

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Fifteenth Legislature
18th Day

Monday March 1st, 1965

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

WELCOME TO STUDENTS

Mrs. Sally Merchant (Saskatoon City): — Mr. Speaker, before the Orders of the Day, I would like to draw to the attention of the house the presence here today of a school group from Saskatoon. These are the grade seven students from Wilson School with their teacher, Mr. Kruen, and I know the house will want to make them welcome and wish them, with me, a very successful educational and very pleasant day.

Hon. Members: — Hear, hear!

ANNOUNCEMENT RE ST. DAVID'S DAY

Mr. A.E. Blakeney (Regina West): — Mr. Speaker, before the Orders of the Day are proceeded with I am sure that some members of the house may be wondering what my colleague, the member for Moose Jaw, and I and some others, are doing with these outsize daffodils but I think I should draw to the attention of the house the fact that today is St. David's day, the day of the patron saint of Wales. Members will, of course, know of the substantial contribution made by Welsh people to, not only Canada, but to many nations throughout the world; they have provided the world with intrepid explorers like David Thompson, or statesmen like David Lloyd George, or experts in piracy and rum, like Captain Morgan, and they have given a great deal to the world of music and song and I know that all hon. members would wish to join with me in honouring the scholar, theologian, and patriot, Saint David, the Patron Saint of the Welsh.

Some Hon. Members: — Hear, hear!

**ANNOUNCEMENT RE CORRECTION OF ITEM ON FRIDAY LAST
RE — DIRECTORS OF ROYALITE OIL**

Hon. G.B. Grant (Minister of Highways): — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to bring to the attention of this house a correction of an item that occurred of Friday last, and reported in the Leader Post under the heading "Office Held by Grant" and dealing with the question pertaining to the Directors of Royalite Oil. The information supplied to this house was not correct and I wish to read from a letter dated May 26th and I will table this letter. This is from the President of Royalite Oil Company:

Dear Mr. Grant:

This will acknowledge receipt of your letter of May 21st, 1964, in which you tender your resignation from the Board of Directors of this company, to be effective May 21st.

We accept the resignation with regret.

I also wish to request the Attorney General (Mr. Heald) to inquire into the reason for the delay in the date suggested in the newspaper, and in the answer, with a view to correcting it in the proceedings of this house.

The question was asked, no doubt, to embarrass me and I trust the hon. member who asked the question is satisfied now that he has embarrassed me. It is an indication of the length to which some people will go to discourage business men from becoming active in governmental circles. We do our best to do things in a proper manner and this I did. I was requested to be a member of this cabinet on May 20th. I tendered my resignation on May 21st . . .

Mr. E. Whelan (Regina North): — Mr. Speaker, on a point of order . . .

Mr. Grant: — Just a minute. I tendered my . . .

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Mr. Whelan: — Mr. Speaker, on a point of privilege, my motive is being questioned, I had no intention to embarrass him. I was getting information for my constituents.

Mr. Grant: — I say, Sir, that no one could have acted with any more speed than I did. I acted immediately on accepting the post in the cabinet. I hope I have satisfied this house that my activities were legitimate.

Some Hon. Members: — Hear, hear!

BUDGET DEBATE

The assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Thatcher that Mr. Speaker do now leave the chair, and the proposed amendment thereto by Mr. Blakeney, and the proposed sub-amendment thereto by Mr. Michayluk.

Hon. A.C. Cameron (Minister of Mineral Resources): — Mr. Speaker, this afternoon I would like to deal with some of the highlights of the budget as it was delivered in the legislature last Friday. However, before doing that, I think it would be only right and fitting that I lay before the house some report of my Department of Mineral Resources, something as to how we assess the year 1964 and something of what we foresee for the year 1965.

In the minerals sector of the economy, it is noted that 1964 will witness new records of achievement. As you will recall it witnessed the commencement of production of the world's first potash solution mine — the initiation of Canada's largest water-flood pattern for more efficient recovery of oil reserves; it witnessed exploration for oil and gas which reached the highest level ever obtained in the province's history.

Preliminary estimates indicate the value of mineral production for 1964 at \$290,000,000 compared to \$277,000,000 in 1963. The oil industry made great strides in 1964 with little publicity. The total production of oil was in excess of 80,000,000 barrels. This tops the 1963 figure by some 10,000,000.

Late in the year the industry marked the 500,000,000th barrel of production in Saskatchewan since the first discovery. In 1964, drilling activity spring back to an all time high, with the number of active drilling rigs at the highest in our history — a total of 1,206 as compared to 1,186 in 1957, and this, of course, Mr. Speaker, you will recall, was Saskatchewan's peak year in the oil industry. July was a record month in the oil industry. This month witnessed the greatest number of licenses issued in a single day and the greatest number of license issued in a single month.

Provincial revenues from minerals in 1964 exceeded \$35,000,000, an increase of \$8,000,000 over 1963. While the new records of incomes from fuel minerals are cause for rejoicing, the continuing drop in production of metallic minerals, such as gold, zinc, and copper, uranium, I think, should give us cause for grave concern. The seriousness of the drop in production of these minerals becomes evident when we note that, in 1963, production had dropped to \$69,000,000. In 1964, production in metallic minerals reached only two-thirds of the 1963 level for a total of \$45,000,000. This serious drop in production, of course, results in corresponding loss of revenue to the province. Unless something is done to check this trend, it is estimated the production of metallic minerals will drop further in 1963 to a new low of \$36,000,000.

Mr. Speaker, this government believes that we cannot permit this drop in base metals to continue. We believe that the government must take the lead in reversing this trend. We have therefore initiated already, some major moves. One of the first things my department did was to hold discussions with officials of Eldorado, with a view to having this federal corporation begin an exploration program for new uranium reserves in preparation for the anticipated rise in the uranium market commencing in 1968. They have responded to this. This together with the recent developments which have been fully reported in the press, leads us to believe that we can be most optimistic in the uranium area beginning now and particularly after 1968.

We then moved to inject new blood and a new stimulus into the mining industry, by initiating an incentive program. This program was specifically tailored to meet the mining needs of northern Saskatchewan, and I can report today that this incentive program has been heartily endorsed by the

mining industry from one end of Canada to the other.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — I think I need go no further than to show the feeling of the mining industry in regards to this incentive program for Saskatchewan than to quote some of the remarks from the magazines, the journals of the mining industry itself, which in essence is the voice of the mining industry.

I want to quote from an editorial in the magazine, Mining in Canada. This is the November issue. The editorial reads:

Incentives in Saskatchewan

The recent announcement by the Saskatchewan Government providing increased assistance to mining companies in development of the northern Precambrian Shield area of the province will be welcomed by all the industry. With expenditures of less than one per cent of the \$35,000,000 spent in this country in exploration last year, Saskatchewan, no doubt, felt it had to offer some startling incentives to create an industry in the rich north.

I won't quote it all, but it goes on:

All of this indicates that Saskatchewan means business, and it is putting its house in order along the lines mining companies have become accustomed to across the country.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — In further reference to the mining incentive programs for northern Saskatchewan, I want to read a bit of the editorial from the Western Miner, published in Vancouver. Speaking of Saskatchewan's incentive program for mining, it has this to say:

The recently announced Saskatchewan program designed to stimulate mining activity in the northern areas of the province reflects constructive, forward looking government policy. The potential of these northern areas is known to be great, but the policies of the previous provincial government offered too little encouragement to attract the investment capital required for exploration.

Then it goes on to observe:

As noted, the principal objective of this legislation is to attract venture capital for the exploration and development of Saskatchewan's mineral resources.

and it winds up by saying:

We congratulate the Saskatchewan government on this new legislation and this constructive approach to the development of mineral resources.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — To date, under the mining incentive program which was enunciated in October at this date of yesterday, thirty mining companies have now committed themselves to an extensive exploration and development program in northern Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — Among these thirty companies are some of the largest mining firms in the world. Something of the scope of this work and activity

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that you will witness in northern Saskatchewan this year can be evidenced by the fact that expenditures and explorations for new mines this year, Mr. Speaker, will be 2,500 per cent greater than it was in 1963. As a result of a new business-like working arrangement between government and industry, Saskatchewan in 1965 will witness further expansion in the Sodium-Sulphate industry, particularly in the Ingebright Lake area. It will witness continuous vigorous and expanding growth in the potash industry. Nineteen sixty-five, Mr. Speaker, will witness Saskatchewan's greatest program of exploration for oil and gas reserves particularly in the deeper horizons.

We will witness in 1965, an extensive exploration and development program in search of metallic minerals throughout northern Saskatchewan. This year Saskatchewan will witness the first attempt to assess the possibilities of oil production from her tarsand deposits. Perhaps what is even more exciting, Mr. Speaker, Saskatchewan, in 1965, will enjoy the distinction of being the first on the North American continent to test the economics of extracting oil from oil shale rock.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — If we are successful in a breakthrough in this tremendous and exciting venture, Saskatchewan will have made available tremendous un-told reserves of oil. The Premier, as Provincial Treasurer, termed the budget a development budget. 1965, Saskatchewan's Jubilee Year, I am sure will be recorded as the year in which Saskatchewan launched her all-out effort to harness her resources for the benefit of her people.

Turning to some of the specific items and votes of the budget, Mr. Speaker, I would like to take a moment to deal with highways. In the matter of highways, you will notice that in this budget every dollar extracted from the motorist in the form of gasoline tax and motor licenses will be spent on the construction of roads.

Portions of this money this year will not be drained off, or siphoned away to support some other programs as it has been customary to do in the past. Not only is the highway budget the greatest in Saskatchewan's history, emphasis has been placed on extension of dust-free surfaces. In this matter of construction of dust-free services, I want to express to the Minister of Highways (Mr. Grant), not only my appreciation, but that of my constituents for the rapidity with which, Sir, you have moved to bring this type of service into rural areas. We, in the constituency of Maple Creek are indeed happy to learn that you saw fit in your first budget to undertake the oiling of no 21 highway from the junction of the trans-Canada to Leader, and from Leader to Shackleton to connect with the oiled portion of no. 32 highway.

You will recall that for sixteen long years I have been pleading for roads for south-west Saskatchewan. My people, Mr. Speaker, are happy today to know that with this government, their voice has been heard. These people for the first time will enjoy something of the amenities that others have enjoyed for so long on their highways and for the first time they feel that they are now treated equal to any and all citizens of Saskatchewan.

I want to turn, Mr. Speaker, to the section of the budget dealing with the allocation of funds to assist in the farm sector of our economy. Turning to the farm sector, this budget reveals that this government is cognizant of the farmers' position in our economy. The budget provisions, supported by the other farm measures recently enacted, reveals in a striking manner the strength of the farm voice in the Liberal party. Today crown lease land is allocated on the basis of need, not on political creed.

Some Hon. Members: — Hear, hear!

Today in Saskatchewan, the farmer and the stockman, are the ones in command of the allocation of crown lands. It is refreshing to note that in this regard the government must answer directly to the farmer and the stockman in its allocation of crown leases. What is of equal significance, this board of ranchers and stockmen is clothed with the power to reverse the decision of a branch of government — in turn the government is obliged to abide by that decision. Over the years, the Liberal party has expressed increasing concern about the number of small farmers who were fast becoming tenants of the state and one of its first actions in assuming office was to put an end to this.

Today, tenants of crown lands are given the opportunity to purchase

the land on terms and conditions that are not onerous to the farmer. This was done, Mr. Speaker, because of this government's belief in the dignity of the individual and its inalienable right to the ownership of property.

Much has been said in this house and beyond, Mr. Speaker, about the cost-price squeeze on the farm sector of the economy. During the past twenty years the former government never failed during a sitting of the house to forward a resolution to Ottawa, condemning it for its sins of omission in this regard. Mr. Speaker, this government believes that one should first clean his own doorstep before he attempts to clean that of his neighbor.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — So, in the first budget, provision was made for the province to do its part in alleviating the cost-price squeeze of the Saskatchewan farmer, and by one stroke in the budget the farmers' operating cost in 1965 will be reduced by approximately \$4,000,000. This has been brought about, Mr. Speaker, by permitting the farmer the use of purple gas in farm trucks, from one-half ton trucks up to and including three ton trucks.

You will note, Mr. Speaker, and I am sure every farmer in the province has noted that this was made effective immediately upon the day in which the budget was tabled in this house. Now, that the farmers today are enjoying purple gas, I think, Mr. Speaker, it would be interesting for them to know how the CCF views this measure. I think the CCF stand on the use of purple gas in farm trucks was clearly expressed the other day by the member from Pelly (Mr. Larson). The member from Pelly in speaking in this debate, said that he opposed the use of purple gas for farmers because, as he put it, "this puts the farmer in a special class". "Putting them on a preferred list" as he termed it. Mr. Speaker, I am sure the farmers of Pelly will be interested to note that the member whom they sent down here, with such a slim majority, looks upon those farmers in the light of "teacher's pet". Farmers who are receiving treatment they do not deserve.

I can recall over the years the criticism of the CCF party in regards to this whole issue of purple gas. The first and foremost question they asked was "Where is the money coming from? What services are you going to rob?" — if you are going to grant this to the farmer. They predicted dire consequences if the farmer was permitted to use purple gas. Why they saw injustice after injustice; they said, "Why, every farm boy will be doing his visiting and his courting in a half-ton truck". The other day a young lady said to me, in talking about this: "Well, I'm not afraid, and I do not think we girls are afraid of the CCF opposition to purple gas, because we know that courting can be just as sweet whether it is done on purple gas or on red gas."

Some Hon. Members: — Hear, hear!

Mr. J.H. Brockelbank (Kelsey): — Has she tried it already?

Mr. Cameron: — No doubt they have. Speaking of these young people, Mr. Speaker, the budget here too, reveals the faith and the confidence this government has placed in the young people of Saskatchewan. It recognizes the important role education must play in preparing our young people to make their contribution to society. This budget, Mr. Speaker, has placed education where it belongs, at the top of the totem pole. More money is allocated to education this year than has ever been allocated in the history of the province.

This budget contemplates financial assistance to education of \$71,600,000, a record never before achieved in this province. You will note that the capital sums required for university expansion over the next five years is a staggering figure. Perhaps some of you noted on T.V. the other evening, and read the press reports of a university official, who has indicated that across Canada, the university population will double in the next five years. He said if we are to cope with this, Canada must undertake a massive construction program of new buildings, and we must do in five years what Canada has been a hundred years doing in the past, and that is equally true of Saskatchewan. Our university population, in all probability, will double in the next five years, the same as the trend across Canada.

Staggering or not as these sums will be to do the job, this province will undertake to see that these needs are met and they will be met, Mr. Speaker, even if we have to go to the money markets of the world to do it.

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We are determined on this side of the house that no child will be denied pursuit of knowledge because of inadequate educational institutions.

I want to turn here to make my observation on another striking feature of the budget. That is in regard to increased pensions for teachers and civil servants. This, I believe again, demonstrates this government's concern for the welfare and the dignity of her citizens. You will note that in this matter, increased pensions to older teachers and public servants were provided for. This is a group of people who have given yeoman service to our province when Saskatchewan was experiencing her most difficult years. These people retired on pensions so low as to deny them, in many cases, even the simplest amenities of life. This budget has given recognition to these people in a practical, tangible form by providing \$300,000 to increase the pensions of these people. We believe that the budget here has reached out to lift these people to a higher plateau from which they too, may enjoy something of the warmth and the sunshine of our buoyant economy.

I could go on through the budget, bringing different items to the attention of this house that show the concern of this government for each type of citizen in Saskatchewan.

You will recall, Mr. Speaker, prior to the session, that a press announcement stated that the new opposition, the former government fresh out of office, would be a vigorous opposition. Opposition members stated to the press their conception of their role as the opposition. They said, "we will support what we think is in the interest of the province. We will oppose what we think is not in the interest of the province."

Now, Mr. Speaker, this debate is drawing to a close. I think it would be appropriate at this time to assess the role played by the opposition in this session.

