population growth in the province. While the movement of people out of our province has been serious for the past thirty years, there are many evidences to indicate that the position is improving. Every day we meet people who have spent a few years, especially in the two provinces to the west of us, who have returned to Saskatchewan. In our own district I can name a score of young people, young men, who have spent a period in lumber and mining camps in Alberta and British Columbia, who for one reason or another have returned and are now either employed or in business for themselves in that north-eastern community.

I notice that in mentioning this problem our opponents always refer to the bright young people who are leaving the province. Actually I find that quite a percentage of people who have left are older people, who have made their fortune, large or small, in Saskatchewan, and are moving not to find work work, but to retire from it, in a milder climate. It is unfortunate, but an acknowledged fact that the climate of Saskatchewan is one of extremes, one that even the opposition does not have any plans for improving. This induces people who have worked and made financial gains in Saskatchewan to retire and spend their remaining years in one or more of the western provinces. This is a serious loss, in that we lose people of experience and industrious habits

who have known and understand the problems, the attainments and the aspirations of Saskatchewan citizens. It is also a great financial drain in that their wealth is taken to another province and where at their death, the inheritance taxes are collected, not in Saskatchewan where their estate was built, but in the province where they have spent their declining years.

The rapid expansion in more pleasant living conditions brought about by sewer and water facilities, electrical and other conveniences, are having a somewhat steady effect on this type of migration.

Some Hon. Members: — HEAR! HEAR!

Mr. Perkins: — The problem of having our highly trained school teachers leaving the province to our two neighbouring provinces will be alleviated if, and when, these provinces expand their own teacher training programs to meet their own requirements.

I would agree with the Minister of Industry and Information that the tide has turned and that the next few years will find an increasing number of people coming into our province to fill the needs of our expanding industrial activity.

Well, Mr. Speaker, I have mentioned the actions of some of the hon. opposition members in describing the hopeless surroundings in their own districts. If these descriptions are true it makes me almost ashamed to mention the bustling activity in the Nipawin constituency.

Some Hon. Members: — HEAR! HEAR!

Mr. Perkins: — I can say without any fear of contradiction that there is more genuine prosperity and confident progress in our entire district than has been in evidence in the past thirty years. This covers all corners of the constituency, the number of new homes build on farms, villages and towns in the area, in the past four to six years, exceeds anything that has been done since the country was first opened up.

I would like to mention a few activities in the north-eastern corner of the settled part of Saskatchewan, on which the items in this or past budgets, have had or are having an impact. I first want to mention the construction of the Squaw Rapids Dam, which in three short years is built, and operating to almost full capacity. This is an entirely Saskatchewan project and was not even mentioned in the 1960 election promises.

While the South Saskatchewan Dam at Outlook was talked about for four years, and is still a year and a half away from completion, Squaw Rapids was built and running and handling double the water flow than that on the south Saskatchewan. The Squaw Rapids Dam was officially commissioned by Premier Lloyd on June 15th of last year and was attended by visiting officials from all over the continent, as well as thousands of people from surrounding areas. Great credit is due to the power corporation, including the minister in charge, the manager, staff and engineers, for the remarkable progress in this project, where for the first time the waters of the Saskatchewan river were harnessed for use.

Some Hon. Members: — HEAR! HEAR!

Mr. Perkins: — I wish to make some mention, Mr. Speaker, of the opening ceremony in Nipawin marking the installation of paving of the streets in that town on October 17th, when Hon. George Willis officiated. The opening of The Elks Senior Citizens' Lodge on June 16th, in Nipawin was officially attended by the Hon. A.M. Nicholson. This past fall saw the opening of a rape-seed oil processing plant just south of the town of Nipawin. This plant owned by Agra Developments Limited, has a production capacity of about equal to the two other processing plants in Manitoba and Saskatoon combined. It has been operating to the full extent of seed hauling capacity. This plant employing from twenty five to fifty employees is a credit to the community and especially to the founders and management of the company. All of the projects mentioned have been greatly assisted by governmental agencies both in an advisory capacity and financially.

The study of another undertaking has recently got underway with a

view to the establishment of a sugar beet industry in the Nipawin area together with the construction of a sugar refinery. This is an ambitious project and will undoubtedly require a close evaluation of many factors. Some very favourable tests were carried on some years ago, regarding yields, and sugar content of sugar beets in the area. The project is receiving very enthusiastic attention from the mayor of Nipawin and town council and board of trade.

An industrial corporation has been formed with representation from surrounding rural municipalities to study this and other processing possibilities. Steps are being taken to work very closely with other bodies such as ARDA, agricultural societies, Ag. Rep services and the like. Merchants report retail sales in general stores, automobiles, farm trucks, are at an all time high. Timber board cleaning mills of both Nipawin and Carrot River are running to capacity. Seed cleaning plants are turning out thousands of pounds of grass and legume seeds of all kinds, as well as ordinary varieties of grain. Many of these seeds find their way to European and United States markets.

The Nipawin larger school unit comprises practically the same area as the constituency and between 50 and 60 school busses carry school children to up to date, efficient school rooms in the several public and high schools in the district. Five community pastures are carrying thousands of heads of cattle; hundreds of young people are successfully farming in the constituency, including the energetic group on the Smoky Burn and other projects carried out mostly by veterans.

The people of my constituency are looking forward with keen interest to the studies to be undertaken on the utilization of the Saskatchewan River Delta. They also express appreciation of the rebuilding of No. 23 highway to Carrot River, the oiling of No. 55 highway from White Fox west, and the work of paving on No. 35 between Tisdale and White Fox by the Department of Highways. The two roads built and under construction to Red Earth Indian Reserve, and Cumberland House, by the Department of Natural Resources, will be a great boon to the residents of those communities.

I wish to voice a word of appreciation and commendation to the members of the cabinet who visited our constituency last summer and who held a cabinet meeting with local officials at Tisdale. This is a practice which could be well continued. This meeting provided a good opportunity for local people to contact members of the cabinet and should also be a means of helping the cabinet to retain direct contact with people at the grass roots.

I wish to mention the visit of the touring members of the Saskatchewan Branch of the Commonwealth Parliamentary Association, to our district. Worthy of mention, I think, is the visit to Carrot River at which a supper was served, consisting of locally produced victuals. This event was, in my opinion, an honour to both the hosts and the visitors.