First, I want to deal with those things which they have opposed as an opposition. What did they oppose, Mr. Speaker? They have opposed foreign capital coming into Canada and particularly into Saskatchewan. They have opposed Canadian capital . . .

Mr. J.H. Brockelbank (Kelsey): — Mr. Speaker, on a point of privilege. He is quoting what the opposition opposed. I want to say to this house that I did not oppose, at any time, foreign capital coming into Saskatchewan.

Mr. Cameron: — I would point out, Mr. Speaker, that the member for Kelsey, (Mr. Brockelbank) may be the Dean of the house, but he is not the CCF party.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — Other members in rising in the debate opposed Canadian capital coming into our mining area. They suggested that this Canadian company's purpose was to fleece the small shareholders, and therefore they warned against people investing in this Canadian company. And along the way somewhere, Mr. Speaker, they took time out to besmirch the good name of the people of a foreign state. They have opposed the incentive program designed to spur the search for new oil and gas reserves. They are critical of the incentive programs for the development of northern Saskatchewan. They expressed fears about the setting up of an Indian and Metis branch, because they said we should integrate rather than segregate and therefore this program would not meet the commitments and the needs of the Indian and Metis people. The remarkable thing was that these words were spoken by a member who should be vitally concerned about these people that are found in his constituency.

Mr. W.J. Berezowsky (Cumberland): — Name the member.

Mr. Cameron: — One is forced to ask, Mr. Speaker, what cause do these people champion? Certainly it is not the cause in industry. Certainly it is not the cause of business and, Mr. Speaker, neither is it the cause of the farmer.

Here too in the farm sector, they opposed exempting of the farmer from the mineral tax. They opposed the use of purple gas in farm trucks. They scoffed at the reduction of the sales tax. They even objected to the University borrowing money to meet its emergency in order to provide the educational opportunities for the influx of university students in the next five years.

What have they been constructive about? What have they favored? What have they supported in this legislature? Either in the budget or in the Throne Speech debate or in any other matter? Mr. Speaker, I ask that question, what have they supported in a constructive manner? One must be led to believe that they have adopted an envious negative approach in this session. They have done so, Mr. Speaker, because they cannot find it in their hearts to forgive the people for having rejected them at the polls last April.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — Mr. Speaker, I would give a word of caution to the opposition. If they are to remain in the main stream of life as a political party in this province, they had better re-assess their attitudes. All the indications of this budget debate, in the throne debate and in all their actions in this legislature have been clear. One must draw the conclusion that the opposition today would prefer to see Saskatchewan wither on the vine rather than flourish under a government other than their own.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — May I assure the opposition that they cannot stem the tidal wave of enthusiasm that is now sweeping this province. Neither, Mr. Speaker, will they stem the interest being generated outside our borders. The whole of Canada and many people on the North American continent are rejoicing with Saskatchewan today. They are rejoicing that Saskatchewan in her Jubilee Year, 1965, will launch her greatest of all undertakings for a full and invigorating development of her resources. She will launch an all-out drive to establish industry and to bring new business to the province to provide a place of employment for her youngsters and her teenagers. In brief, they rejoice with government that in the year 1965, her Jubilee Year, that her people have accepted the challenge to pursue with vigor and enthusiasm the destiny which is hers.

I will oppose the amendment and support the motion.

Some Hon. Members: — Hear, hear!

Mr. M. Breker (Humboldt): — Mr. Speaker, in rising to take part in this debate, I wish to take the opportunity to congratulate you on your high position as Speaker. To be a success as a Speaker, one must possess three characteristics; he must have the patience of Job, the wisdom of Solomon, and he must be a non-smoker.

Some Hon. Members: — Hear, hear!

Mr. Breker: — I hope the opposition has not placed too much emphasis on point number three.

I would also like to congratulate the new as well as the old members of both sides of the house. I offer a special congratulations to the two ladies present and I hope that they exert a steady influence in this house.

Mr. Speaker, I would like to comment on a few utterances by the members from Hanley (Mr. Walker) and The Battlefords (Mr. Kramer). These members referred to government back benchers as "frosh". It is true, Mr. Speaker, we are inexperienced but we are eager to learn and I would like to inform these two members that wisdom does not necessarily come with old age and senility.

Some Hon. Members: — Hear, hear!

Mr. Breker: — I would like to congratulate the member from Kelsey (Mr. Brockelbank) for having impressed his son so favourably, that he is following in his father's footsteps. If he is proud, he is justly proud, because I too, would be proud if I could see one of my four sons seated with me on the floor of this house.

Some Hon. Members: — Hear, hear!

Mr. Breker: — Mr. Speaker, I would like to

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congratulate our Premier, first for being Premier and secondly for bringing down a very favourable budget.

Some Hon. Members: — Hear, hear!

Mr. Breker: — Last, but not least, I would like to offer my sympathies to the member for Kinistino (Mr. Thibault). He had a big CCF supper rally in Humboldt last Saturday. The cancelled it and then eventually they had it, the night before last, and I hear the night before last was just about a blowout also.

Before I comment on the budget itself, I would like to express my thanks to the people of the Humboldt constituency for giving me the opportunity to represent them. In my constituency we do not have potash mines, we do not have oil wells. It is not a haven for fisherman, and we haven't got the most beautiful scenery. We haven't even got the best wheat growing land in this province, but what we have got are people. People that are second to none.

Some Hon. Members: — Hear, hear!

Mr. Breker: — People who are thrifty and hard working, who take extreme pride in their homes and their farmsteads. This I might add is greater than the natural resources that so many of the MLA's boast of.

Now, in the north central area of the province, I believe there are presently two problems. One is the increasing problem of some of our towns in procuring a good and plentiful supply of water. The second problem is the increasing burden of overhead in the agricultural industry. I will deal very briefly with point number one.

In the town of Humboldt, we did at one time, have enough water, poor water, but now however, we don't even have enough poor water. I am surprised that the heavy water plant went to Estevan at the cost of \$46,000,000. I would suggest the government go to the water taps in Humboldt and you can get very heavy water there for less than one cent a gallon. Now, this problem of good water supply is not peculiar only to Humboldt. It is peculiar to many villages and town, and according to the late J.G. Shapher, it is possible to bring water from the Saskatchewan River to this area. I am going to quote a paragraph that he wrote to the editor of the Humboldt Journal. He said:

I investigated the possibility of bringing water from the Saskatchewan River at a point approximately west of Wakaw and piping it to the major urban centres in the area.

My proposal is that one common treatment plant could be provided at or near the source and that the water be treated and softened. I find that it is possible to take water from the river, west of Wakaw and pump it up to a short distance east of Humboldt. That point is Muenster and from that point, the water will flow by gravity to Watson, Wadena, northerly to Melfort, Star City, Tisdale, Kinistino, and southerly to Lanigan, to Watrous, etc. I estimate the cost to serve the towns of Wakaw, Cudworth, Bruno, Humboldt, Melfort, Star City, Tisdale, Kinistino, Watson, Quill Lake, Wadena and Naicam at approximately nine to ten million dollars.

Mr. Speaker, I envision in the future the sale of water just as the same as we today sell power and gas. I hope that the present government through the agency of the Saskatchewan Water Commission will find this project feasible.

Mr. Speaker, some sixty years ago, this province was formed and as we sit here today, so did the members of yesterday, and I am sure there was a difference in ideas and opinions as we find today, between government members and members of the opposition. Nevertheless, the government of those days must have had the province's welfare at heart as we all here do today. Their differences became secondary, and their main intention was to build a province that was strong, a province that was free and a province that was prosperous. I am sure they asked, "What can we do for our province,

whether it is politically wise or not. The province's welfare comes first and foremost. Our political lives are only incidental." As we convene here in 1965, I hope we can regain that atmosphere that must have prevailed in 1905. Being new material in this legislature, you can be sure, I will lend a sympathetic ear to any legislation that might benefit the province, whether it comes from the government side of the house, or whether it comes from the opposition side of this house.

I can assure you, I will support any legislation that will further the agricultural industry in this province. In the past few years, there was a tendency to belittle the role that agriculture played in this province and in Canada, but following a year of unprecedented prosperity, in which agriculture played a large part, the Canadian economy has entered 1965 in a very strong position. Agriculture as a whole has prospered too, but there is a difference. In the first place, no small portion of the improvement in western Canadian agriculture, in recent months, has been directly associated with the improved marketing and export opportunities that have stemmed from immense sales of wheat and other grains to countries which normally cannot be considered consumers of Canadian farm products.

The immediate export outlook for wheat is still encouraging, but as the minister of Trade and Commerce recently reminded us, the world has never and will never come begging for our wheat. Our wheat has to be sold and this means continuing effort on the part of all concerned with the merchandising of it.

In the second place, while the most recent income figures for the industry are quite impressive, they do not reveal the full story. Agriculture is still faced with the problems on many of the smaller low income farms which have as yet been unable to adjust to an economic scale of operation that will bring them adequate returns. Given a measure of the right kind of help, which will enable them to help themselves, many of these farms should have a good chance for survival as income yielding enterprises. There are limitations however, to what governments can do to bring about the necessary adjustments. Aided by improved farming techniques, more and better mechanization, the wider use of fertilizer, western Canada now has the capacity to produce more efficiently and at an increased tempo. Without a doubt, it has been this increased efficiency of production on our western farms which has enabled agriculture to survive in the face of increasing costs and services.

The Dominion Bureau of Statistics states that the farmers' cost of living and services used by the prairie farmer, now stands at 280. I won't elaborate on this, but this means that the farmer received at the average country elevator, 46.8 cents a bushel for his wheat. Today, Mr. Speaker, the farmer once again faces smaller export quotas and drastically diminishing prices for wheat.

Mr. Speaker, it is true, the provincial government can do only very limited things to cure the ills of the agricultural industry. We can do little to improve export quotas, or wheat prices. We can do nothing for the removal of tariffs. We cannot help the farmer to buy the goods that he needs on a market that is free of tariffs and free of embargos and here is the problem. The farmer cannot buy the things he needs on an unprotected market, but he himself is forced to sell his produce on a protected market. Too often we hear the expression, "the belly-aching farmer". I will tell the members of this house, just lower the tariffs on the articles the farmer buys and he will stop talking about two price system, wheat acreage payments, and subsidies.

Some Hon. Members: — Hear, hear!

Mr. Breker: — Farmers are the only group in the world that cannot form a union that has any teeth, and the only group in the world that is continually asked to tighten its belt, and tighten its belt it does. But fellow members, I believe there is a time and the time is just about here, when there are no more holes in that belt. Have our carpenters taken lower wages recently? Or the plumbers? Or the businessmen? Or the professions? The farmer is at the mercy of every union. He is at the mercy of the elements. He is at the mercy of the law of supply and demand. Too often we play political games at the farmer's expense and the farmer becomes a pawn in the hands of politicians.

Some Hon. Members: — Hear, hear!

Mr. Breker: — I think it is time Saskatchewan

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politicians say "the farmer can no longer tighten his belt", and ask for some kind of subsidy, perhaps even demand some kind of subsidy, some kind of acreage payment or some type of two price system.

Some Hon. Members: — Hear, hear!

Mr. Breker: — They are not asking any more than their share and because the farmers are unorganized, because they are such individualists, because the farmer has no means of strike action, he is, as I mentioned before, at the mercy of every union, at the mercy of every condition, at the mercy of the world markets and we as politicians, often realize this and we sit back and give the farmers stories of too much money, stories of how complex a two price system would be and of bankrupt treasuries.

Too few men in our federal parliament and I will say too few men in our provincial government, are willing to defend the rights and the just demands of our farmers.

It is estimated that the provincial government will spend \$6,000,000 on agriculture this year which I have said before, produced the largest export commodity in all of Canada, not even second to newsprint, this year. I speak this way because in my constituency, agriculture is the only industry. In the Humboldt constituency, we are either dependent on the farmer or farm for our livelihood.

We all hail the potash industry here in Saskatchewan, but I venture to say, one crop failure, as the Liberal government was threatened with last summer, would dwarf the benefits coming from the potash mines. I strongly urge the provincial government, to again next, increase the budget of the Department of Agriculture, and I will energetically support any legislation that may aid our farmers in their plight.

I wholeheartedly support the use of purple gas in farm trucks. True, the use of purple gas in farm trucks is more of a convenience than it is of a life giving substance, nevertheless it will be of some financial help.

Secondly, Mr. Speaker, we hear much about the abolishing of the mineral tax and I will here support this legislation. I would, however, like to inform our farmer friends that should they have incurred a debt because of non-payment on the taxes in previous years, this debt is not abolished.

Thirdly, Mr. Speaker, we hear much about the construction of hog breeding stations. In the constituency of Humboldt, I report that in 1961, the statistics showed that we had in the R.M. of St. Peters, 12,700 hogs and in the municipalities of Humboldt, we had 8,700 and in the municipalities of Lake Lenore we had 6,300, this is a bit less but that municipality is half lake. Mr. Speaker, I represent a good portion of a block of four municipalities in which many farmers have many hogs, and as a matter of fact, the R.M. of St. Peters had more hogs in 1961 than any other municipality. I point this information out to you because if and when a hog breeding station becomes a reality, it should be located in an area where hogs are produced and where hog growers themselves can make use of such a station.

I would also like to suggest that the station be located in a town that has highways and railroads, and the ideal location for this breeding station in the centre of this high population of hogs, would be in Humboldt.

Some Hon. Members: — Hear, hear!

Mr. Breker: — I know of no other member who can boast of such statistics whether on the opposition side or on the government side of the house. We all realize that Canadian farmers are having trouble marketing their hogs, but I can assure you, if the carcasses were of a better grade, we could have better prices with no extra costs at producing such a hog.

Mr. Speaker, I comment only on the budget as far as agriculture is concerned and I would like to say that I am pleased with the increased spending of the government in the Department of Agriculture.

Mr. Speaker, you will notice I did not expound on the great deeds of the Liberal government prior to 1928, nor on the dirty thirties, nor on the P.C.'s Anderson government. I did not criticize the activity of the

former CCF government. I will however, stake my political life as much as it is worthy, not on past history but on the past nine months of the Liberal government and on the future three of this new Liberal government.

Some Hon. Members: — Hear, hear!

Mr. Breker: — Mr. Speaker, I intend to support the motion but not the sub-amendment nor the amendment.

Some Hon. Members: — Hear, hear!

Mr. E.I. Wood (Swift Current): — Mr. Speaker, in rising to take part in this budget debate, I would like to first compliment the members of the house who have been returned to this assembly. I would especially like to compliment and congratulate the new members who are here for the first time. Some of the new members opposite may not be here too long, but I would like to wish them an enjoyable time while they are here and a profitable one, in that they may find satisfaction in being of service to those who have elected them.

It has been apparent, Mr. Speaker, from some of the remarks that have been made on the opposite side from time to time, that they do not consider that some of us on this side of the house who represent cities, also represent farmers.

I am extremely proud of being the representative in this legislature of the fair city of Swift Current. Swift Current is the fifth city in the province. It is the hub of the great south west and the helium capital of the world.

Some Hon. Members: — Hear, hear!

Mr. Wood: — I would like to say, Mr. Speaker, the CCF won the city by what was for this election, a good, solid majority. But besides representing the city, Mr. Speaker, I also represent two good size towns and six villages and three complete rural municipalities and a substantial part of six more. In this last election, I would like to point out that our majority in the Swift Current constituency, in the rural part of that constituency, was larger both in numbers and as a percentage of the total vote, than what we had obtained in the city of Swift Current. For practically all my life, I have been engaged in farming and I submit, Mr. Speaker, that my credentials to speak for farmers is just as good as any member of this house.

Some Hon. Members: — Hear, hear!

Mr. Wood: — In doing so, I would like to bring a matter to the attention of the Minister of Agriculture, (Mr. McDonald). In calling on the rural municipal councils in my area last fall, the first I visited drew my attention to the fact that quite a few of their rate-payers had had to ship in feed for their livestock. However, when the secretary of that municipality had contacted the Department of Agriculture, concerning the possibility of obtaining some assistance on the freight off this feed that was being shipped in, he was told that the only assistance on freight that was given was north of the South Saskatchewan River. This was told to me when I called on the municipality and I proceeded to contact other municipalities in the area and I found that some of them felt that they did not have a problem. But there was a block of three municipalities there which, that is of the number that I contacted, who said that there were a number of farmers in the area who had had to ship in feed, and they had been told by the secretary that they lived on the wrong side of the river. Well, I wrote to the Minister of Agriculture (Mr. McDonald) about this but to date I have not received a reply. Now, the farmers in my area have paid taxes through the years just as well as the farmers on the other side . . .

Hon. A.H. McDonald (Minister of Agriculture): — On a point of order, if the hon. member wrote to me, the letter certainly has never been received. Any letter that I have received from any member of this house or from anyone in Saskatchewan has been replied to.

Mr. Wood: — I am sorry about this, Mr. Speaker.

Mr. McDonald: — So am I.

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Mr. Wood: — I can assure him just as heartily, that the letter was mailed.

Mr. McDonald (Moosomin): — It was never received.

Mr. Wood: — I am very sure of this and it will lie with the mail service as to what happened to this letter. I am certain that I did write to the Minister in this regard.

Our farmers in this area have paid taxes as well as others in Saskatchewan, and when they find themselves with a short crop and in need of having feed shipped in, the fact that they live south of the Saskatchewan River should not have any bearing whatsoever on the subject. This may be one way in which the Saskatchewan government, last summer, saved some money. But it was a long, hard, cold winter and it has been hard on stock. Because of the fact that freight assistance was not made available to the stockmen in that area, it will undoubtedly mean that feed will be a little shorter, in many cases, than what it would have been otherwise.

I submit, Mr. Speaker, that it is not yet too late to do something about this. It is still possible to partially correct this injustice. The winter is not yet over. It may drag on for some time yet and there still may be some feed available. Payment, in fact, could be made in regard to shipments that have been brought in. I sincerely request the minister to give some heed to this situation in our area.

I have also had some experience in municipal work and look with some concern upon recommendation three on page fifty of the Royal Commission Report on government administration. I quote:

That the government requires rural municipalities to contract all construction for any future expansion of the grid road program or alternately offer an incentive in the system of grants to encourage the use of contractors.

In other words, Mr. Speaker, they are recommending here that the rural municipalities be required or compelled to use contractors or else as load the grant system that it will be unprofitable for them to do otherwise.

When I was Minister in charge of municipal road assistance authority, we did advise the municipalities to contract their work and have it done, when the yardage rates were so low that it would not pay them to purchase expensive equipment of their own. But there are many things to be considered in this matter and many municipalities have found that it paid them to have their own machinery at their disposal when they wished it, and their overall costs were lower than they would have been if they had contracted their grid construction.

Municipal people, I believe, are quite broadminded and I think that they will be faintly amused at this recommendation which has been brought in by a lawyer, a professor, and a plumber, telling them how they have to run their business.

Now, turning to the budget, I note, as already has been stated, that this budget has only been made possible because of the prosperity of this province, which has been built up under successive years of CCF administration.

Some aspects of this budget will be looked upon with favor; such as the reduction of taxes, the stepped-up highway program, and the providing of more funds for the Indian and Metis. This last one, especially, Mr. Speaker, is one with which I certainly have no quarrel. But it is a long while since I believed in Santa Claus and anything that you are going to have in this budget, along the line of tax reduction and other things, you are going to pay for. I submit, that the cost in this case, has been sufficiently high.

The first thing we have is the ten per cent tax on tobacco, which we are told will yield something over \$2,000,000 extra to what it would have otherwise. Personally, I do not smoke and this will possibly not mean too much to me, as a person, but for that section of the public that does smoke, this will be a very noticeable item. This is one of the costs that they will have to pay for the things that are brought out in this budget.

We have the \$5,000,000 expense of the \$20 per household raise on

medical care and hospitalization. When the CCF government found themselves in a position where they were able to do so, they lowered this tax, which was borne equally by all and weighed most heavily on those who were the least able to pay. This government has put the tax back on again, in favor of a reduction in sales tax, which gives the most help to those who spend the most.

Mr. Speaker, the Premier was speaking the other day about how this was going to help old age pensioners and it has been pointed out already that there are not very many old age pensioners, who have \$2,000 to spend on taxable items. I would also like to point out that this same thing is true with regard to the Metis people whom we are so anxious to help. These Metis people are going to have to pay their \$20 extra, the medical care and hospitalization,, just the same as everybody else and they are not going to get this money back by any one per cent reduction in the sales tax.

The other cost they have is the \$2,000,000 which was allocated last year for technical schools, but which was saved by this government when the schools were not built. They have, in this budget this year, \$1,000,000 instead. This cut back, the not spending of the \$2,000,000 last year and the cutting back of the proposal to \$1,000,000 this year, I think, is especially reprehensible at a time when there was never in the history of this country a time when technical education was of more importance to our young people.

Then there is the matter of borrowing \$7,000,000 for capital construction for the universities. This is more, Mr. Speaker, than has been borrowed for university buildings or all of our province buildings, put together over the last twenty years, by the CCF. This is now being borrowed at a time when the government is so affluent that they feel they are able to afford tax reductions. The hon. member for Maple Creek (Mr. Cameron) who has just sat down, said that they were prepared to provide facilities for the universities for the young people even if they have to go to the money markets to do it. I can certainly agree with him on this. But he could, just as easily have said, Mr. Speaker, that they are prepared to fulfil their political promises in regard to tax reductions, even if they have to go to the money markets in order to do it.

Another cost that you have is that of the medical care program for which the money is so cut-back it will be necessary to use up the possible \$5,000,000 reserve of \$5,000,000 for emergencies.

There are many other cuts in programs which the hon. member from Hanley (Mr. Walker) and other members have mentioned in this house. But I would like to look for a few minutes at the Department of Municipal Affairs but I am afraid my time is a little shorter than I would like to have had otherwise. I find that the amount voted for municipal affairs is down by some \$270,000. This, Mr. Speaker, can be readily explained by the fact that some \$211,000 was taken out of the budget for community development which has been transferred to the Department of Natural Resources.

I also see that the municipal works incentive program has been increased from \$3,000,000 to \$3,300,000 — an increase of \$300,000. Of course, the amount that the province had to put up in this is \$100,000. This is the program to which the province necessarily must contribute because it is tied to the federal program in this regard.

So whereas the budget is very close to being the same as it was last year, considering the community development program has been changed to another department, the fact that it is up by \$100,000. This means that the program of winter works is cut-back to quite an extent. One of these is community planning which has been reduced by some \$8,200.

Community planning is something that we have found to be in great demand, especially in the urban municipalities. They are not going to be happy about this reduction and neither are the municipalities going to be happy about the \$11,000 cut in municipal auditing, accounting and inspection services. Our municipal advisers have been in great demand, especially in the rural municipalities and villages and they are not going to be happy at this vote being cut back.

Municipal assessment, I see, has been cut by nearly \$14,000. The number of staff is retained the same and the salary for these men has gone up slightly. But the amount for travelling expenses and getting about the province has been cut back by approximately \$14,000. This is going to mean that while we still have the same men on staff, they are not going to be of

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as much use to the municipalities of the province if they cannot get out and travel and do the work for which they are appointed.

But as Mark Anthony would have said, "The most unkindest cut of all," Mr. Speaker, is in regard to the Municipal Road Assistance Authority. I notice here that it is cut back to \$4,238,000 or \$100,000 less than what we provided last year.

Looking back through the last seven years since the construction of the grid road system was well underway, we have paid an average of \$4,814,000 to the municipalities each year in this vote. This vote will now be \$600,000 less than what it has been over the average of the last seven years. Of course, it can be said that we might be able to bring in some supplementary expenditures later on this, but the operative word here is "maybe".

This budget is fairly optimistic. In other words, the expected revenues, it seems to me, are stretched rather thinly and it is entirely possible, Mr. Speaker, that this amount that is set forth in the budget is going to be some \$600,000 less than what the municipalities have been receiving over the years in this regard.

We also note that the loans for construction of grid roads have been cut from some \$2,000,000 last year to only \$500,000 this year. There is much more I would like to say about this budget but my time has run out. I maintain, Mr. Speaker, that the costs far out-weigh the benefits. While I will support the sub-amendment and the amendment, I will not support the motion.

Some Hon. Members: — Hear, hear!

Mr. McDonald (Moosomin): — Will the member permit a question? Have you notice in the supplementary estimate that there is an item in it for grid roads that is \$500,000 over and above what you voted?

Mr. Wood: — This is money that has been raised in our budget last year, although it was spent by you people. It was raised by our system of taxation and that was taken into consideration in my figures.

Mr. McDonald (Moosomin): — It was paid by this government and was no provision by the previous government.

Mr. H.H.P. Baker (Regina East): — As I rise, the second time in this house, I would like to extend a very warm welcome to our radio audience who are listening to these broadcasts coming from their capital city. We invite you all to visit with us and spend some time with us in this fine edifice, your legislature — our legislative and democratic institution, enlarging and building on the freedoms we enjoy. We invite you to the queen city of the plains; a city of fine sights, of beauty and culture and a place where the women cook and serve the best food; the heart of the great wheat lands; the centre of inland Canada; and also the "home of the mounties". This is Regina, your capital city.

Mr. Speaker, the only good thing that I honestly believe has come out of this session so far, is my fourteen-point blueprint for progress. It will probably become the basis for Regina's new CCF manifesto. The hon. Minister of Highways (Mr. Grant), termed it, the "fourteen-point blueplate special". I say, it is aptly named, when you think of the hash and rehash that has been dished out here this past month.

Mr. Speaker: — Order. I am afraid the hon. member is referring to a debate that is already . . .

Mr. Baker: — Yes, I will be moving into that. How little the people of Saskatchewan get here from so many, particularly when you continually have to listen to petty issues being debated, including lawyers duels and legal ramifications. Our council does more in two meetings than what has been done here in the past thirty to forty days. Let us get down to business and bring in and pass legislation that will help our province to continue to make progress.

Mr. Speaker, I had hoped to see a realistic budget presented to

this house for the fiscal year 1965-66. To my dissatisfaction, to the dissatisfaction of the citizens of Regina, and to the dissatisfaction of the whole of Saskatchewan, we have been presented with a budget not true to the headlines of the \$12,000,000 tax cut. It could more truthfully be classified as an unproductive budget, or as a heartless budget, or in some other fashion.

Mr. Speaker, borrowing for current expenditures has been incorporated in this budget. There are three generally accepted theories to support capital borrowing. The first holds that since the benefits from the capital expenditures will be enjoyed by future generations, it is appropriate to borrow for capital expenditures such as for public buildings.

The second is the cost benefit view which holds that you borrow to supply a service to a specific group and this specific group is taxed for that purpose. The most common example of this type is for local improvements such as sidewalks and streets utilized in municipal government.

The third and most common view, is the social return where you borrow to obtain an economic return such as borrowing for a crown corporation.

This budget in no way helps the plight of the farmers. You ask why an urban or city member, like myself keeps prodding to keep agriculture strong. You and I know that agriculture is a primary industry of this province. If the farming industry is kept buoyant, our family farms will be strengthened and not disappear from our economy. Tax-free purple gas is being permitted for use in a class of farm trucks. Not all farmers have trucks. It has been indicated that the rural municipal councillors and reeves are desirous of continuing the gas tax and having the funds so derived, turned back to the municipality for the building and maintaining of roads, snow removal and other municipal purposes.

Perhaps farmers would have appreciated a tax cut on their farm lands and homes to the extent of \$75 per year instead. And then everyone would have received a subsidy. If the tax exemption is preferred by the farmers, I as a city member, will support that part of the budget. I am sure the good farmers of this province would not wish to accept the use of tax-free purple gas at the expense of some needy charwomen losing their jobs or some poor widow or her children getting less aid.

Hon. L.P. Coderre (Minister of Labour): — Name one.

Mr. Baker: — They do not want that on their conscience, but the government of the day will have to accept that responsibility. This budget does not contain the answer to agriculture. Wheat prices are dropping. Cattle and hog prices are at a disgracefully low ebb. The dairy industry is being pushed out of existence. Egg and poultry prices are declining. What is really needed and what this budget does not contain, is more money to provide for orderly marketing of all livestock and livestock products, with minimum and sensibly fixed prices so that the farmer knows what he will get before he starts raising these domestic animals.

As wheat is a key to our western agriculture, a guaranteed fixed price must be advocated and set. The first 2,000 bushels to be sold at \$2.75 a bushel clear, is the answer to the family farm, and the security of the wheat farmer, and the answer to keeping our provincial economy buoyant.

Mr. Coderre: — Are you seeking the leadership?

Mr. Baker: — In agriculture, this government is boasting of the fact that the budget includes \$5,700,000 for agricultural capital programs — almost \$1,000,000 above this year's appropriation. The current figures for agriculture are over \$670,000 less than the prior fiscal year. The total of the expenditures for agricultural purposes, including the 1964-65 estimates for capital, is a decrease of some \$88,000. The farmers of this province should take note of this action by the present government.

The Budget Speech indicates that this government will continue many existing programs, including the ag. rep. service. Are they really maintaining this service? I often wonder. On page 8, you show the reduction in the number of field positions from 94 to 87. Some of the province is bound to suffer from the decreased service being supplied. I was pleased to note the Family Farm Improvement Program is to be continued. We need

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improvements for the welfare of our farmers, if Saskatchewan is to continue its expansion. The welfare of our farmers must be increased by providing sewer and water and other services, which are so urgently needed.

Regina's industrial and commercial growth over the past years, since I have had the privilege of being mayor, has been outstanding. The government across the way is going to strangle the cities by not providing sufficient grants and by letting a few take over the resources of this province, without giving our people a proper return. I hope the government will not place our children and our children's children, into a state of poverty in the midst of plenty.

Private investment is entitled to a fair return let us not let our public utilities like power, gas, telephones, slip out of our control. Let us not sell our crown companies such as our sodium sulphate plant at Chaplin which gave us a surplus of some \$795,000 last year. Let us not dispose of Saskair. Let us keep our ambulance service. We must keep the Power Corporation, the Saskatchewan Telephone System, the brick plant and the Wisewood plant. They create employment and they have been a credit to this province.

Some Hon. Members: — Hear, hear!

Mr. Baker: — Mr. Speaker, I must stress most emphatically, my great disappointment in not seeing a planned program for our youth, which, as I recall, was the main theme song during last spring's election. I expected to see in the budget, with glaring headlines, a new deal for our youth. Much to their sorrow and the sorrow of their parents, they will only be receiving a youth agency, which actually has been in practice over the years, in the Department of Education.

Mr. Speaker, the supplementary estimates placed before this house, total some \$13,000,000. Was this money all needed in the year 1965-65? The government has allocated \$1,500,000 for the auditorium in Regina and Saskatoon. At this time, I wish to point out that the government has not recently met with the two cities to discuss and finalize the financing. It is doubtful that agreement can be reached on or before March 31st or shortly thereafter. This leads me to ask a question. Has all this money been paid out or will it be paid out before the end of the fiscal year? I suggest, Mr. Speaker, that the hon. Treasurer had surplus of close to \$19,000,000 and has attempted to cut that surplus to \$5,500,000. I would remind this assembly that the \$2,500,000 Centennial grant from the federal government to the province, truly belongs to the city of Regina. The former government was prepared to subsidize this grant so that the province could secure two auditoriums; one for southern Saskatchewan in Regina; and one for the north in Saskatoon.

These cities proceeded with plans on the assumption that the government of the day would honor the prior government's commitments. The working drawings for the two auditoriums are being prepared and will be ready shortly. Where is the money to come from? As it seems at the moment, the city of Regina will not even get its total grant, let alone a red cent from this government.

The \$2,500,000 given by the federal government was earmarked for each capital city across this country. We have not even received that as yet. Yes, Mr. Premier, we want this \$2,500,000 from Ottawa and we hope you will substantially match it for our auditorium. The government of Alberta built two auditoriums at no cost to the cities and they are covering the deficits.