Some Hon. Members: — HEAR! HEAR!

Mr. Perkins: — Now, Mr. Speaker, I wish not to take my seat until I add a word or two to join with others in the extending of my most sincere good wishes to those members who have decided to not contest the next provincial election. I, on my own behalf, and on behalf of the constituency of Nipawin, wish them success in whatever field they decide to serve and it is my sincere wish that they go from this house in the full knowledge that they have served their province well.

Because I believe, Mr. Speaker, that this 1964 document proposes a business like proposition for the raising and expenditure of provincial funds, I will heartily support the budget.

Hon. Russell Brown (Minister of Industry & Information): — Mr. Speaker . . .

Mr. B.D. Gallagher (Yorkton): — Minister of propaganda . . .

Mr. Brown: — This is my speech, I at least won't read it. Mr. Speaker, I wish to say that I have been catapulted into this debate and I do mean catapulted. The whip on our side of the house, suggested at 28 minutes after 5 that I might take a bit of time this evening and participate in the debate. Really, the only reason that I decided to do so was because I knew that members on both sides of the house were rather anxious to know of the communities which will be added to natural gas systems during the year 1964, and I really mean this, I have no intention of wasting my valuable time or the valuable time of the members of the house, attempting to try to correct some of the ridiculous remarks which have emanated across the floor since this debate began.

I am afraid that I have served in this legislature long enough now, to realize that it is rather a hopeless proposition, I'm sure my friends have their minds made up and as they say "My mind is made up; please don't confuse me with the facts" so why bother trying to do so. But I do want to say just a word or two about the Saskatchewan Power Corporation this evening, and review to the house very briefly again, what we intend to do with the funds which will be placed at our disposal during 1964. I primarily want to take this opportunity to advise the members of the natural gas program that we anticipate undertaking this year.

Some of the highlights of the corporation activities during 1963 must include, of course, the opening of the Squaw Rapids hydro plant. It is the first hydro plant to join the provincial system, and a plant which is rapidly picking up a major part of the generation requirements of our provincial system. This plant, as I think most members know, when we first proposed building it, was to include some six generators. Later on as we proceeded, we revised our estimates and, in view of the developments which would likely need to be undertaken in order to maintain the proper level of generating capacity; we decided to include facilities in order that we would be able to add a couple of generators at a later date. We will then, by the end of this year, have in operation, six of the units proposed and the necessary ground-work will have been laid to add the other two generators, possibly some time in 1968.

I can't pass up the opportunity too, to refer to the opening of the new head office building here in Regina as one of the major high lights of the corporation's activities. I know we have heard a lot of criticism about this new building from time to time during the last few years, but I seem to gain the impression these days that there is less criticism being levelled at this building than has been the case in the past year. Possibly this is because the people of this province generally are apparently quite proud of the fact, that their provincial-owned utility is now housed in adequate head office facilities and, in fact, one of the finest public buildings you will find anywhere in Canada, certainly anywhere in western Canada.

Some Hon. Members: — HEAR! HEAR!

Mr. Brown: — Now while this building did call for a very substantial investment, I can the house, that already in the short time that we have been located in the building, we are beginning to notice an improvement of not only the working conditions, but also the morale and the actual work output of those employees who are privileged to work under the conditions which they enjoy at the present time. Efficiency is increasing almost daily and in fact, I would suggest that if it was really possible to measure the increased efficiency in dollars and cents, it would be very easy to indicate that in fact the investment was indeed well-worthwhile. The building, of course, made it possible for us to bring together under one roof, head office employees which had been working under rather poor conditions to a great extent, in some 11 or 12 locations throughout the city. I think it doesn't take too much imagination to realize that when you have a head office staff spread over 11 or 12 locations, your efficiency indeed will suffer and will certainly improve when you provide them with decent accommodations.

I think it is interesting to note, Mr. Speaker, that there were some highlights of operations that are, I would suggest, rather startling. In 1963, last year, the kilowatt hours supplied to the provincial system equalled almost 2,000,000,000 kilowatt hours. That was a gain of 17 per cent over the amount generated and provided to the system in 1962. It is interesting to note too, that we passed the 1,000,000,000 kilowatt mark back in 1959. We hit the 2,000,000,000 mark in 1963, so the energy supplied to the system has

doubled over the last four years. This will certainly indicate why it is necessary for us to continually expand the generating capacity of the system. We made the statement a number of years ago, that if the demand for energy continued in the province as it was indicated, that we would in fact have to continue to double the generating capacity of the system about every four years. This prediction is certainly being borne out. I think one real interesting little item to note is that during 1963 the unavoidable transmission and distribution losses amounted to 17 per cent of the energy which was actually generated. The unavoidable transmission and distribution loss is the energy which you lose as it goes over the system before it is actually run through the meter of your customers. In 1963, the energy losses amounted to 17 per cent of the total which was generated. The interesting point is this, that the amount of energy that was actually lost on the system during 1963, was approximately the same amount of energy which was provided to the entire system back in 1951.

Another point of interest, that I think I should bring to the attention of the house, is that during 1963, while there was some decrease in the predicted consumption of some categories of customers due to a number of factors, it is interesting to note, Mr. Speaker, that during 1963, while we budgeted for an increase in consumption by industrial customers in Saskatchewan of something like 17 per cent the actual consumption was 17 per cent above our estimate or an increase in total of about 34 per cent. This I would suggest to you, indicates that some of the drivel that we have been listening to from across the floor is just exactly that. When you have not industry, you certainly don't increase your industrial consumption of electrical energy.

Now I would like to mention just one or two statistics as far as 1963 operations are concerned. We haven't as yet, as you will note, Mr. Speaker, been able to table the annual report and financial statements of the corporation for the year, in the house, although these will be tabled in the very near future. However, an examination of the preliminary figures indicate that our revenue, our total revenue for 1963 grew from \$51,000,000 in 1962 to something over \$56,000,000 in 1963. Our net income for the year would appear to be in the order of \$5,454,000 as compared to \$3,889,000 in 1962. Then too, our assets in the year arose from \$476,000,000 to just over \$500,000,000, \$523,000,000 as a matter of fact. Now, the amount of money which is included in the budget for this year to be provided to the Saskatchewan Power Corporation members will note is down something like \$20,000,000 over that which we required in 1962. In 1962, we asked the Provincial Treasurer to provide us with something like \$56,000,000 in order to finance a total expenditure of something over \$76,000,000. In 1963 we again asked the Provincial Treasurer for something like \$54,250,000, to finance a total of \$70,980,000. In 1964 we are asking the Provincial Treasurer to advance us some \$34,750,000 in order to finance a total program of just under \$60,000,000, as a matter of fact \$59,500,000. This indicates then, that in 1962, we were able to provided from within the corporation almost \$20,000,000 of funds for investment in our facilities. In 1963 about \$16,750,000 and in 1964 we expect to be able to provide from sources within the corporation about \$24,750,000.