I was amazed that the remarks of the minister of Highways (Mr. Grant) did not make mention as to what should be done for Regina's auditorium which, by the way, is going to be built in his constituency. I expected to see a headline like this, "Grant seeks greater auditorium grant for Regina". But no such comments.

Some Hon. Members: — Hear, hear!

Mr. Baker: — The hon. member is going to have to come out in the open on this one before I get through with him. The hon. member is perhaps not glued to his seat but when it comes to speaking for the Regina's auditorium his lips have certainly been glued. I wonder how the Premier of this province will feel when he participates in the official opening of our Regina Centennial auditorium on July 1st, 1967, if he doesn't give us a matching

grant, over and above the \$2,000,000 given to all capital cities across Canada. This government should support, and must support, culture in the Centennial year, and there is no more worthy a project for our province than the two auditoriums.

Mr. Speaker, following the estimates in the order they are given in this blue book, I would suggest numerous areas where the government could change its thinking. I must point out to the members of this assembly, that fifty per cent of the patient days in the Regina General Hospital are used by people who come to Regina for hospitalisation. Regina has two hospitals. Saskatoon has two hospitals in addition to the University Hospital. You have heard during the sitting of this legislature, of the shortage of hospital beds. I receive calls continually relative to the shortage of beds in Regina. It is pathetic to hear some of the facts that come to light.

I was seriously disturbed to see only \$100,000 allocated for the south Saskatchewan base hospital in Regina. A University hospital is required and required now, in this city.

Some Hon. Members: — Hear, hear!

Mr. Baker: — The province has taken over care and rightly so. The government should and must do its duty to the citizens of southern Saskatchewan by commencing this year to build a base hospital in our city and assume the full cost.

It will be noted that government estimates for social welfare will be \$13,406,000 in the next fiscal year. The estimate for the prior year was \$12,912,000. This government is providing an increase of slightly less than \$500,000. I ask, what is in the offing? The three cities have already been asked to reduce the rates for food allowance for larger families. These rates are too low at the present time. The cost of rent and clothing has been on the increase, so that an increase in these allowances is urgently needed. What is this government doing to cover this increase? It appears from the \$500,000 added that there must be further reductions coming. If the basic rates do decrease, the unfortunate citizens, many of whom have no choice in the matter, are going to have insufficient food. They will not be able to pay their rent and to dress properly. They will not be able to take a job if one could be located.

Mr. Speaker the Minister of Social Welfare and Rehabilitation (Mr. Boldt) and the hon. Premier, are entirely on the wrong track. I suggest that they open their office doors so that many of the unfortunate cases can come in and tell their stories. I assure you, they would quickly change their minds and I suggest that the government of the day review immediately their rates with the idea of increasing them to a realistic standard.

With reference to the request of the reductions by this government, for decreased aid to larger families, my calculations indicate a saving to the government in the Regina area of something like \$10,000 a year. For such a small amount of money, you are putting the recipients of aid into utter poverty.

This government had indicated to the administration of our city that they are going to share in the cost of administration of social aid. I searched this Budget Speech to see where this was being put into effect, but I searched in vain. I have concluded that this sharing of administration costs is not forthcoming and thus the property owner must again bear the total cost of such administration. I feel my deduction is right because, if this government had decided to share in the administration costs, I am sure it would have shouted it from the Rosthern and Morse rooftops.

Mr. Speaker, it is interesting to note that according to the positions listed in the estimates, a reduction in staff amounts to 304 for the year 1965-66. This government apparently has seen fit to reduce the services. I predict, however, that in many cases, the services have been reduced to an undesirably low level. In particular, I refer to the Saskatchewan Hospitals at North Battleford and Weyburn. This government expects the already over-worked staff to carry out the same work and likely carry an even heavier load with some twenty less employees in each of the two hospitals. The citizens of this province will without doubt, suffer from this lack of service. The 304 less positions will probably appear to save this government \$1,500,000, but will it? I am of the opinion that this is an unwise economy on the part of this government. If we were today to pinpoint the decreased benefits as contained in this budget for the citizens of Regina. I am sure they would be most vocal in their criticism. The treatment afforded

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the citizens of Regina, relative to the financing of the auditorium, the lack of a hospital, the meagre school grants, the non-existent conditional grants for municipal purposes such as roads, administration of social aid, are just some of the items worthy of not.

Mr. Speaker, the government seems to be proud of its highways and transportation program. I would point out, however, that this government is not spending the \$38,000,000 received from gasoline tax and motor vehicle license fees on our highways. Furthermore, I would point out that the revenue received from gasoline tax and motor vehicle license fees does not one hundred per cent belong to this provincial government. Do you realize that it is estimated the citizens of Regina, driving on our streets here in the city, contribute more than \$2,500,000 a year to the province by way of gasoline tax and motor vehicle license fees. This government has not indicated any increased grants to the cities and other municipalities and the policy as I understand it, is that this government will contribute fifty per cent on the construction of highway connectors and arterial streets and nothing on maintenance.

It is the property taxpayer who foots the bill for the construction and maintenance of these streets, and the funds derived from their use go into the Provincial treasury. This situation must be altered. The city requires a grant much larger than that proposed for the construction and a similar grant for the maintenance. Let us correct this unfair load on the property taxpayer. Regina this year will probably get less in the total program than last year.

Mr. Speaker, this province is not made up of completely rural municipalities. It is a fact that over one-third of our population live in the larger cities of this province. It is estimated by the majority of the economists that, within ten years, one-half the population will live within the cities of Regina, and of course, the less important city to the north, Saskatoon. Despite this situation, there is no provision in the Department of Municipal Affairs, for a division commonly known as urban affairs which is being recognized across this country. The cities do have problems and I am sure the government members realize this. In fact, you are adding problems to the cities by not increasing municipal or educational grants, and forcing the property taxpayer to contribute a greater sum annually for these purposes.

It is noted that this government has increased the grants for regional parks. This is good. I would point out to the minister of Natural Resources (Mr. Cuelenaere) that the city of Regina has been attempting for some time to obtain a grant for regional parks at Boggy Creek, just east of the city. If he would even give us a "yes" or "no", we would know where to turn. To date, we have received neither.

Annually the council of the city of Regina has approached the minister of Public Health (Mr. Steuart) for increased health grants. We were successful in increasing this grant over the past two years and I believe we did justify to the Minister the need for a further grant.

The cities of Regina and Saskatoon receive a grant of seventy-five cents per capita. The balance of the cost falls on the property taxpayer. In the health regions of this province, the municipality pays only fifty cents per capita and the province takes over the balance. The cost per capita in both the cities and the health regions, averages just under two dollars and fifty cents. You will note that the citizens of Regina pay about one dollar and seventy-three cents per capita whereas the citizens of the rural municipality pay only fifty cents. This is an unjust arrangement. The citizens of the cities deserve a better deal and I think it should be forthcoming during this current fiscal year.

I wish to emphasize my dissatisfaction in regard to borrowing for education. It is regrettable to note decreased expenditures for school libraries and for continuing education. The most important however, is the lack of increase in school grants. Education is now taking over fifty per cent of the mill rate of the municipalities at all levels, and with no increased grants and with an increased school population, this means the municipalities must absorb a larger load.

Municipal officials do not favor increased property taxes, and therefore, must cut other services such as police, fire, and similar direct services within their respective areas. The property taxpayer cannot continue to provide the costs of education and all the other necessary municipal expenditures. Education is a continuous process and in a growing economy this process will continue to increase. The educational system must expand

with the cost. It is an expenditure of the province government that should be financed from a pay-as-you-go basis. If this government continues to borrow for education, the burden on future generations will be unbearable. To place the cost on future generations places the load on our children but it is our duty today to finance for their education.

In my position, I come in contact with many young people looking for work. These youngsters do not all have high school education, not entirely due to their own fault. They would welcome a chance to attend a technical school and learn a trade, and many of them are trying to get the finances together to do so. I am certain the majority of these young people could attain the education required to fill or lack of technical staff. Technical positions for the most part could be filled from the citizens in Saskatchewan, and it would not be necessary to go to fields far removed.

Mr. Speaker, the hon. Premier truly believes that he has done a great service to the province with his changes in the tax structure, valued by himself at some \$12,000,000. I suggest that this government could have used this money more effectively for the welfare of the citizens of the province government and now by the municipalities and property owners as a result of this budget, could be better spent.

This is what could be done. Additional unconditional capital grants to municipalities and education grants to the various school boards with greater emphasis placed on technical education. It could be better spent on increase pensions, social aid and mother's allowances, all of which are urgently needed. Some of these funds could be used for the elimination of medical care payments which I have advocated to be taken off by April 1st, 1966. Funds could be allocated to commence a continuous income pay plan to province wage earners and all Saskatchewan people with seventy per cent of normal income if they become unable to work. Additional capital grants could have been made to the cities, towns, villages and rural municipalities for the construction and maintenance of roads. To be more specific, this government should pay the total cost of construction and maintenance of all our arterial roads running through urban centres, as well as grid roads in all municipalities. It could have made a payment to property owners over the age of sixty-five to the amount of \$150 a year as a property tax concession and a payment of \$120 annually to renters over the age of sixty-five. It could provide funds for the elimination of substandard housing, for the development of new housing, and for the re-development of lands for commercial and industrial activities within the built up areas of our cities. It is obvious that the budget does not include the recommendations I made dealing with fiscal policy, in my fourteen points.

In my remarks today, I have outlined to this assembly some of the immediate needs for the municipalities, for agriculture, for education, for tax concessions, and for the security of our people as a whole.

Mr. Speaker, until my recommendations have been duly considered and for the most part acted upon, I cannot honestly support this unproductive and heartless budget and therefore I must support the sub-amendment and the amendment. Thank you very much.

Some Hon. Members: — Hear, hear!

Hon. L.P. Coderre: — Mr. Speaker, in rising to take part in this debate, I feel that there are some questions that should be answered. This afternoon the hon. member from Regina East (Mr. Baker) — the member who has not been in his seat too often — passed a remark that the Premier was not in his seat. I was rather surprised to hear this particular remark from that particular gentleman. I was just wondering what the hon. member from Regina East is doing. I sometimes wonder if he is trying to build up strength for a dual leadership. Of course, I do not know if he has taken advantage of the illness of the Leader of the Opposition (Mr. Lloyd) but he was really building up a real good picture seeking the leadership of the party opposite and he uses the . . .

Mr. Brockelbank (Kelsey): — We are not short of leaders.

Mr. Coderre: — . . . famous old whipping horse, the charwomen. The party opposite has been using the dear old charwomen as a wonderful whipping horse from time to time. I would like to draw the attention of the hon. member that not one of these charwomen have been fired. They are all working, most of them at better jobs, and at better pay than they were receiving when they were working in the legislative buildings.

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Some Hon. Members: — Hear, hear!

Mr. Coderre: — Some have been placed in the new telephone building and some are still working in this building for the time being. In no case will any of them be laid off because of this change in government policy.

I just wonder whom the hon. member thinks he is trying to fool. He said that many reeves and many farmers do not want purple gas. He seems to be confined to his own little kingdom here. He should take a little trip to the country and find out what the farmers really think of it. Actually they think it is a wonderful thing because it reduces the cost of production.

The other day, the other hon. member for Regina East (Mr. Smishek) made some comments in regard to the Women's Bureau. I must agree with him that it is not in the estimates as the Women's Bureau as such. It may not be entered into the estimates under the item of Women's Bureau — although women as such, we do not have to have all the fanfare and the publicity and the bug noise that the previous administration did when they established it last year. The NDP have a habit of using whatever they do to make a big announcement and big wind about it. There are provisions in the budget for the establishment of a supervisor of women under the labor standards branch, which normally looks after wages, hours, and conditions of work, holiday pay and so on. It is quite obvious that the establishment of this branch is made with the intention of doing the work and not just to put up a smoke screen as has been the case in the past.

It is a well known fact that women do play an increasingly important part in our labour force. Female wage earners today form approximately one-quarter of our total labor force. Some of these employees are young girls, others are married women with families; then again there are some who are mature women who return to gainful employment after having raised a family. We have established a special women's supervisor to keep under review any problems arising in connection with the increased participation of women in the labor force. Saskatchewan of course, as you know, is one of the two Canadian provinces in which a Women's Division or supervisors are established on a provincial basis.

There was also some mention made of technical education and the term used was "too late and too little". It is too bad that the hon. member was unable to exert any influence on the previous administration. They had supposedly been in consultation with them all this while. I wonder where they have been the last twenty years. Nothing has been done. As it has been explained previously in this house, it is the intention of the administration to have a thorough look at the apprenticeship training program whereby we can get the maximum utilization of the present plants, instructors and work force, and students available. I would like to advise the hon. members opposite that we are deeply concerned with the mess that the previous administration left us to face.

Mr. I.C. Nollet (Cut Knife): — . . . some mess.

Mr. Coderre: — We will clean it up and we will do a good job for the working people of this province, for everyone in this province.

Some Hon. Members: — Hear, hear!

Mr. Coderre: — Rather amusing about the question of the cut in the education-hospitalization tax. You know, in 1944, some mention was made by a former Premier of this province. He said:

We will abolish the education tax — this nuisance tax.

Many of the members opposite possibly remember this particular quote. Well, they did abolish the education tax, the two per cent education tax, Mr. Speaker.

Mr. A. Thibault (Kinistino): — What are you quoting from?

Mr. Coderre: — They abolished the two per cent and made it three per cent. Then they made it five per cent. Tommy kept his promise that time.

The party across certainly did keep their promise. It was not two per cent anymore. Now it was five per cent, an increase of 150 per cent. Terrific isn't it? This party, this government said they would reduce the tax. It was done — not prior to the election — immediately, the first session of this house. This indicates we are more concerned with the affairs to the people rather than the votes of the people.

Some concern was raised by the member from Hanley (Mr. Walker) in regard to the reductions in the various departments. He complained particularly about the reductions in the Department of Cooperation. He complained of the reductions in the Department of Labour vote, particularly in the labor standards appropriations. I believe that no man opposite can state that any person has had any wage loss because of the decrease in the staff of the Department of Labour. The staffing that branch has been doing and is doing an excellent job and will continue to recover the wages, and so on, as designated in the acts under its jurisdiction. I would like to draw to the attention of the hon. members opposite that what may appear to be reductions are, in fact, the streamlining of the operations of the administration. Oh, you may laugh. This reminds me of a little situation shortly after taking office as Minister of Labour. I wanted to familiarize myself with the lay-out of the grounds, so I got into my car and drove around the grounds and lo-and-behold, I go in the parking lot and I find a 1962 ford with a 1962 license on it, with approximately 3,000 to 4,000 miles on it. The policies of the former administration, Mr. Speaker, were so clear cut that they had lost a car, — the one that we found. Did the hon. Deputy Leader of the Opposition know what was happening? Did they have so many cars that they did not know what had happened with them? This is a terrific indictment on the previous administration. They had so many cars that they did not even know where they were or what was happening to them. I understand that some of them have been found even in California. Shame!

Mr. Brockelbank (Kelsey): — Make up stories.

Mr. Coderre: — This was one of the failings in the former Socialist administration policies. One of the obvious ones. Then the hon. member from Melfort (Mr. Willis) had the audacity the other day of getting up and underrating the Johnson Commission. I wonder why? If we find a car, what will the Johnson Commission unearth? No wonder he was trying to under-rate it, Mr. Speaker. I think they are a little bit afraid of exposure of many of their socialist experiments. They should be concerned.

The hon. member from Regina East (Mr. Smishek), the holier-than-thou person, tries to impress everyone in the house that he looks after the affairs of the working men and the union people. This is not so, Mr. Speaker. I understand that he is in the process of building himself a rumpus room, and what does he do? I understand he employs scab labor.

An Hon. Member: — Wrong.

Mr. Coderre: — That is right. He doesn't go to the local union and get some workers. The person who is doing his work, Mr. Speaker, is doing electrical work, carpentry, painting, tile lining. This is what we call people who are looking after the affairs of the working people — the politically ambitious type, you know.