Now in 1964 a rough breakdown of what we will do with this money indicates that we will be investing in generation facilities something like \$7,500,000 as compared to about \$12,500,000 in 1963. The reduction here, of course, is in view of the fact that the major expenditures on the Squaw Rapids station have been made and naturally they will be reduced in the current year. On the other hand, in electrical transmission we will be spending about \$11,250,000 as compared to about \$7,250,000 in 1963.

Here of course, the need to increase the level of our transmission facilities in order to take the energy which will now be produced at the Squaw Rapids hydro station and transmit it into the areas where the demand is such that additional energy is required. On electrical distribution we will be spending just over \$8,000,000 as compared to about \$7,500,000 in 1963. There is very little difference in that category.

Our natural gas program in total and this includes all expenditures on the system including well drilling and gathering systems, compression stations, transmission lines, gas storage caverns, new towns and this sort of thing, will be about equal to last year. As a matter of fact, about \$500,000 less, \$12,250,000 as compared to about \$12,750,000 in 1963.

Under administration we are cutting our expenditures about in half, down to \$3,120,000 as compared to \$6,230,000 in 1963. The reason here, of course, is because the head office has been completed and will not require any major amount of money for that particular project.

Well that briefly is what we will be doing with the \$34,000,000 that the Provincial Treasurer will provide for our needs and the \$24,750,000 which we will generate from within the corporation itself.

Now, I want to say just a word on the question of rate reductions and I'm not going into a lot of explanations because I think this has been fairly adequately dealt with by releases which I have made to the news media. I'll simply remind the house that we did, a very short time ago, announce that effective the 1st of April something like \$2,250,000 would be returned to the customers of the SPC by way of rate reductions. Now these reductions will apply across the system with the exception of the city of Regina, the city of Saskatoon, the city of Moose Jaw and the city of Swift Current. The reasons why they will not apply to these communities, I think are well known. The city of Regina, while they have agreed to accept the offer which the SPC made for their utility, do in fact actually continue to operate their own generating station and their transmission and distribution system at the present time.

With the city of Moose Jaw, the arrangement there was that the SPC would do nothing about changing any rates during the first three years of the agreement which we made with them at the time we took over National Light and Power. We are now in the fourth year of the agreement and this provides us with an opportunity to review the rate pattern in the city of Moose Jaw to bring the customers into the rate pattern which applies throughout the system as a whole. As we review these rate patterns we will then be in a position to ascertain where the reduction which we have proposed will apply to the corporation customers in the city of Moose Jaw.

Saskatoon, and as a matter of fact, Swift Current, operate their own distribution system. They buy power wholesale from the Corporation. This is done under a contract which is renegotiated every five years or so. Both of these contracts are presently up for review and we will be discussing with them the possibility of providing to the city as much, a reduction in the wholesale rate which we provide for them. Then, of course, it would be entirely up to these two communities whether or not they, in fact, passed any savings along to their customers. This is something over which we have no control.

There is nothing to stop either city of course, from making reductions to their customers the same as we have done, any time that they may wish, but the real point that I want to make here, Mr. Speaker, or to deal with, was some of the statements which have been made in the house, commenting on these reductions which we propose. Rather than accept these on behalf of the people of the province as something that would be worthwhile to achieve, my friends opposite, I think about the only comment they have been able to make, is that its too little and too late or that it should have been done a long time ago, it should be a lot more than it is.

Well, this makes me wonder whether or not my hon. friends every really take a look at any of the reports which are placed on their desks. If they did, I think they would stop making such silly statements, because if they took the trouble to check some of the annual reports of the corporation I'm sure they would only need to go back about three years, I brought three of them along with me, the annual report for 1960, 1961 and 1962. Now the net income during 1960 on the operation of the electrical utility was \$126,000 and if you check the report for 1961 you will find that the net earnings were \$685,000. If you check the report for 1962, you will find it was \$1,890,000. Now, Mr. Speaker, I ask you, does it make much sense to suggest that a \$2,250,000 cut in rates should have been made before the utility was actually making that amount of surplus. We did, in fact, over a year ago, having regard to the fact that the Squaw Rapids plant would be coming into production in 1963, and with the indicated revenues as forecast by our operating budget, suggest it was possible that by the end of 1963 the earnings of the electrical utility would be such, that we would in fact be able to look seriously at making a rate reduction – to passing some of the surplus earnings back to the customers of the corporation. It was because of that, that well over a year ago, we began the job of reviewing all the rates, to see just where reduction could usefully be made and to what extent.

In 1963, the electrical revenue, the net revenue, amounted to about \$3,400,000. We then said that it would be possible for us to return the major portion of this to our customers and we then proposed a rate reduction totalling something better than \$2,250,000. It is irresponsible for members opposite to make these silly, ridiculous remarks that these reductions should have been made a long time ago and that they are not enough even when we do make them. I think we must recognize the fact that this utility must

be operated at least in the black, because the moment you start to operate in the red, then your source of funds which are required to continue expansion of the corporation are going to dry up. And it is darn poor judgment to start making rate reductions when you know you are facing that kind of a situation.

The rate reductions are entirely in line with the policy which we have followed over the years. As the revenues accrued and as they rise to the point where reductions can be made, it has always been the policy laid down by the government to the corporation, to pass these rate reductions and surplus earnings back to the users of the utility and that is exactly what we have done.

Some Hon. Members: — HEAR! HEAR!

Mr. Brown: — Now, before turning to the gas program for 1964, I would just like to comment briefly on what the hon. member for Saltcoats (Mr. Snedker) was talking about, at least what I think he was talking about today, and he amazes me how he sets himself as such a great expert on so many matters, I only wish that I could consider myself half as smart as he is. He very positively makes statements that he knows this and he says that, all of which leaves me to wonder just where he gets the idea that he knows so much more than an awful lot of people. But he made some comments with respect to the clearing of Squaw Rapids reservoir and I believe he said that he told me a couple of years ago about this problem. Well, quite frankly, I can't remember a word about it. And I want to assure him and the members of this house they need not worry about the problem at Squaw Rapids. We are quite well aware of the situation. We have known what would develop all along. We have taken advice from some of the best consultants in the business, together with some of the top engineers in our own corporation, and we are not worried about what is going to happen to the Squaw Rapids project. We are not worried about having the job of clearing the debris. As a matter of fact, we are quite satisfied that when we get it all cleared up, the end result will be that we will have the kind of a job we want and in fact in all likelihood, it will cost us something less than it would have done, if we had followed some of the other advice which has been made available to us from time to time.

Now, as I said, Mr. Speaker, my major task this evening was to discuss the 1964 gas program, but before doing that I just noticed that I had another piece of paper along with me, and I maybe ought to say a word or two about it.

I could be wrong in some of the remarks I make here with respect to what some members opposite have said. Unfortunately I wasn't in the house, the other day, when the hon. member from Souris-Estevan (Mr. MacDougall) was speaking, but I gather from a very brief review in the press, that he again was waging the battle of the oil and gas industry, and suggesting that the government should make all the concessions which the industry asks for. Now, this bothers me a little, when a member of this house will make that kind of a suggestion, without trying to indicate to the house exactly what would be involved if all of these concessions were actually made. I don't know where he gets the idea that there is any real difference of opinion insofar as the policies which are advocated by the industry, and the government is concerned. I think it has been very well indicated in this house by other members that as far as the oil industry is concerned, they have very little complaint with the policies which apply here in Saskatchewan. It is quite true that from time to time, there have been complaints from the industry with respect to the gas purchase policy of the SPC. I tried to explain to the house last year during the session that we had made certain proposals to the industry which in the main, appeared to be quite acceptable, and in fact would be acceptable as far as the industry is concerned. I had a number of conferences with the industry over the last year, and I can assure this house and the hon. member opposite that the difference of opinion is extremely minor and as a matter of fact, in most cases it is simply a matter of clarification or interpretation of the wording which has been proposed. I have just recently had a meeting with the association, and we have been comparing again, our position on various things, and the number of things which still require clarification are so minute as to be hardly worthwhile concerning ourselves with.

What I want to say is this. It does disturb me when a member of this house will make a suggestion that we should let the industry have everything they want. Well, this is a rather ridiculous way to operate public business, if you ask me. It seems to me that the government does have a responsibility on behalf of the people of this province to make darn good and sure that the resources which belong to the people of this province, provide at least some return to the people concerned, rather than just to those people who may be engaged in the industry.

Mr. MacDougall (Souris-Estevan): — Are they exploring for gas?

Mr. Brown: — They are exploring for gas, and don't bother trying to tell me that line, because, my friend, if you go and talk to the industry, they will tell you as they have told me time and time again, that if we give them an absolutely wide open policy it probably wouldn't make 5¢ worth of difference in the amount of money spent for searching for gas in Saskatchewan.

Mr. MacDougall: — It is a different story . . .

Mr. Brown: — I just hope you fellows go out and try to fight a battle on behalf of the industry, because they don't want you to.

Well, Mr. Speaker, I said that I wanted to deal with the natural gas program, and I'm sure all members will be interested in what our intentions are for the year. Now you will recall that during the 1960 election campaign, we indicated that during the term of office we would add to the system 100 new communities as far as natural gas service is concerned. I'm happy to be able to tell the house that with the program which we are proposing for 1964, we will in fact have taken natural gas not to 100 communities, but to a total of 107.

Some Hon. Members: — HEAR! HEAR!

Mr. Brown: — It is very unfortunate that there are some areas in this province that we have not as yet been able to justify going into to provide service. There are a number of reasons for this. Generally speaking they fall into two categories. One, that service is either marginal or sub-marginal, and in fact service under present conditions would mean that we would be carrying these communities on the system at an annual loss and we would not, in fact, ever be able to recover the investment which was made on their behalf. In other areas where, because of unknowns, with respect to possible development of major transmission lines for various purposes, it is not possible to make the decision at this time as to the proper means or methods to provide service to those areas. On the other hand, in some cases questions have been answered and we are able now to take a closer look at some areas.

We hope that during the next few years answers to questions that are still plaguing us with respect to some of these other areas will be cleared up and we will be able to move ahead in providing service to those particular areas. Our problem is, of course, that we cannot invest money in pipe lines and transmission lines, to go into an area, or a particular community if there is a possibility that because of some other development in the immediate vicinity, that the line we build will in fact become redundant and a wasted investment.

So with those remarks I want to tell the house that we propose this year to take gas service to 22 new communities. Now, this is one of the larger programs which we have launched in the last few years, although the communities may in a great number of cases be smaller than some of those to which we have taken service during the last year.

I'm sure the hon. member for Souris-Estevan, (Mr. MacDougall) will be happy to know that we intend to provide service to the town of Alida during 1964. We also intend to add to the system the town of LeRoy, which I believe is in the Humboldt constituency. Moving out further west to the constituency of the hon. member from Maple Creek (Mr. Cameron) I can advise him that he is getting one of the larger chunks of the program this year, and we will be taking service to Leader, Prelate and Mendham and Sceptre. Coming back east again, to Lipton and Dysart, I believe those are in the constituency of the hon. member for Touchwood (Mr. Meakes). Lipton, Dysart and Cupar will be added to the system. Moving down into the south-east, the town of Redvers will be added to the system, I don't know whose constituency that is . . .

Mr. McCarthy: — What about Carlyle and Arcola?

Mr. Brown: — Then moving again up into the central part of the province, having provided service to that area last year to Watson and Wadena, we are now able to extend it a bit further and add the towns of Leslie, Elfros, and Foam Lake will be provided with service. I would like to be able to say that after the pleading of the hon. member from Lumsden (Mr. Thurston) this afternoon, that I have at the last moment included Lumsden in the program, but I will be quite honest, I had it in before he got down on his knees, so Lumsden and Grand Coulee and Craven will be added to the system this year.