The NDP financial critic, Mr. Speaker, the member for Regina West (Mr. Blakeney) went into a great harangue the other day in his criticism of the budget in the typical socialist fashion. He cried the blue ruin type of speech of destruction and devastation. However, Mr. Speaker, the Provincial Treasurer's budget, in my opinion, is a salvage budget — salvaging Saskatchewan from twenty years of Socialism, regimentation, high taxes, and government interference into the everyday living of the people of this fair province. This is what this budget means. This, Mr. Speaker, is the only government in Canada to increase spending and cut taxes, still arriving at a balanced budget.

Some Hon. Members: — Hear, hear!

Mr. Coderre: — This is a wonderful thing, Mr. Speaker, in this day and age, to be able to do this. The hon. gentleman made quite an issue about borrowing \$7,000,000 for university extension. May I suggest, Mr. Speaker, that had the Socialist government of the day had any imagination or forethought, which they claim they have, expenditures of this magnitude would not be needed today. Today we are facing education problems second to none

in the world.

Mr. W.G. Davies (Moose Jaw City): — Here and everywhere else.

Mr. Coderre: — That is right. But you did not plan for them. You were the supposedly, the standard bearer of the working people. You were in the government and never once did you suggest or anticipate these needs. What were you doing? Sleeping at the switch, as usual? By 1970, fifty per cent of the population of Canada will be below the age of twenty-five. Probably most of these young people will be needing education and institutions will have to be provided. One way or the other, they will be provided. We are looking after the affairs of young people. This is another example, Mr. Speaker, of ineptness and short sightedness of the former Socialist administration, during the past twenty years.

Many of our young people for the first time in their lives are going to enjoy the benefits of a tax cut, Mr. Speaker. The Provincial Treasurer has seen fit to reduce it twenty per cent. This is the first tax cut that has been enjoyed by the people of our province in twenty years.

I have read in the press, Mr. Speaker, that the suggestion has been made that minimum wage be raised to \$1.40 or something to that effect. Let me assure this house that I am not opposed to this suggestion or any suggestions of that sort. But to reach that figure, Mr. Speaker, time is required to permit the economy to adjust and we have taken the necessary steps, as indicated in the Budget Speech to bring industries into this province which will raise the standard of living. I say time is required to permit the economy to adjust to that. Perhaps the house should be reminded that minimum wage in December 1944, was thirty-eight cents per hour. In March of 1964, the previous government had increased it to seventy-eight cents per hour, an increase of forty cents in twenty long years or less than two cents an hour increase. Mr. Speaker, it took the Socialists twenty years to reach this figure but let me assure this house that I have every intention of seeing to it that this record is vastly improved.

The member for Regina West made a critical attack on some of the people employed by the Liberal administration. I would like to make one point very clear at this time, Mr. Speaker. The hon. member himself was on the payroll for the CCF government in the capacity of chairman of the Securities Commission. I would suggest that he should have been the last person to speak of patronage. As a matter of fact, Mr. Speaker, there are a good number of defeated candidates, defeated MLA's and CCF organizers who were Order-in-Council appointments, and ironically enough, are still employed by the present government. They are doing a good job. The shameful record of dismissals in 1944 need not be repeated. They should really be ashamed of themselves, Mr. Speaker, in this respect.

It is an accepted fact among civil servants that there is a relaxed feeling and a feeling of good will. No one is running about forcing them or anyone on the staff, to buy Socialist memberships.

Some Hon. Members: — Hear, hear!

Mr. Coderre: — Despicable attitudes, Mr. Speaker, on the part of the former administration indicating that no one has been dismissed. For example, the Chairman of the Saskatchewan Government Employees Association stated in North Battleford on November 17th, as quoted in the Moose Jaw Times — Mr. Anderson said:

To my knowledge the present administration "has neither asked for, nor even suggested any such move" as he told this to the Civil Service Association of Canada during the weekend.

This indicates the position of the government respecting the employment of those who are doing a good job.

A few words, Mr. Speaker, about the work and progress in the Department of Labour. We are making considerable progress in the labor relations area and the principles underlying the policies in this field have been and are that, if there is a conflict between the public interests and the rights of groups, of public interest, Mr. Speaker, should always come first. At the same time we have constantly in mind the rights of the individual that are guaranteed in law. It is essential, Mr. Speaker, for the progress of our nation, and for the progress of the people of Saskatchewan, that labor-

management relations be as harmonious as possible.

In the age of automation this means constant contact, exchange of information, and working out of problems before they have reached that stage where a strike or lock-out begins to look as the only means of settling an issue.

I had the privilege, Mr. Speaker, of attending the Economic Council of Canada last fall, in the national capital. In the course of this conference, at which the Prime Minister of Canada was also present, experts from all of the walks of life were present. One of the significant things that came out in this conference was that we in Canada, we in Saskatchewan, can no longer afford the luxury of strikes, strife and division, within our economy. In government, if we are to compete successfully in the field of trade, it is vital that productivity be increased in all industries and new industries be established — not next year but now, Mr. Speaker.

Mr. Coderre: — This is a basic prerequisite for higher wages, adequate pensions, and a higher standard of living in general, and the social and cultural progress of all.

Our voluntary conciliation services, Mr. Speaker, have done an excellent job in clearing up misunderstandings which occur from time to time between management and their employees. As a result the time lost through strikes and lock-outs in Saskatchewan this year was even lower than it was in 1963. We have reason to believe, Mr. Speaker, that when the statistics are printed that the province of Saskatchewan will probably show the lowest record in history.

In the life of a country, nine months is a very, very short while. The available statistics show encouraging signs, the progress and employment of our labor force is becoming very good, and will indicate very well, the advantage to the employees of the province.

Average weekly earnings in Saskatchewan in 1964 have increased over 1963, and despite the very severe winter unemployment, today's figure is below last year's.

Sometimes history moves forward and sometimes it stands still, sometimes it tends to slide back. Simple minds, Mr. Speaker, look down on the past and believe in continuous progress only in their own righteousness. This, Mr. Speaker, my friends across the way have been constantly doing, looking back, looking back, and this is what they call progress.

We can only make progress if we work at it — if we lean back in the belief that our work is done, then there is a good chance that we may lose what we have achieved. I ask members of this house, Mr. Speaker, I ask the employers of this province, the employees, everyone concerned, to gird themselves to a great task if we are to progress in this country and in this world. The people of Saskatchewan have the fortitude to go ahead and do that. Let us work together for a better province. Like all other provinces, our labor legislation, Mr. Speaker, is capable of improvement, and changes which we propose to introduce are designed to bring legislation into harmony with the requirements of our age. We have recognized that we need training and up-grading of our labor force. By the creation of a Women's Bureau we have recognized the existence of problems relating to increased numbers of female employees. We are recognizing and we are facing the challenge.

Mr. Speaker, this Budget Speech indicates to a great extent the future development of Saskatchewan. Anyone voting against the motion, Mr. Speaker, is voting against one of the most realistic, most practical, most open-door opportunity for Saskatchewan to move ahead than ever at anytime in the past of this province.

Some Hon. Members: — Hear, hear!

Mr. Coderre: — This, our sixtieth year, Mr. Speaker, we are entering a new horizon. Let us do it together and I suggest to the people opposite that if they vote against this motion they are voting against the extension and the expenditures of education, public schools, private schools, up-grading courses, student loans, university development and so on. If they vote against it, they should bow their heads in shame.

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I know for one, I will vote against the amendment, and the sub-amendment.

Some Hon. Members: — Hear, hear!

Mr. Walter Smishek (Regina East): — Mr. Speaker, will the member permit a question? The member made reference to my building a rumpus room and employing "scab" labor. I would like to know whether he can give me any information when Mr. Hortness, who is building my rumpus room, scabbed and in what strike he crossed the picket line, and also, Mr. Speaker, I would like to get the information from the Minister, what house builders are unionized in the city of Regina? Before starting to build my rumpus room I contacted the Carpenters' Union and found that there are no housebuilders unionized in the city. Large contractors, not involved in housebuilding, are unionized, but not housebuilders, and therefore, no unionized labor can be obtained, but maybe the minister can inform me as to what housebuilders are unionized in the city of Regina. Mr. Speaker, I think that the minister owes an apology to the accusation made against Mr. Hortness.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — Order!

Mr. Fred Dewhurst (Wadena): — He is asking for an apology. Mr. Speaker, evidently the Minister does not wish to answer the question for the new member for Regina East (Mr. Smishek).

Mr. Speaker: — Order!

Mr. McDonald (Moosomin): — If the member wants to ask a question, let him go ahead and ask it, if he wants to make a speech he is in the wrong house.

Mr. Smishek: — Mr. Speaker, I did ask the member to give me the names of contractors that are unionized in the housebuilding business in Regina . . .

Mr. McDonald (Moosomin): — On a point of order. The hon. gentleman is taking part in this debate and I suggest he is out of order.

Mr. Speaker: — The member for Wadena.

An Hon. Member: — Answer your question Can you answer it?

Mr. Smishek: — If the hon. member cannot prove his case, then I would suggest that he withdraw . . .

Hon. A.C. Cameron (Minister of Mineral Resources): — On a point of order. Have that man sit down, please. He is interrupting this house. He asked a question. The minister is on his feet to answer the question, so let him contain himself until he gets his answer.

Mr. Coderre: — I do not know whether the hon. gentleman was asking a question, or whether he was trying to make a second speech and the fact is that he is using someone, whether the term "scab" is correct or not, he is using someone who is dealing in various trades, rather than in a single trade, and this is most irregular as far as I know. I do not know and I have searched the records of the Department of Labour and I know of no person who holds a journeyman's papers in electricity, carpentry, painting at the same time. It seems that this is what the hon. gentleman was doing, one person doing all this work. However, he did not ask a question as far as the clarification of the speech and I made that statement and it stands.

Some Hon. Members: — Hear, hear!

Mr. F. Dewhurst (Wadena): — Mr. Speaker, I have listened with a good deal of interest to the Minister who just took his seat. You know, when the member for Gravelbourg (Mr. Coderre) sat on this side of the house I was always quite suspicious that he knew very little about labor, about co-operatives, and their

functioning. After listening today, he has removed all doubt, and I am sure that he knows nothing about it.

Some Hon. Members: — Hear, hear!

Mr. Dewhurst: — I was trying to make a few notes on what he had been saying and I came to the conclusion that I could sum up his entire speech in one word. It was just "mush". So that, I think that will answer his speech pretty well and I will turn on to my own speech now.

The Budget Speech and the estimates which are before us are very interesting documents. I can agree that these are historical documents and as history records them, more and more, those who produced them are going to hang their heads in shame deeper and deeper. Because this is not a budget of progress, it is not a forward looking budget. It is not a speech that is forward looking. It is just a budget of rationing poverty and social aid, and I shall deal with it as I proceed with my remarks here this afternoon.

First I would like to thank my constituency, the constituency of Wadena for the support which they gave me again in the last election and to know that Wadena once again is one of the most progressive constituencies and in the vanguard of progress, and I shall do all in my power to merit their support and to attend to their needs and wants. I must say that the role in the opposition is different and more difficult than it was as a private member on the government side of the house. It is different because it is much more difficult to get information or to get your problems attended to. It is also different to realize that we are sitting on this side of the house after having received in total, more votes than those who sit to your right, Mr. Speaker, even though they did in places, connive a saw-off with Social Credit and with some of the other political parties, in order that their candidates could be elected. If you combine the support which was given them, not just liberal votes, but votes from other parties, our votes are greater than theirs.

I have heard a lot of talk in this house over the past few days about the government side of the house representing more farmers than does this side of the house — more farmer members on that side of the house.

Well, Mr. Speaker, I took the trouble to go to the official records and find out what was the score, and I find that when you take the occupation of all the members in this legislature, as listed on their filing of nomination papers last spring, and if we don't take men like the member for Hanley (Mr. Walker), who is a lawyer by trade, but he owns enough land that he could qualify as a farmer, he has enough acreage, though it is not very many. Under the federal income tax, he could, if he has seventeen and a half acres of land, he could put himself down as a farmer, but he has not done so, but I have taken the list of the members here, those who were in the legislature and if they were returning back to their occupation, what they had done previously, the occupation they would return to, on the government's side of the house, there are nine who are active practicing farmers and on this side of the house, without considering the member for Arm River (Mr. Pederson), there are twelve, so we have more men actually engaged in agriculture than that side of the house, Mr. Speaker.

An Hon. Member: — Name them.

Mr. Dewhurst: — Name them? I shall certainly do so.

Hon. D.G. Steuart (Minister of Public Health): — Got many like Walker?

Mr. Dewhurst: — I shall do so. On that side of the house you have the hon. D. Boldt (Minister of Social Welfare); you have Mr. Bernard Gallagher (Yorkton); Mr. Jim Hooker (Notukeu-Willowbunch); Mr. Leith (Elrose); Mr. McDonald (the Minister of Agriculture); Hon. D. McFarlane, (Minister of Municipal Affairs); you have Gordon Romuld, (Canora); and James Snedker, (Saltcoats); and Thomas Weatherald, (Cannington); totalling nine.

On this side of the house . . .

Mr. Fern Larochelle (Shaunavon): — On a point of order, Mr. Speaker, I would like to draw attention. I think you are missing quite a few. I am a farmer too. You can look in the records if you want.

Mr. Dewhurst: — That is not a point of order.

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I am talking of those whose occupation is farming, who would return to farms after this legislature . . .

Mr. Larochelle: — Mr. Speaker, I wonder if seventeen quarters of land qualifies one as a farmer; or seventeen acres, which one of the two?

Mr. Dewhurst: — Well, that is a very good question, Mr. Speaker. I wonder if the C.P.R. and the Hudson Bay Company qualify as farmers. They own more than seventeen quarter sections.

Some Hon. Members: — Hear, hear!

Mr. Dewhurst: — On this side of the house we have Mr. Berezowsky, (Cumberland); Mr. J.H. Brockelbank, (Kelsey); Mr. Hans Broten (Watrous); myself; Eiling Kramer, (The Battlefords); Mr. Larson, (Pelly); Mr. Nollet, (Cutknife); Mr. Pepper, (Weyburn); Mr. Thibault, (Kinistino); Mr. C.G. Willis, (Melfort-Tisdale); Mr. E. Wood, (Swift Current); and Mr. Robert Wooff, (Turtleford) . . .

An Hon. Member: — You wouldn't know . . .

Mr. Dewhurst: — All these are from the official records as the members put them in themselves.

Mr. McDonald (Moosomin): — How about Baker?

Mr. Dewhurst: — I am sure I could tell you more about Mayor Baker than you know, but anything I would tell you, you would get twisted and distorted, so I won't bother telling you.

Mr. M. Breker (Humboldt): — On a point of privilege, I would like to know how the hon. gentleman classifies me?

Mr. Dewhurst: — Just a minute. This is Matt. Breker. You are listed as a pharmacist and farmer, and my statement, is that the members here, if they weren't in this legislature, the occupation they would return to, and your occupation, being a pharmacist, you would return to the practice of that profession.

Mr. Speaker, another difficulty in being a member of the opposition is the difficulty in getting answers to letters. I know that the Premier of this province has received letters, some of them six or seven months ago, from members of this legislature and he has never answered them. He has received letters, three or four months ago, and has never answered them. It is pretty difficult for any one of us to carry on our work as a member of this legislature if the Premier in his capacity as Premier, or in his capacity as Provincial Treasurer, does not answer correspondence that is directed to him.

I realize sometimes that it may be difficult for him to sit down and do all the letter writing himself, but he has a staff or he can ask some of the heads of his Departments to prepare a letter on his behalf, but at least, I think, any member of this legislature should be worthy of answers to their letters, either yes or no, or something along that line. He could give us an answer one way or the other. So, these are some of the problems which we have in being members of the opposition when we get indifferent, calloused men who will not answer their correspondence. I think maybe he was too busy running around eastern Canada saying we should become the fifty-first state, to give us the information we needed.