Now, the other communities that I am going to advise you of are Frobisher and Glen Ewen, which will also be added. I believe those again are in Souris-Estevan. That brings me down to the last ones that we propose to add, and I am sure that all members of the house will rejoice with me that after eight long years as minister in charge of the SPC it is possible for me to get up and announce that in 1964, there will be at least one community in the constituency of Last Mountain provided with natural gas service. We intend to take service to Bulyea and Strasbourg and to Earl Grey and Southey. That then accounts for the total of 22 communities which will be served during 1964.

Now, Mr. Speaker, there are a lot of other matters which one could deal with in this debate. There is the matter of Saskatchewan Economic Development Corporation, and the Diamond Jubilee and Centennial Corporation. I don't think I will take up too much time of the house with these. You will have a chance to discuss matters pertaining to them when we get to the actual estimates themselves. I would just like to remind the house that so far as the Jubilee and Centennial Corporation is concerned I am happy to be able to advise the legislature that Saskatchewan has jumped well ahead of the other provinces insofar as planning for the centennial is concerned. I think we are practically the only province that has actually gathered some staff, set up permanent offices, and has actually started to work out provincial programs and to co-ordinate them with the federal programs which are being proposed.

I think we have gone a little bit further than most other provinces insofar as the grant program with respect to lasting centennial projects are concerned. Members will recall that a short while ago I did announce that the government has decided to make available as matching grants, to the \$1 per capita which the federal authorities are prepared to contribute, \$1.50 per capita on the basis of the population and these funds are to be spent on capital projects outside of the three major cities.

This means then that the money available will in fact, on a per capita basis, provide for something like 83 or 84 per cent of the total cost of the project. The matter of projects for the three major cities is under consideration. There is consideration of auditoriums for the city of Saskatoon, and the city of Regina, and the city of Moose Jaw is dealing with a proposal for a zoological garden, or zoo, or something of that nature. Now, we have been advised by the federal authorities that an additional \$2,500,000 will be available for so-called special provincial projects or a project, and we expect to meet with them to discuss the terms and details of this proposal in the course of the next couple of weeks.

Any of you who are interested in information with respect to the grants which will be available I would suggest, should get in touch with the Executive Director of the Corporation, Mr. Albert Watson. His office is located in the McCallum Hill building. It is quite possible that the municipalities within your riding will be asking you for assistance in making application for these grants, and I think you should arm yourself with as much information as possible in order to properly be able to deal with these requests.

I think, Mr. Speaker, that that is about all that I want to say this evening, I do want to say though that first I am a little bit remiss in that last time I was on my feet speaking in this house, during the throne speech debate, I did not at that time pay tribute to those members of the house which will not be seeking re-election during the next election campaign. There is much that one could say about each and every one of them. I can say from the experience that I have had here in the house, that as far as the members opposite are concerned, those who will be retiring, that will not be coming back, I think I can say in all sincerity that our relationships, our friendship, has been of the first order. I will cherish the memory of having served in the house with them. I hope the friendships which have developed during the time that we have served together will continue into the future. To my colleagues on this side of the house who will be retiring, I

can only add very little to what has already been said, with respect to the services which they have given to their constituencies, and to the province generally. I hope, of course, to have an opportunity to wish them well personally before they finally leave this session.

As far as the budget address of the Provincial Treasurer is concerned, I too, like a lot of other members, have sat in this house and listened to the presentation of budgets for quite a number of years. I too, want to suggest that the present Provincial Treasurer need not take a back seat to any one else insofar as the presentation which he has made. Certainly as far as the budget itself is concerned, it is a document which this house and this province can well be proud of, and because, Mr. Speaker, it does propose to provide certain funds to take care of the needs and the operations of a number of agencies that I have some responsibility for, the Department of Industry and Information, the Saskatchewan Power Corporation, the Saskatchewan Economic Development Corporation, the Saskatchewan Diamond Jubilee and Canada Centennial Corporation, because these funds will be provided and we expect will go a long way to again making Saskatchewan a much better place in which to live I can't help but support the motion.

Some Hon. Members: — HEAR! HEAR!

Hon. O.A. Turnbull (Minister of Education): — Mr. Speaker, I rise at this time to take part in the debate, and let it be known in no uncertain terms, of course, that I support the motion. I believe that not only did the Provincial Treasurer give an outstanding speech but I do believe that this is an outstanding budget, with great promise of things that may be possible that not one of us dreamed of as little as five years ago, not the least of which, Mr. Speaker, is in the field of education and I would like to deal with that a bit.

I want to talk tonight about the development within the university and relate this to the whole question of taxation, because, Mr. Speaker, many of our friends on the opposite side of the house are very fond of talking about costs of taxation and the fact that taxation ought to be reduced, and that services ought to be increased. When one looks at the whole question of education, I submit to you, and to the people of Saskatchewan, that you can't do all of these things all at the same time. It is simply an impossibility to consider the demands that we are now facing in Saskatchewan in terms of education and to think at the same time about reducing taxation.

This double position that the opposition is taking is something similar to the double position they are taking in respect to their own political fortunes. The hon. member for Morse (Mr. Thatcher) is continually calling for political saw-offs with the P.C.'s. I have before me the usual type of statement he makes whenever he calls upon the P.C.'s to help him out of his very difficult political position. This one dated February 11th, 1964, where, apparently, he was speaking to a group in Moose Jaw.

I happen to be, Mr. Speaker, one of the members where apparently they have sawed-off a few P.C.'s and so far I don't know whether the P.C.'s like it or not. I'm getting a variety of signals back from Elrose constituency, Mr. Speaker, and it is interesting just to see when the scrap is really going to develop because it is one thing for the Liberals to call on the P.C.'s for a saw-off, but I think the P.C.'s at the same time want to know who is going to get sawed-off.

Mrs. Batten: — Saw-off N.D.P.

Mr. Turnbull: — I am well aware of the fact that the Liberals hope that Turnbull is the fellow who is going to get sawed-off, but whether or not this occurs, of course, is another thing. The hon. Premier was talking about the lady that went for the ride on the tiger, I think it is not quite that in Elrose, it is something like "Come with me Lucille in my little Oldsmobile" sort of a deal, and I don't know whether Lucille is going to get in the Oldsmobile or not. She is looking these fellows over with a pretty cagey eye. There are a lot of good honest people in Elrose that support all political parties, of course, Mr. Speaker, and each one of us has our own particular group of followers and there a good number of people in Elrose that are Conservatives first, but they are not really interested in bailing Mr. Thatcher out of his problem . . .