We have seen, too, in this legislature, questions asked such as referring to the report which was made by Hal Berry on behalf of the Power Corporation, and for some considerable time, the report of Dumont on the agreement — we have been refused information along those lines which make it difficult to know what the score is. When we do get the information, many times we find out that it is not as first presented, as in the Wizewood case. This Wizewood at Hudson Bay, while it is not in my constituency, it is of keen interest to the people in my constituency because in that part of the country there is a lot of the aspenite wood which is going to waste, and the Wizewood plant at Hudson Bay is making a very good building product, yet

statements were made that the Wizewood plant must be done away with. Even the Premier, according to the press here, said he was prepared to lose a million dollars on that deal. Why was he prepared to lose a million dollars unless someone else was going to get in on the plums and the gravy? This is not a crown corporation. It is not a company which was set up by the former government, but financial assistance was given to them. It is a privately owned company that got support from the province of Saskatchewan, the same as did the Cement Plant and the Steel Mill, and also some of the smaller industries which had their problems, their growing pains, which are coming along.

I have here a copy of the Hudson Bay Post, the Post Review, which quotes some of the statements of the manager of the Wizewood Plant, and I will not read it all because it is a fairly lengthy statement, but he made remarks that he would be willing to take a million dollar loss just to rid himself of the whole mess. The manager goes on to say:

No secret is being divulged when I mention that Mr. Thatcher has received several offers to purchase the plant. Interested parties include some of the giants of the wood products industry — these people are not interested in purchasing the plant just to help Mr. Thatcher rid himself of this business — or just to have an operation in Saskatchewan. They know that aspenite, the product we manufacture is an excellent product which has tremendous prospects.

I think, Mr. Speaker, that this Wizewood plant deserves all the help and consideration that each and every one of us can give to it. I am of that opinion more so after listening to the announcement the other day, of the help and assistance we are going to give as a province, to get the heavy water plant into this province.

I am not condemning the deal made to bring the heavy water plant into this province, but I am saying that if it is necessary to give assistance, that as a province, we should give it, and Wizewood should have the same consideration as the other organization.

I often wonder when they say the session could not be called sooner. They were going to call a session immediately and then said the session could not be called sooner. Well, I know, twenty years ago the government took office in July and the session was called in the fall. This present government took office in May, two months sooner, but they did not get a session by fall, it was not until February. Could it be, Mr. Speaker, that the Premier could not find the key to the legislative doors and he couldn't kick the door down. He once tried to kick it down, so he could call it in sooner. On one occasion before he thought all he had to do was kick on the door and the session could be held immediately, but this time he took eight or nine months and he still could not get a session.

Now, Mr. Speaker, I would like to turn to the farm problem of this province. The farmers' problem is a serious one, and I note in the estimates on page eleven of the estimates, that the vote for agriculture is down by \$672,000. We also see that some of the branches have been done away with absolutely. There is no vote for the Conservation Development Branch and no vote for the Agricultural Machinery Administration or the Plant Industry Branch. These were some of the branches which gave a lot of help and assistance to the small farmers of this province who are on half and three-quarter section farms.

It is true that the Plant Industry Branch did not make a lot of money, they were subsidizing the actual small seeds to the farmers, grass seeds, grass seed mixtures, and so on, but the present government doesn't feel that agriculture should have this assistance, so they are doing away with it.

Now, we saw recently that the prices of wheat fell by about twenty cents a bushel. If we take into consideration some of the decline by one or two cents, prior to that time . . .

Mr. George C. Leith (Elrose): — On a point of order, Mr. Speaker. I do not believe that the hon. member opposite has the right to refer to a debate that has been held previously in this house.

Mr. Speaker: — I think that is a well known

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fact. He cannot refer to previous debates after the debate has been concluded.

Mr. Dewhurst: — Mr. Speaker, I think it is a known fact that any member can refer to the price of wheat, I am not referring to the debate in this house, and I know the rules fairly well, and I am going to stay within them. I have the right to talk about the price of wheat and I intend to do so.

The price of wheat fell by twenty cents a bushel and Durum wheat fell last fall, so that . . .

Mr. Speaker: — The hon. member is referring to the recent fall in the price of wheat which was debated twice in this house, once on a motion to adjourn the house, once on a motion on the Order Paper, and you cannot refer to a debate that has been concluded.

Mr. Dewhurst: — Mr. Speaker, I am not referring to a debate that has been concluded. I am not referring to the debate whatsoever, I am just stating the price of wheat to go on to quote from the Budget Speech That is all I am proceeding to do.

Mr. Speaker: — You will have to keep yourself pretty close to do it.

Mr. Dewhurst: — I intend to do so. So what does this mean to the farmers? What does the Budget Speech say? I would like to turn to page six and seven of the Budget Speech. Mr. Speaker, if you will turn to page six and seven of the Budget Speech, you will find that we could mention agriculture here. On page seven, it says, "the relative decline in agricultural production was reflected well below the heights reached in 1963". From another paragraph, it says, "Agriculture was the only sector to show a decline." Now, we go on to another quote from the budget:

Not surprisingly, the 1964 crop was substantially below that of the previous year.

Another paragraph says:

Nevertheless our agricultural industry is in a very healthy state and further downward price adjustments are not expected.

So I say, Mr. Speaker, the Budget Speech shows that it has gone down. The Treasurer's speech says that the agriculture industry is in a very healthy state, but I do not agree with that. Another paragraph says:

Yet with 348,000,000 bushels, the wheat crop was well above the ten year average.

If we take 348,000,000 bushels of wheat at a twenty cent drop, that is a loss to the farmer in an excess of \$69,000,000. So this is some of the loss that the agricultural people of this province are sustaining. Furthermore, when we take a loss in the wheat prices, we also take a loss on other grains, because the wheat seems to have set the price for our oats and our barley, or our small seeds, and also for our livestock. So this will effect all the farmers' income on all the different products.

Now, what does this mean to the rural areas? I would like to point out what this means to the rural areas. On February 16th, I received an answer to a question which I asked in this house. I asked, "what was the total assessment of all the rural, municipal, and local improvement districts in this province for the last fiscal year, and also what was the total local tax levied in that same year, and the answer for the local tax was \$19,000,000 and the total school tax was \$22,000,000 and a few thousands. So the two together came to a little better than \$41,000,000. So you can see that the loss we have sustained in the drop of our grain, is twice the price of all our rural taxes and included in those rural taxes . . .

Mr. Leith: — Mr. Speaker, again I rise to a point of order. I as a new member here but I think that surely we have debated these things several times. No member of this house is more sorry about the loss in farm income than I am but how many times must we hear it from the member opposite? I believe

that he is out of order when he refers to the price of wheat. It has been debated once, at least, that I know of.

Mr. Brockelbank (Kelsey): — Mr. Speaker, on a point of order, I would like to bring to your attention, that on page six of the Budget Speech, the word wheat is mentioned seven times. They mention the record sales of wheat, they mention the wheat crop, and the Canadian Wheat Board, the ability to sell wheat, wheat growing country and the recent drop in the price of wheat, and wheat production. Now, Mr. Speaker, if the hon. member is right, the Budget Speech is out of order.

Some Hon. Members: — Hear, hear!

Mr. Leith: — Mr. Speaker, surely we have been talking about the price of wheat for the last five minutes and I believe that he is out of order. I will stand to it until I get your ruling.

Mr. Speaker: — I will have to ask the hon. gentleman to confine himself as far as possible. Not to refer to previous debates. the debate which is concluded concerned the recent drop in the price of wheat. Now, it did not concern what was grown two years ago, or ten years ago, or twenty years ago, or the price that prevailed ten years, twenty or thirty years ago. It concerned the one and only subject that I understand and that was the recent reduction by the Wheat Board of the price of wheat.

Mr. Brockelbank (Kelsey): — Mr. Speaker, it was mentioned in the budget debate that the recent drop of the price of wheat was in reaction and so on. if we cannot debate this drop in the price of wheat in the budget debate when this is in the Budget Speech, I am very much surprised.

Mr. Speaker: — If you are going to take exception to the mention in the Budget Speech, I agree it was made, because you read it to me when you were debating. You should have taken exception to it at the time. You should have raised a point of order then.

Mr. Dewhurst: — Mr. Speaker, on the point of order. I am speaking on the point of order now, not to my speech right. When the resolution, the debate of wheat was in the house, the budget had not been brought down, so that debate which the hon. member over there is trying to say I am out of order on, was at the beginning of this session. The budget came after, so then it was the Budget Speech which was out of order if we are out of order now, because I am referring to exactly what is in the budget. I am not referring to what the motion read at the time we debated the motion. The motion, as you recall, Mr. Speaker, was directed to the federal government. I am not referring to that whatsoever, I am just quoting from the statistics in the budget and relating it to the farm economy of this province. May I proceed, Mr. Speaker?

Now, I was pointing out, Mr. Speaker, that the total rural taxation for municipalities and LIDs for both local and school purposes is some \$41,000,000 and this includes a certain amount of taxes which is on industry, which is located in the municipality such as the Esterhazy potash property, and others which are located outside of urban boundaries. So you can see that when you relate the loss that agriculture has received over the past few months in livestock and other income, it is really a problem for the farmers of this province.

What solution does the budget offer? Well, there is one bit of relief in there which will be welcomed by a lot of the farmers, and it will help a number of the farmers and that is the purple gas.

Some Hon. Members: — Hear, hear!

Mr. Dewhurst: — But how much per farmer is it going to amount to? No one and I repeat, no one seems to know. We see certain statements in the budget but whether they can be born out or not remains to be proved. Questions have been asked as to how much the purple gas will mean to the farmers, and how many farm trucks there are that are licensed in the province in this category and the answer is that the information is not available. So it is pretty hard to estimate it, but it will be, according to all the guesses we have

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heard, anywhere from twenty-five up to forty dollars per truck on the average. I would greatly appreciate it if we could have some statistics to show what it would amount to.

What about the other working people? If a farmer is going to have purple gas in his truck, it will help to get his off the hook a little bit because he is not getting the price for his production. If he is going to have purple gas to help him, what about the brick layer, or the plumber, or the carpenter, the people who have a light delivery truck to haul their tools of trade around? Those in occupations using a C license, have a thirty-five mile radius on their travel. They need to have this vehicle for their work but yet they must pay the gasoline tax. I am sure that this policy is going to be construed, in many areas, as social aid to the farmers; a hand-out to the farmer, because they feel they are just as deserving as the farmers. But this policy that we see here, is putting worker against worker, and class against class. It is a thing that I deplore to see done. I do not think that the farmer of this province should be considered a second-rate citizen. I think he should be out demanding a parity price for agriculture and a fair share of our national income. Not little handouts and pittances. I could go back to a resolution which I have on my desk here, dated April 10th, 1957, and show that when a resolution in this house was put forward asking parity prices for the farmers, every Liberal member who was in the house that day, stood up in his place on a recorded vote and voted against it. Every one of them and I have the records right on my desk here, Mr. Speaker.

An Hon. Member: — . . . promises . . .

Mr. Dewhurst: — These are some of the problems which we as farmers have. As farmers we want to be able to have our fair place in society and carry our fair load in society, not asking for special privileges. Other segments of our society feel that the farmer always gets by on the cheap, because the people, by and large, do not understand the problems which the farmer has to fact. They do not realize that the farmer has to sell his products on a world free open market and buy all that he needs on a tariff protected market.

We see in the budget also, a one per cent reduction in the sales tax. This is going to help a little bit but who is it going to help the most? We'll take the family farm or the worker. The hospital and medicare premium went up twenty dollars last fall. They are going to have to spend \$2,000 on taxable goods to break even, to get that twenty dollars back again. We see companies and others with very large incomes who spend a good bit of money on taxable goods. They are the ones who are going to make out well. Once again, it is the policy to give to those who have and take from those who have not.

We see the one per cent reduction in the sales tax. Up to the present time, out of the five cents on a dollar, two and a half cents went to education, one cent went to hospitalization, that is the total that they are getting now is one cent out of the nickel. If it is coming off education, then we know that the grants for education are too small because, as the financial critic here pointed out, when you relate the educational grants to the pupil load, the grants are not up this year, but down. So this will make it that much the worse. So these policies do not, in my opinion, make sense whatsoever. These are what the Provincial Treasurer calls sound business administration. I do not think any business organization would administer their own affairs in such a manner if they expected to survive.

We also see some increases in taxes. They are talking a lot about taxes being reduced but there are also increases in taxes. We see on page six of the estimates, that the individual income tax is going to go up by \$3,000,000 but the corporation tax is going to be reduced. The corporation income tax is estimating a reduction but the individual income tax is up.

Mr. Steuart: — They estimated it too high last year.

Mr. Dewhurst: — We also see on the same page that fines, forfeits and penalties

are estimated to be up by \$270,000, so evidently they intend to get more people up and fine them in order to make more revenue.

I do not think I need to mention too much now on the technical schools. I think the financial critic did a very good job or pointing out how the technical schools of this province were being starved. the member from Swift Current (Mr. Wood) mentioned earlier this afternoon how the vote which was put for technical schools last year was not used and it is counted as a budget surplus as how they have saved money and now they are putting in a much lesser amount for technical schools.

I would like to say a word about the university. I will turn to the Budget Speech on page twenty-three and we see there under the heading of university:

The university plans a record capital development program next year of \$13,400,000. This will be financed mainly from provincial funds as follows:

A supplementary grant this year \$2,000,000

A capital grant this coming fiscal year of \$1,500,000.

If this \$2,000,000 has been paid over to the university, and the \$1,500,000 has been paid over, it will give \$3,500,000 on the \$13,400,000 program, or in other words, it will leave, in round figures, \$10,000,000 for the university to raise in order to have their development program for next year. We also see that the university will be selling debentures for \$7,000,000. So, as was mentioned by the member from Swift Current (Mr. Wood), that is putting them in debt to a tune of \$7,000,000 and \$7,000,000 for building has never been borrowed in the past twenty years of this province. But, Mr. Speaker, there is also a deficit when you take those figures from the \$13,400,000 of \$3,000,000. Where is the other \$3,000,000 coming from? Are they going to take it out of their operating budget? Do they have to raise tuition fees or where does the other \$3,000,000 come from? The Budget Speech does not tell us, neither do the estimates. These will be interesting questions we will ask when the estimates are before the house in this committee. We would like to know at that time, where the university is going to get the other \$3,000,000 from.

Now, Mr. Speaker, I think that I have talked long enough to let you know I am perturbed over this budget because of the lack of support for the working people of this province, whether they are rural or urban. I feel that this budget has been a first class sell-out to the working people, urban or rural. I would say that never in the history of this province, has so much been done to so many by so few.

I would ask all members to support the amendment and the sub-amendment so that in turn we can carry the motion unanimously.

Some Hon. Members: — Hear, hear!

Mr. I.C. Nollet (Cutknife): — Mr. Speaker, I wish first of all to make some reference to the remarks made by the hon. member for Gravelbourg (Mr. Coderre), when he said that his government is the only government that is increasingly expanding services and cutting taxes, the only government in Canada to do so. May I suggest to you, Mr. Speaker, that their doing so has not yet been completed. They still have quite a number of years to go to prove that they can, in fact, spend more and reduce taxes without huge borrowings. He did not mention borrowings at all. He also mentioned that civil servants previously were forced to take out memberships in the CCF. I wish he would name some of these civil servants who have been compelled to take out memberships on the CCF.

Mr. Coderre: — I will do that.

Mr. Nollet: — I think our civil servants are sufficiently independent and certainly they know their rights under their union agreement provided to them by this government. They know that they cannot be compelled to do anything of the kind.

He mentioned too, that this winter was the most severe winter in the history of Saskatchewan. This is true, and never was there such a severe winter when so little help has been given to the farmers of Saskatchewan in obtaining adequate supplies of feed and fodder.

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Some Hon. Members: — Hear, hear!

Mr. Nollet: — It is not good enough for the minister to say, "if we give transportation assistance, it will only up the price of hay". This is not true. There has been considerable quantities of hay found throughout the province and feed supplies always are found and some transportation assistance should have been provided to our farm people. I hope to say a bit more about this later on in my remarks, Mr. Speaker.

To get on with what I am going to say, and I might say I am going to continue this evening after supper, Mr. Speaker, but there are certain undeniable facts that stand out in the public mind regarding the government's 1965-66 budget.

Firstly, the government assumed power at a time when the provincial economy and revenues established new records and budget surpluses. Secondly, on top of this, the government started this fiscal year with a handsome reserve surplus of around \$9,000,000 and according to the Budget Speech, in the course of 1964, they garnered an additional sum on the old budget of over \$4,000,000 from the sales tax, \$1,000,000 on the gas tax, \$4,000,000 on oil revenue, and some \$2,000,000 more under the federal provincial agreement which will go up to \$7,000,000 beginning this coming budgetary year, and \$1,500,000 from other sources, making a total increase in revenues in 1964 of \$12,600,000. If you add the Premier's savings that he has talked about of \$6,500,000 in the administration efficiency sector, this come up to \$19,100,000. Then Mr. Speaker, if you add the per capita increase in the levy for medicare and hospitalization services, you can add another \$5,000,000 because most of it was paid in 1964 and will be almost all paid in that year since it was levied in that year. This is a point that has been overlooked. This brings the revenue and budgetary surpluses up to \$33,100,000. I hope the hon. members will keep this in mind as I go along to get the points which I wish to make in the course of my remarks.

The government was very aware of this bonanza situation, as proven by the fact that extravagant promises of economies and major tax cuts were made in the hope of politically influencing the elector to vote Liberal in the last election. It was because of the affluent position of the province, its economy and its revenues that my friends opposite were able to go out and make these extravagant promises and I will deal with them. We are going to remind them of them in the next three or four years and see if they can fulfil the pledges made.

All we heard, all summer long, was tax reductions and removal or abolition of taxes.

Mr. Guy: — Hear, hear!

Mr. Nollet: — For example, . . . Yes hear, hear. You will hear some more. Just keep your ears wide open and your mouth closed, and you will hear it much better and at much better advantage.

The people of Saskatchewan are aware that over a four year period they were originally promised tax cuts of \$20,000,000 and upped very recently. The hon. member says the oil companies will probably get them first because he has promised the oil companies that he would give consideration to a further tax concession amounting to a sum of over \$3,000,000 in tax concession to them. Perhaps the oil companies came to the Premier and said, "Well, after all, you gave these farmers purple gas tax free. As you know, the farmers can rustle around pretty good and we are having a pretty tough time in Saskatchewan. So how about giving us a tax concession too?"

Some Hon. Members: — Hear, hear!

Mr. Nollet: — So this will bring to original amount to a total of \$23,000,000 of tax reductions. This is well to keep in mind, because I am going to deal in point with the fulfilment of that pledge in its first year only, in your first year of office.

Then he goes on — he is on record all summer long with a variety of statements. For example, on November 12th, 1964, according to the Western Producer, the Premier stated:

That after five months in office, the government had saved \$7,000,000 out of the ordinary budget.

I give him the benefit of the doubt. I said \$6,000,000 previously — a little higher than when I was making my additions. Then, he stated, " a \$5,000,000 saving on the Power Corporations capital budget". The Premier, and everybody else knows this is merely a deferred expenditure. We know that but he says, when adding this so the \$7,000,000 saving on administrative efficiency, here, he says, to the people of the province, is a saving of \$12,000,000. Nothing could be further from fact, Mr. Speaker, than that statement.

In addition, he said, tax cuts totalling \$12,000,000 would be made by reducing the sales tax \$9,000,000 and cutting \$3,000,000 on the purple gas used by farm trucks. I hope you keep that in mind too — that is \$12,000,000. Again, it is not a correct statement because when, according to statements made in this house since, proved otherwise and I must deal with it. But he did not stop there. In a more exuberant and expansive mood on December 20th, 1964, as a matter of fact, Mr. Speaker, we have been dished up with speeches on the budget all summer long, and growing in volume and intensity before this house ever met, to discuss the budget itself. The general public knew about it before the members of this legislature heard of it within the confines of this chamber.

He said, according to a Leader Post article by Stirling King, that tax cuts totalling between \$12,000,000 and perhaps \$16,000,000 will be provided and I took it that it was intended for this particular budget, because Liberal promises have resulted in savings to the extent of \$16,000,000, the amount in total of both savings and tax cuts, but here he calls this all saving — by cutting fat out of the budget and waste out of government administration.

More recently, he promised a further tax cut estimated at \$3,000,000 to the oil industry. This was a new one which brings total tax cuts to \$23,000,000. He did not stop here either. He went on to say, "Our first budget next spring will give clear indication to the people of the province that it is possible to run a budget on a business-like basis without cutting programs." Of course, he did not mention borrowing at all. He did not mention this at all when he stated increased government revenues, already in sight would look after the multimillion dollar tax cuts and permit added programs for education, highways and social services.

Let us look at the expanded services. Let us see what they mean in terms of increasing expenditures in the years ahead, especially in the light of his promises of cutting taxes by \$23,000,000 in the same period of time. Let us look at the very good and laudable highway programs, \$175,000,000 promised to be spent in the next four years. Making it a reality would seem to indicate that the government will have to spend \$43,700,000 every year to fulfil that particular commitment, if it can be accomplished, in spite of tax cuts, and without borrowing if tax revenues are not sufficient to pay for it. Everyone is concerned regarding an increase in debt by borrowing money that falls in this classification of public debt or dead weight debt.

The point I am making here is to keep in mind that, if huge sums of money are in fact borrowed for dead weight debt purposes, it will impair the credit of the province and we will find more difficulty in obtaining money for self-liquidating projects like the heavy water plant and the expansion of power and generation facilities. It will have its effect. So I am saying, this is not a business-like approach.

In our term of office, Mr. Speaker, we did endeavour to keep borrowing for both purposes, balanced, and by co-operating with them, rather than castigating the private enterprise sector, but by co-operating with them, we have brought to our province a well balanced program of economic development and social progress. This is beyond question. I just wonder what it is going to be, four years hence.

Mr. Speaker, since it is almost 5:30, I would call it 5:30.

The assembly recessed at 5:30 p.m.

Mr. Nollet: — Mr. Speaker, when I called it 5:30 o'clock, I was quoting from an interview with the Premier as reported by the Leader Post, November 20, 1964, when he said:

Our first budget next spring will give a clear indication to the people of Saskatchewan that it is possible to run a budget on a business-like basis, without cutting programs.

Then he goes on to say:

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Increased government revenues already in sight will look after the multi-million dollar tax cut and permit added programs for education, highways, and social services.

His administration's four year \$175,000 highway construction program is now under review in the budget. So, in other words, the hon. Premier is telling us he can produce both huge tax cuts and greatly increased expenditures. Well, Mr. Speaker, when one looks ahead at the tremendous increases in expenditures that will take place in the light of the huge tax cuts promised, one wonders. Has the millennium really arrived? Have we now a man of superhuman portions who can accomplish a feat never before accomplished in human history? Have we, at long last, a Moses who can command the waters of the sea to part and provide dry land passage for hard pressed and weary travellers? Let us look at the fact, Mr. Speaker.

Mr. Coderre: — Some guys opposed Moses.

Mr. Nollet: — In the new program, expansion category only that calls for yearly increases in expenditures, there is, of course, the very logical and laudable expenditure of \$43,700,000 a year for highway construction, if it can be accomplished, in spite of tax cuts, and without borrowing, if tax revenues are not sufficient to pay for it. Everyone is concerned regarding public debt. That is dead weight debt. The Premier even cringes at the prospect of increased borrowing for self-liquidating purposes. I take it, therefore, Mr. Speaker, that he would never, never borrow for highway construction and other similar public services and thus add to the dead-weight debt of the province.

The total highway vote in the budget is \$35,000,000. An approximate increase of \$8,400,000 is above the previous budget. But significantly, this \$8,400,000 increase, is also \$8,700,000 less per year than the average for the promised four year program, totalling \$175,000,000 for an average of nearly \$44,000,000 per year. In other words, Mr. Speaker, the Premier must now find \$47,000,000 per year for the remaining three years of the expanded highway program to fulfil this one promise alone.

Or another increase of \$12,000,000 in next year's highway budget to meet this target. When one considers other major increased expenditures, what are the possibilities of achieving this objective, without borrowing or raising taxes, as compared to last year's revenue budget?

This year's revenue budget shows revenues up by \$6,100,000 over last year's budget. And expenditures for this year are also up by \$6,300,000. When one adds the usual supplementaries that we are accustomed to each year as we present a budget, this expenditure is up by \$7,000,000. This means that for this one item alone, revenues must, in the next year or so, go up by at least another \$12,000,000 to fulfil this one promise, to say nothing of the fact that \$7,000,000 dead weight debt that is already guaranteed in this budget, to the University of Saskatchewan for their capital construction program.

Previously, this was by and large, provided on a pay-as-you-go basis from revenue. So we do, in fact, have the prospect of a \$13,300,000 increase in the revenue budget and a further increase will have to be added to this in the years ahead, as I will mention a moment later.

But this is not all, Mr. Speaker, by any means. What of our growing demands for increased expenditures in other budget areas? Here are a few, a Regina base hospital to serve southern Saskatchewan which will involve an expenditure of at least \$15,000,000 to \$20,000,000 over a four year period. This means an expenditure of at least \$5,000,000 per year. On top of this, of course, as you expand educational and health facilities, operational costs go up very sharply each year.

Then there is the four year \$52,000,000 university capital construction program. This program will also be accompanied by increased operating costs of at least \$2,000,000 per year, and when one searches about for that \$3,000,000 we cannot find that is a part of the \$13,000,000 yearly budget for the university, we add that and the escalating operating costs of \$2,000,000 annually, and we could say that this would cost, at the very least, \$15,000,000 — more likely \$18,000,000 — a year. We will give the benefit of the doubt, and say \$15,000,000 a year increase, in this particular aspect of the budget.

So we now have some \$32,000,000 of annual increased budgetary expenditure.

Regarding the university, it is interesting to note how the first year of this obligation was obtained. Of the \$13,000,000 required, \$7,000,000 was borrowed and \$2,000,000 obtained from supplementary grant was paid out of the surplus inherited from the previous government, plus a capital grant of \$1,500,000 from next year's revenue. Then too, Mr. Speaker, increased demands for expanding technical schools, if we are serious about this, will mean another \$2,000,000 for capital expenditures in the future.

For these three items alone, for highways, for health, and for education, we can see a yearly increased expenditure, Mr. Speaker, of \$34,500,000 a year. These are minimum and modest estimates, Mr. Speaker. Then of course, there must be added, year by year, increases for school grants, ranging probably from \$4,500,000 to \$5,000,000. The total of \$11,800,000 for education this year will sharply escalate in the years ahead. These are uncontrollable expenditures and cannot be evaded. All of them are uncontrollable, if we are to keep abreast of the times. When one adds another \$5,000,000, which is a reasonable expectation of increase for education generally, we then have a further increase to \$39,500,000.

Health services generally will likely go up by from \$4,000,000 to \$5,000,000. For the hospital plan alone, the increase over last year was some \$4,400,000. I just added another \$1,000,000 a year increase for the medicare services to make it \$5,000,000. When we add this, we have an increase in our annual expenditures of \$44,500,000. This will occur unless national health plan which could save a tremendous amount of money, as I have pointed out in my Throne Speech address. We cannot anticipate that very soon because our federal Liberal friends have been promising this for forty-six years now and still they maintain that Canada cannot as yet afford a national health plan.

So, the Premier keeps talking about further tax reductions, especially to the oil companies who, I suppose, are equally worthy of consideration. Grants to municipalities for grid roads are bound to increase. The South Saskatchewan irrigation project for 50,000 acres only, will, according to the Premier and Provincial Treasurer, cost \$20,000,000 over a period of thirteen years or an increase in our annual expenditures, of \$1,500,000, in addition to our one-eighth contribution to the cost of the dam itself, until it is completed. The operation of the reservoir will also become the responsibility of the province. I have not had the time to make an estimate of what this cost will likely be but it will be a very costly operation or venture, I can assure you, Mr. Speaker, as has been the case where the federal government has operated similar reservoirs.

There is also the development cost of the Saskatchewan River delta area in northeast Saskatchewan. If it is proceeded with, the total cost of this project will be at least \$20,000,000. Saying that we could spread this over a twenty year period, we can add another \$1,000,000 to the general increase of annual expenditures. Then there is the shared ARDA program to which, according to the Premier, the federal government had allocated \$13,700,000 to the province, but he is at variance here with the statements made by the Minister of Agriculture who says that in the next five years, under the new agreement, Canada will be allocated \$25,000,000 of shared programs plus some special programs for depressed areas. We can anticipate that the federal government will make available to the province over these five years, come \$25,000,000. So we will have to make a further allowance here too, considering that we are behind in our ARDA contribution this year as compared to last year. So we can anticipate an increase here, if we are going to match federal government money, an increase of \$1,300,000 more per year. Now, Mr. Speaker, for these items alone — and certainly I have not endeavoured to cover the wide ramifications of various services throughout the budget and the increases that are bound to come as a result of inflationary trends, the total for these items that I have enumerated, is \$48,300,000.

In addition to this, Mr. Speaker, there are these self-liquidating obligations, the money that is invested for the expansion of our power and gas utilities, the money that will be invested for the heavy water plant at Estevan, all of which types of investment strengthen the economic base of the province. But the hon. Premier and Provincial Treasurer, in the past, has always considered them as part of the dead weight debt of the province. He used to cringe at that. His brow used to furrow when we mentioned the cost of the South Saskatchewan dam and the allied projects that go with it. He apparently wondered to himself, with a quizzical look on his face, "where are we going to get the money to do all this?" Well, he has a big capital program facing him, Mr. Speaker, for self-liquidating purposes too. There is

the \$46,000,000 for the heavy water plant at Estevan. I allowed \$46,000,000 for the Saskatchewan Electrical Power installations to provide for an increase in the generation at Squaw Rapids, and at Estevan, and the prospects, in the not too distant future, of another dam and power project at Fort a la Corne. I have only added up these few projects that I have mentioned, to make about \$100,000,000. I think you could find \$300,000,000. So we can expect that the demands for self-liquidating borrowing are bound to go up, to say nothing of the borrowing for dead weight purposes that will be inevitable, if the government continues to say that they are going to give the people of Saskatchewan huge tax cuts and at the same time, increase services. Mr. Speaker, this is a myth. It cannot be done. And hon. members know it.

Mr. I.H. MacDougall (Souris-Estevan): — Wait and see.

Mr. Nollet: — On the other hand, Mr. Speaker, comparative increased revenues to meet these expenditures are much less certain without borrowing, and the prospects of borrowing huge sums for both self-liquidating and dead-weight debt purposes, are much more certain, particularly in the light of the extravagant tax cut promises made by my friends opposite, Mr. Speaker.

As I mentioned at the beginning of my remarks, one can only add so much to the dead-weight debt without seriously jeopardizing the credit of the province to borrow money for self-liquidating purposes — the purposes that strengthen the economic base of the province. So when one thinks in terms of borrowing, one must keep these factors very much in mind.

Now, Mr. Speaker, What about these promises of huge tax cuts? For this year alone, on one occasion, he went as high as \$16,000,000 tax cuts that we are going to get. He finally boiled it down to \$10,000,000. Let us look at the \$10,000,000 figure. The sales tax was reduced by one per cent, which was a reduction of \$9,000,000, and purple gas, \$3,000,000 — which makes \$12,000,000. But there is something that the Premier did not say. He did not say that in 1964, he had increased the medicare and hospital tax on the people of the province by some \$5,000,000. He did not say, until now, that he would double the sales tax on tobacco. These two items are tax increases of possibly \$8,000,000. Subtract them from the \$12,000,000 and you have a net tax reduction of some \$4,000,000. So he has a long way to go in fulfilling the pledge that taxes would be reduced to the extent of \$20,000,000 and perhaps another \$3,000,000 to the oil industry, which would make \$23,000,000. He has got \$19,000,000 to go in the next three years in fulfilling his pledge to the people of Saskatchewan.