Mr. Thatcher: — Tommy Meyer didn't seem to feel that way, Ollie . . .

Mr. Turnbull: — I am looking forward just to see how it comes along. I had thought, Mr. Speaker, that when the Leader of the Opposition was first making the proposition that he was going to talk about a coalition government, where in fact, the traditional type of saw-off is accomplished, and there is a contract entered into and both parties that have come to a common agreement know exactly where they stand. But this, however, is not the case and when the Tories in Saskatchewan and in Elrose, read a statement like this by the hon. member who is quoted as saying “I’m not trying to rub it in, but it is 34 years since the P.C.’s have elected a member of their own”, I don’t think this really falls on friendly ears as far as they are concerned.

So I might say, Mr. Speaker, that I’m entering into the campaign with a good deal of enthusiasm, and I’ll be quite interested in seeing the results as I’m sure the hon. members will.

With respect to taxation and when one thinks of education, and when one thinks of the growth of the system one is struck by the fact that even though there have been increases in local taxation, the amount of provincial grants has increased tremendously and has outstripped the rise in local taxes. This is dependent, of course, on the ability of our society to keep on increasing its total production of wealth and this is dependent upon not only finding new resources but also in terms of training men that can be used in the extraction and refinement of those resources. I am a little dismayed when I hear hon. members from the opposite side of the house talk about this whole question in such narrow terms as when they try to place a money value on the education of the youth and say that those people who leave this province for better opportunities ought in some way to recompense the province that gave them their education.

Mr. B.D. Gallagher (Yorkton): — Who said it?

Mr. Turnbull: — Who said it? Well, the hon. member for Gravelbourg (Mr. Coderre) said it, and other members have said it. They have said that the other provinces that are receiving these people should in fact pay Saskatchewan for the job that they have done.

Now I had thought, Mr. Speaker, that all people in this dominion of Canada, as well as on this continent, had gotten past this narrow, narrow viewpoint. I had thought that when we were talking about the education of youth we were thinking of giving them the best possible education that we were capable of giving, so that they can not only make a useful contribution in Saskatchewan, but to that when they go to other parts of Canada, and in fact, to other parts of the world, we can be proud of them and proud of the job we have done for them.

Some Hon. Members: — HEAR! HEAR!

Mr. Turnbull: — And it is true, of course, that these people will be making a contribution as a result of the money and effort that has been expended upon them. It is true. I do believe that the world has shrunk so much, and we are so interdependent upon one another that it is impossible to break this thing out in narrow parochial terms. The wealth that these people contribute, whether it is in actual wealth or in the field of ideas, is just as useful to us in the final analysis as it is to the community in which they live. In the final analysis, Mr. Speaker, we are really dealing in a new world of ideas, and it is the ideas of men that we must continue to perfect, so that we can understand other men’s ideas. Otherwise we ourselves in this community and in this province will decline and our society itself will decline.

At one time, Mr. Speaker, it was possible for men to master the physical environment of their own particular community. If they were successful in doing that, the world in which they found themselves was bordered only by the extent of their transportation in that local community. That world that they found themselves in would exist without much change until the end of their day and in fact the day of their children and their children’s children. Of course, as we all know, this has long since disappeared. In the modern world the rate of change is at such a pace that I am being continually reminded by educators that any skill that we impart to our young people, in all probability will only be valid for ten years at the most, and the chances are that they, the young people, will have to be retrained three and perhaps four times during their particular lifetime. This is particularly true in the trades, of course, Mr. Speaker, but it is also true within the professional groups as well.

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Two hundred years ago the content of the standard university type of training was about one-third classical, one-third scientific and technological and one-third social science, which would strike you know, I am sure, as a rather remarkable kind of combination.

The persons who were trained within that framework could easily have sufficient understanding of themselves and their society to last them their entire lifetime. The society in which they found themselves did change, it is true, but it changed so slowly that they, as individuals, could adapt themselves to this change within the society in which they lived. And these days are all long since past. One of the great problems that now faces universities, and I would like to direct the balance of my remarks to universities, is (and it is the same as other school systems) is to devise a system of training that will combat human obsolescence and to allow for a re-training of professional people.

The first thing we have to do, of course, is to provide ourselves with an adequate plant capable of handling the total number of people that want to come to university.

Within this new continent and within this new society we have rather narrow traditions within a university, and much different from the university traditions of Europe. We have a common ideal with our American brothers, and that is, that no one should be barred from attending university. All persons who wish to attend, ought to attend, and when we in Saskatchewan bend ourselves to this task, we find that we are confronted with a tremendous increase in the number of applicants. As a result we have seen the campus of Saskatchewan grow rapidly at Saskatoon. It has been decided by the Board of Governors, that it should level off at a level of about 8,000 to 9,000 students, because this, apparently, is an economic unit in university terms. But the demand for university education in Saskatchewan has not ended at this particular level and no one even five years ago could have guessed at the tremendous surge towards higher education that was triggered by such technological advances such as Sputnik and the release of nuclear power and the like.

As a result, we find ourselves in Regina, head over heels in a development of capital building construction. This year the university has a total budget of almost \$12,000,000 of capital development. We can't possibly meet this in one fiscal year within our existing budget, and, therefore, we have to break it down so that it is manageable.

As you look at the budget, I am heartened by the fact that, of course, we have bumped our university grants, from \$5,100,000 to \$6,600,000 for operations, and our capital budget has been bumped up an extra grant of \$3,000,000. We had this out of this terrible surplus that the hon. members opposite are accusing us of getting. The surplus arose, of course, because of a rapidly rising economic tempo within our province, and we thought it was a good idea to transmit this money at this time in order to have the university go forward quickly with its building program rather than to delay it. The balance of this capital program will be financed from the sale of debentures in the debenture market.

This rate of university growth is going to continue sharply, Mr. Speaker, for the next year and perhaps the year after than and then we will be over the hump. How long we will stay on the next plateau is anyone's guess. I am guessing we won't stay there too long and within four or five years we will have to gird ourselves for the next hump, which will, I believe, be quite as spectacular as the one we have now.

The main problem, however, is not only finding the money by which we can develop the capital expansion, difficult as that may be, but the main problem is to find professorial staff, to staff not only the University of Saskatchewan, but the other universities in the other provinces in Canada.

Our present output of Ph.D.'s is rather insignificant when you look at the projected demand for professional staff in the universities in Canada. The University of Saskatchewan, I think has done a tremendous job in developing its school of graduate studies. Many people, as you are well aware, Sir, have come from all over the world to take their postgraduate work here. I think it is a tribute to the high standards of the university, and I think that we are all proud that these people come here. We have met many of them here at the banquets when the students come to observe our proceedings. We are much impressed, I think by the calibre of the people that are coming here and by the reason that they do come here. I have engaged some of these people in conversation; I ask them why they come, and they say to me, quite frankly, "because the University of Saskatchewan offers one of the toughest courses that we can find and that the fees of entrance are at a low level".

I think this is a compliment to the people of Saskatchewan, who have supported our university so that both these things could happen.

The development of universities in other provinces, such as Ontario and B.C., continues at a higher rate than ourselves. There is no doubt that the developments in those provinces will tend to put pressure on salary scales and tend to raid the university staff in this province, and we will have to do what we can to combat it.

The next thing that will happen in this race for teachers for universities will be that universities will reach down into the high schools because there are many excellent and well-trained people now in the high school system who will be attracted, and will be offered positions in the university complex here and in other provinces.

This in turn put pressures on our own training facilities for the training of teachers. I will be speaking more of that tomorrow, and I think the house generally is aware of the fact that we are attempting to handle the problem of extension that faces us. The university has been farsighted enough to project a new building for the training of teachers on the campus at Saskatoon of over \$3,000,000, this is to be completed as quickly as we can, and unquestionably we will then be immediately faced with the problem of building a similar type structure at Regina.

We will have to increase the amount of students loan, scholarships and assistance to assist young people to get into the university. This year there has been a small increase in fees, which will undoubtedly create a hardship to some students, because of the \$50,000 increase, it is a significant amount in the life of a student. To combat this increase which we thought might be coming, we have had the ability this year to budget for a \$2,000,000 increase in the Student Aid Fund, and I sincerely hope this will meet the approval of all hon. members in this house.

The Student Aid Fund was unique in Canada, in that the first one was developed in Saskatchewan. The fund is now nearing its 14th year of existence and at the end of January, 1964, I am pleased to say over 12,900 will have been assisted by loans totalling around \$4,000,000. I think that this is a very worthwhile thing. During the current fiscal year, there will be 1,428 students that will be making use of government loans to the total of almost \$500,000 in distribution of the 949 that are university students, 325 are going to teachers college, 66 in school of nursing, 88 to technical schools, and the balance are not indicated in terms of particular colleges that they attend. If you add up the total, you get the total of 1,452 that are making use of the Student Aid Fund this year. These loans are repayable over a period of one to ten years depending on the courses that are taken. The loans are interest free as long as the student is attending an institution of higher learning, and they are interest free for a certain period after the student graduates, which bears a relationship to the amount of time spent in training.

As a result of this, Mr. Speaker, we do not earn too much in interest on the whole program, but we do make enough to keep the Student Aid Fund afloat and it is, as I have said working well. I think a total of \$4,000,000 in the 14 years is a significant amount when you consider that the initial capital was started at \$1,000,000 then raised to \$3,000,000, and with the additional \$2,000,000 we think we can do a first class job in meeting the small increase in fees that now face the students.

Some hon. members, Mr. Speaker, have asked why there is a differential between the scholarships offered for grade 12 students, depending on whether they are living in the city or whether they live outside the city. The scholarships are \$300.000 for those students who have grade 12 and want to get to university, and who live in a university city that is, if they live in the city where the university exists, but it is \$500.00 for those people who are outside the university city. The rationale for this is, that the major portion of the expense to the student is not to be found in the fees, but is found in board and room. Those students who live in the city do not have as high a board and room cost as those students who are resident outside this particular city and who must find their own board and lodging. In consequence we feel that it is more equitable to give these scholarships in this manner than to make them the same value whether the student lives within the university city or outside the university city.

The grade 12 scholarships have proven to be a very worthwhile and popular thing. The academic excellence of students continues to amaze me, as I have said when you consider that in the 15 zones that exist in Saskatchewan that the highest average zone winners are between 90 and 93 average. You have, I think a first class group of people, with the lowest average for

zone winners never less than 75. It is interesting to notice as I have mentioned at other times, that the people that live within the city system seem to be capable of reaching just a little higher degree of academic excellence. I think this is attributable to the fact, that in some of the rural areas, it is more difficult to get the type of modern academic complex that is required in a modern society. We do believe that with the development of the new curriculum and with the different types of policies that we have been able to enter into, such as the text book rental program, which we hope to extend to include all students up to grade 12 this year, and which requires the student only to pay \$5.00 per year for all high school text books with the government absorbing the costs of the books, and the board providing the space and the staff for the issuing and the collection of these books; with a type of program that we have been able to put in 600 T.V.'s into the school systems which will allow the students of outlying points to see and hear the lectures of first-class people in the various field in which they lecture; with the development of policies that will assist schools boards in changing into the new chem series and into the PSSC physics series, and in which we assist boards in meeting the costs of exchanging old laboratory equipment for new, because we recognize that there is a change involved in this; we think, that we will go a considerable way in bridging the gap that may exist academically between the city system and the rural system.

I am particularly interested in the field of instruction of language. I am particularly interest in seeing a development of solid class in English, directly through from the primary grades right through until grade 12 is reached, whether the student goes into the matriculation stream or into the technical stream. In addition to this, I am considerably interested in seeing the development of a second language. There are school systems within this province that are lecturing in French, in Ukrainian, in German and in Russian. I am encouraging any community with these backgrounds where the student may practise the language that he is receiving instruction in to try to get the type of teacher that can lecture in the language of that particular community.

One of the most difficult ones I find to get into is the field of French. We simply do not have competent linguists in French. I have been able to work out a program with the Ministry of Youth in Quebec and the department here in Saskatchewan for an exchange program between Saskatchewan and Quebec. We had offered to make scholarships available to 100 students, but now we have dropped this back to 50 students, because we are getting so few applicants. I'm very discouraged by this, Mr. Speaker. We have entered into this exchange program by which the department will arrange for the transfer of the French teacher to Saskatchewan and a Saskatchewan teacher to Quebec. We will pay the transportation for such teachers and they would be on an exchange for one year. We had thought by this program we would be able to upgrade our own teachers in the instruction and pronunciation of the French language, and at the same time we thought, that when the teacher from Quebec came to Saskatchewan, they would equally make a very contribution in the classroom. At this point we are a little disappointed by the results; but we didn't really expect to have a great flock of people the first year. Programs do take a while to become established and I am very grateful for those people who have submitted their names and I hope that the program will continue to grow in the years ahead.

However, in respect to the instruction of the French language, we have been working with the ACFC group. They have been kind enough to come forward with some suggestions as to how the curriculum might be improved. As you know the ACFC has a very high standard in the French language and in the teaching of French where this program is used. We are now entering a series of negotiations with this group and they will submit some names of persons to me who will have their confidence and who will be particularly useful to the Department of Education in upgrading our curriculum of French as it will be taught in the public and the high schools.

I think it important that the approach to the question of study of a second language is one of considerable vigor. Here again I am impressed by our visitors from other parts of Europe. I am impressed by that fact that these people enter into the study of a second language at an early age. I am impressed in the way in which they handle English. At the banquet that I attended not long ago, my seat-mate was a boy from Western Germany. A girl sat across the table who was a graduate of France. We had no difficulty in conversing in English but I can assure you, Mr. Speaker, that had it not been English, I would have been at a total loss. These people both had studied their native language plus one other language, in this case, English, plus Latin for a great number of years, as high as six or seven years. I am not now suggesting, Mr. Speaker, that we ought to go to this extent, but I do think that we ought to make a better job of teaching a second language

in our school systems than we now do. As I have said, our main problem in this question is not the lack of desire to do it, not that the school boards are unwilling to enter into it, but that we have a problem of finding qualified teachers in terms of fluency and I am a little hesitant to suggest what we can do about it, than the exchange policy that we have entered into with Quebec at this time.

In respect to university, I was reading the other day, a very interesting little pamphlet called, "The Advancement of Science" in which appears an article "Investment by Men" by Sir Eric Ashby. this is a presidential address delivered to the British Association for the Advancement of Science at Aberdeen on August 28th, 1963. I comment it to the members of the assembly, Mr. Speaker, as a farsighted and scholarly address, where he deals with the whole question of the problem of obsolescence and training. I think he puts it so succinctly that I would like to read one small paragraph to the house, he says, and this is a quotation:

Finally there is one more assumption built into our present policy for investment in men which is of critical importance. Education as Charles Carter said recently 'is not an act of salvation after which one is safe for eternity'. Yet we assume it is; in particular, that a three year undergraduate course is sufficient to set up a man for a life time. Doubtless in the 19th century, a three year course in classics did set a man up for a life time; but that was in the days when a graduate could assume that he would grow old and the world familiar to him as a youth. We are living in the first era for which this assumption is false, and we have not yet faced the consequences of this fact. The present generation of students, will still be employed in the year 2,000, but long before then, their degrees and diplomas in any rate in science, technology and social sciences will have become obsolete.

And he goes on then to develop the thesis that one of the great problems in the university development and in fact in the whole field of education, is a device of measurement so that we can measure the components in education, so that we can supply the proper base to the students, to the end, that they can become retrained. Here, he develops the theme with which we are all familiar:

That education is no longer a thing that happens or an experience that happens to us at one point in our life, but must be now a continuous thing. so that as we are faced with the problem of providing society with a system of continuing and ongoing education, we have developed within the students, the proper type of base by which and on which, the student can, or person can, be retrained to the highest degree of utility to himself and to society.

And it is impossible, Mr. Speaker, to think of these problems and to think of the types of forces that are now pounding on our modern society but to think of the development that is required for our educational complex. And at the same time listen to the cries of people who say we must reduce the amount of investment we have in education by way of reducing taxation.

One way or another, this money must be found, and while I and other members here will agree that there are limits that can be placed in different levels of taxation, and different types of taxation; as long as university education remains a public responsibility and I suggest to you that in our life time the university in this province will never change from this point of view, we will have no other course but to find the money by which we can invest in this system to meet these challenges, or else we will be turning out people, inadequately trained, not only to fill their role in this society, but in the rest of the world.

And with that, Mr. Speaker, I would like to adjourn the debate.

Some Hon. Members: — HEAR! HEAR!

Debate adjourned.

SECOND READINGS

HON. E.I. WOOD moved second reading of Bill No. 44 An Act to Amend The City Act.

He said:

Mr. Speaker, we have here The City Act which does contain quite a number of more or less lesser amendments to the act, which I do not believe are controversial. There is however, one rather large departure from what we have at the present time, as this is in regard to the basis of business taxes in cities. Last summer the council of the city of Saskatoon approached me as to the desirability of changing the basis of business assessments from the square foot basis of the size of the premises to the rental value of the premises. As the hon. members will be aware in the past, in regard to the different types of businesses in the city, the assessment people have put a certain value per square foot. In other words, the drug stores in certain cities are taxed the same per square foot of space of the establishment irrespective of whether they are down on main street or whether they are out in the suburbs and other types of businesses are also placed on so much per square foot. The proposal that was brought before us at that time, was that instead of doing this we should levy the business tax assessment based on the rental value of the premises occupied irrespective of whether it was a drug store or a hardware store, but rather in regard to the value of the premises for rental purposes. In other words a drug store in a low rent district would not have to pay the same amount of business tax as the high rental store. It is proposed, of course, that they would not be able to use the exact rental in all cases as properties are owned by the proprietor but we would arrive at fair appraisals of what would be the rental values and this would be the basis on which the business assessment would be assessed. There is a large section in this proposed amendment which deals with what is considered to be the necessary amendment to the act to make this possible. This has been further discussed with our department. They are in agreement with the proposition and they say, Mr. Speaker, that this method of business tax is used quite widely throughout Canada, in the large cities such as Winnipeg and Edmonton.

Discussing this with SUMA people they were quite in favour that we make this amendment to The City Act. It is not compulsory by any means, but there is an option that the city may use in regard to assessing the business taxation. As I said earlier the others are pretty much non-controversial with these few words I shall move second reading of this bill.

Motion agreed to and bill read the second time.

The Assembly adjourned at 10:00 p.m.