The hon. Premier often reminds me of the chant of an auctioneer. He has \$23,000,000 promised in tax reductions and what have you to offer? He has it. Who wants to make it \$30,000,000 in the auction bid for tax reduction? \$23,000,000 minus \$4,000,000 as I said, to some \$19,000,000 to go in the next three years. Time is running out and he knows it, particularly in light of more firm and spectacular increased expenditures in all areas, as is already pointed out. I do not think the waters of the sea will part to permit a dry land escape route for the political errors of this self-enshrined political Moses, who would lead the people of this province to a long cherished mythical millennium, Mr. Speaker. Some Moses, Mr. Speaker! Some delirium! As has already been so well stated in this house, there has in fact been no reduction in taxes but rather a shift in taxes, from the sales tax, which is the provincial field of taxation more accurately measures ability to pay, to an increased per capita levy for hospital and medicare which does not take ability to pay into account.

It is worthy of note that this increased tax was levied and largely paid before the tax budget was presented to this house — and it will be paid again in 1965 and in the future years. This unnecessary action was taken at a time of abundance and prosperity and record revenues. And the people of this province, Mr. Speaker, know this. This has been a shift of taxation and all the argument, all the comical performance by our hon. friend from Canora (Mr. Romuld) cannot detract attention away from the fundamental fact.

Mr. Speaker, there is the shift in tax from gas used in farm trucks to farm land. The farmer knows that tax revenues must be provided in one form or another for improved and increasing services required to improve his living conditions. He knows above all else, and the one and only correct answer to his problem is increased income and that a minute tax subsidy will not solve the basic economic problems confronting him.

This has already been conclusively proven by the sales tax concessions granted to him over the years. In spite of this, his cost for goods and services, including the land tax, have mounted to dizzy heights, while

at the same time, the price for the product of his labor has declined. In proof of this, Mr. Speaker, I want to draw attention to a press clipping that I recently garnered from the Leader Post reporting on the meeting of egg producers. It is not only wheat, may I remind the house, that has gone down, but egg prices were never lower since the 1930s, than they are right now. I am saying that this occurred despite the fact that Liberal and Conservative governments in Ottawa provided what they were pleased to call farm price supports. This is the kind of price supports that have been provided by the two old parties in Ottawa and these price supports, Mr. Speaker, were deliberately planned to prevent encouragement toward increased production rather than to discourage production. It is the technique of manipulating prices as a means of determining production and in that manner, solving nothing, and punishing the farmer and depressing him economically more. These are the facts, Mr. Speaker, and it must be faced up to and I hope our hon. friends opposite will bring influence to bear. The hon. lone member, representing the Conservative party (Mr. Pederson) in this legislature, should also bring influence to bear on his party, to have the national government stop this nonsensical sort of thing. The farmer does not want subsidies and above all else, he does not want his product to drop below his increasing costs. His costs are fixed, Mr. Speaker. They are going up every year and they are fixed higher and higher each year. The only answer to the farm problem is that his prices be fixed.

Mr. Speaker, there is only one jurisdiction that can do this. That is the national government as part and parcel of a national fiscal policy to permit the agricultural industry to produce. May I say, to those who hold to the philosophy that somehow farm production must be restricted, why have you this economic theory for agriculture? Why don't you apply it to other industry? You shout with delight every time we get another potash mine and pulp mills and the like. We want them, because it is felt, according to this theory applied to private enterprise, that it is good for the economy and that we must increase our production to achieve progress.

Why does this theory not apply to agriculture? May I suggest to you, Mr. Speaker, that it should. This country of ours, and particularly this province, could progress much more rapidly and with greater stability, if the farmers had a guaranteed fixed price in line with their production costs.

This, Mr. Speaker, is what our farmers want. They do not want to be held up as recipients of public dole. They want justice so that they can pay the escalating costs associated with inflation, so that they can meet their obligations like true and proud citizens of a democracy.

May I say we have gone to the vanishing point in liquidating farmers off their land. I noticed that the hon. Mr. Hays said recently that a farmer that had so many cows and so many pigs, should not be classified as a farmer. This could be raised. He might be saying a year or so from now, that a farmer that hasn't over three quarters of good land, should not be classified as a farmer; and eventually a section; and then two sections.

There is a myth, Mr. Speaker, that somehow this increasing economic trend to larger farms is justified on the basis of greater productive efficiency. This is utter nonsense! It is the adverse price situation that has created this problem, called the cost-price squeeze.

Mr. Speaker, the farmer knows too, that the price of wheat, in one week, dropped as much as twenty cents a bushel and that this means an income loss to Saskatchewan's farmers of at least \$50,000,000 per year. Saskatchewan farmers, Mr. Speaker, can figure on the side of a granary, more realistically than the Provincial Treasurer can figure on paper.

The farmer knows that when he subtracts some \$3,000,000 of a concession on purple gas from the \$50,000,000 loss of income to Saskatchewan farmers, it still leaves them in the hole by \$47,000,000. This is the point I'm making. It is utter nonsense to think that we can solve the economic problems of the farmer by these measly little handouts, and if tax concessions are in order, Mr. Speaker, may I suggest that the hon. Premier and his colleagues plead with the federal government to reduce the sales tax — the eleven per cent Liberal sales tax . . .

Some Hon. Members: — Hear, hear!

Mr. Nollet: — . . . on goods and commodities and on building materials required by the farmer. Naturally, the federal government should be much more able to do this than a provincial government.

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Mr. Speaker, the farmer knows too, that according to press reports, if not refuted in a clear manner, the federal government has no intention of implementing its two dollar wheat pledge by way of subsidy. They know that the present provincial Minister of Agriculture (Mr. McDonald) is on record against farm support subsidies. He also said, clearly and distinctly, I am sorry he is not in his seat, that an increase in price is no solution to the farm problem. These are clear statements made by the provincial Minister of Agriculture, which clearly indicate that he is opposed to subsidies, that he also says price increases to farmers will do them no good. May I say to him, that any minor concessions of the kind that has been suggested in this house, will not save him from economic ruin either.

The farmers of Saskatchewan know a few other things too, Mr. Speaker. They know that the per capita tax for hospital and medicare services went up by twenty dollars per family, ten dollars per an individual, and that if revenues were so good that a tax concession could be granted on their trucks for gas, that it was not necessary to double this per capita levy, which hits the low income farmer particularly hard, Mr. Speaker.

Oh yes, I almost forgot, Mr. Speaker, the farmer occasionally smokes a cigar, or a cigarette, and he chews tobacco and snooze too.

Some Hon. Members: — Hear, hear!

Mr. Nollet: — He will probably smoke and chew a lot more, as he now contemplates his aggravated economic position, as he views his deteriorated position.

Mr. Stuart: — . . . question.

Mr. Nollet: — If you have any I would like to answer them in the light of what I have been saying, and you will be silent.

The proposals that I have been submitting, Mr. Speaker, are irrefutable. They cannot be refuted by anyone. You cannot dodge this fact. You can twist and turn, do what you like, but they are facts. Well, Mr. Speaker, it looks like I have run out of my pages. Praise the Lord. Now I can swing freely.

Some Hon. Members: — Hear, hear!

Mr. Nollet: — I was on the two dollar wheat and I take it now that it is final that Mr. Sharpe has said that the federal government would not contemplate any subsidies — echoed and supported by the Leader Post in tonight's editorial. As usual the Leader Post supported this view. I wish it would change its ways and for heaven's sakes, at long last, write an editorial favourable to improved farm income. They have been going along on these old outworn theories for so many years, you would think that by now they would see the light of day, and of course they are all now applauding the federal government. They say, no agricultural subsidies, but subsidies for the automobile manufacturer. Sure, sure — they need it badly and in a most peculiar way, Mr. Speaker, by reducing tariffs thus giving tariff subsidies to the automobile manufacturers but no decrease in the price of automobiles whatsoever. When we, in the agricultural world, talk about subsidy, we talk in terms of fixed prices and we talk in terms of consumer subsidies in order that those, particularly in the low income groups, may buy food stuffs as cheaply as possible and within their income range. I will not quote the Leader Post editorial to any great degree. I want to go on to the agricultural aspects of this Liberal budget — their first one that has come down. It is a wonderful one.

You know, the hon. Premier never likes to talk about the bad things. He likes to focus attention on what people might obviously think are really increases. He stated we have a record capital budget for agriculture this year.

Mr. Thatcher: — Hear, hear!

Mr. Nollet: — "Hear! Hear!" he says, and those who . . .

Mr. Thatcher: — . . . taxes too.

Mr. Nollet: — Listen to them. they do not know any better. But I am

going to tell them that there was also a reduction of \$672,000 in the Departments ordinary revenue budget by gypping the Agriculture Department of this amount. May I say too, that considering capital and revenue budgets together, we have had far greater budgetary expenditures on behalf of agriculture than this one presented to the house. I notice in the field of supplementaries, they had a bit of a problem of a drought in northern Saskatchewan this year. He got very highly excited. I remember back in 1961 when we had a real drought throughout the whole province. The Premier accused the government of running to Ottawa, quite legitimately, I think. When we have a disaster of the proportion, the national government should step in and give some assistance as they do in the United States, but here they had a little drought, comparatively speaking, in the northern part of the province. What did they do? They ran to the federal Minister of Agriculture who was at Calgary at that time attending the Stampede, and I think he put on his usual morning breakfast reception, accompanied by some invented drink of his called silibub, I think it is. Anyway they were drinking some of this silibub after which he flew back to Ottawa. He stopped here and made a quick plane tour of northern Saskatchewan and, in a very expansive mood, I suppose, well satisfied from the effects of silibub, Mr. Speaker, and so they began an assistance program similar to the one that we had carried on before, only much less generous than before, and not carried on as we would have carried it on, Mr. Speaker, in the face of a very hard and severe winter. I regret very much, that the Minister of Agriculture (Mr. McDonald) and the Minister of Municipal Affairs (Mr. McFarlane) are not in their seats. I guess they thought they were going to catch it . . .

Mr. Thatcher: — Where is Mr. Baker? Where is Henry?

Mr. Nollet: — I do not need Henry or anyone else. I would like to see the Minister of Municipal Affairs (Mr. McFarlane) here. He is another one who used to say, "You are sitting on your hands, doing nothing". I can saying greater reality, Mr. Speaker, that the present Minister of Agriculture (Mr. McDonald) is sitting on his hands. The farmers are experiencing great difficulty in carrying their stock through this winter, particularly the dairy farmers, and the dairy farmers are prominent in the constituency of the hon. Minister of Municipal Affairs (Mr. McFarlane) and I wish he would have directed some of the criticism that I used to get when we did things more effectively, against the fact that at the present time, they are doing little or nothing to relieve this situation. Crocodile tears! Purple Gas! But no assistance in this period of farm stress. This seems to be the policy of the administration now.

Looking at the overall agricultural budget, including the usual supplementaries, this year compared to last year, what do we find? On the overall, we find an increase of only \$90,000 more than in 1964-65. \$40,000 of this increase represents the Cumberland House Farm which has been transferred from the Department of Natural Resources to the Department of Agriculture. So this is nothing new. This is no new expenditure for the government. This leaves \$50,000 increased expenditures . . .

Some Hon. Members: — Hear, hear!

Mr. Nollet: — . . . over the budget the year previous. This \$50,000, I assume, represents the fodder shelter program. A measly \$50,000. How many hay shelters will that build?

Some Hon. Members: — Hear, hear!

Mr. Nollet: — Oh, I'm sorry. Incidentally the other one was \$40,000 for the Cumberland House Farm. You know, I'm almost hypnotized, Mr. Speaker, with this constant repletion of millions of dollars of tax reduction. It gets contagious, Mr. Speaker, but it was \$40,000 added for the Cumberland Farm, take that away, you have \$50,000 for hay shelters. Now when the fodder emergency was on, the Minister of Agriculture (Mr. McDonald) was reassuring the farmers of the province, "You know we cannot do too much for you and besides you have got to learn to put up your own feed. We are not in the hay business ourselves. We are not in the farming business ourselves. You should do this. But we have a great long term program in mind to encourage you to build up feed and fodder reserves for the future". And he talked about hay shelters. Now hear this, \$50,000 for hay shelters! My heavens, that would not build four of five respectable storage granaries to say nothing about hay shelters generally!

The hon. Premier said, "There are going to be no cuts in services."

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Well, AMA is gone. A very valuable service is gone.

An Hon. Member: — . . . at the university.

Mr. Thatcher: — It's gone to the university.

Mr. Nollet: — May I suggest that in my opinion, Mr. Speaker, the hon. Premier is responsible for cutting this program.

Mr. Thatcher: — You bet I am.

Mr. Nollet: — This is how he loves the farmer. He says, "You bet I am". I am glad he said this, "You bet I am", and the farmers throughout Saskatchewan will be disappointed that this service will no longer be available to them. I have looked over the budget in respect to ordinary expenditures, and I find some fourteen items that have been reduced in this year's vote. You would have thought that when AMA was done away with, and when we did not have the seed plant anymore to look after, when we did not have the water rights division in the Department of Agriculture anymore, the way the Minister of Agriculture was talking about these long term programs, and when he made the statement at one time that the agricultural vote ought to be increased four times, then he got really high and said seven times, this is what we get for agriculture, \$50,000. This is what it winds up with — \$50,000. None of the items taken out of the budget, were replaced by new ones.

Let's take a look at the capital aspect of the budget. Yes, the capital budget was increased and it had to be increased out of necessity. I notice the increase on the South Saskatchewan Dam because this year our contribution will go up by \$200,000. We have been contributing about \$2,000,000 every year for our one-eighth share of the costs of the dam. This year it will go up by another \$200,000. For the irrigation aspects (I assume that is for the installation of the pumps and some of the main works) — \$587,000, and for land acquisitions within the irrigable area, \$400,000. God bless you. I hope you have good luck. But may I comment in connection with land acquisition? It is important for the government to acquire some land in an irrigable area, but I do want to say that land acquisition is not a vital part of successful irrigation development. It is not. Certainly coercion or a go-fast policy is no answer. If you try to speed these people up and almost compel them to irrigate, you will slow down irrigation, rather than speed it up.

Full irrigation takes a long time to develop, and there is no way in which it can be speeded up. My own experience has been that if you permit people to get organized on a simple water-user basis, put in the ditches, and make the water available to them — if it is a paying proposition, they will utilize the water and do so very well. I know of some people who were originally adverse to irrigation, but when we pursued this kind of policy, later became the promoters and leaders in the field of irrigation. I think this will happen in the Broderick area too, if it is handled right. My own commitment to these people was simply this, that if irrigation does not pay, if it does not mean better returns to you, we are not interested in the irrigation of the area because we are thinking in terms of what it will do to benefit the farmer and improve his income. This is what we have got to do. Just as soon as the farmer realizes that it pays, he will adopt irrigation methods very quickly.

It is a good thing to have a few parcels of land on which you might wish to place some experienced irrigation farmers so that the others may obtain the benefit of their experience, but to buy a whole lot of land, and bring in outsiders to irrigate it, will bring more resentment and ill-will than you are experiencing at the present time, I can assure you.

So, these expenditures, I agree, were necessary. But, Mr. Speaker, there was no need to cut down the other ARDA programs. I note that the gross ARDA programs that are sharable with the federal government have been cut by \$846,000. This is a mistake. This is far below the sum of \$3,000,000 annually that the province will have to put up as its net share in the five years. We should have matched that money and we should have kept to dollar for dollar sharing instead of having just a mere record capital budget. We should have had a super capital budget, with more of the ARDA programs contained in it.

Mr. Speaker, the result is that we will have less money by way of reimbursement from the federal government than we did a year ago.

So the agricultural budget looks pretty sick indeed, but there are other aspects of agriculture assistance that look sick too. Where is this credit that was promised to get young farmers started on the land? What is it? Where is the credit? I guess when the hon. Premier and his colleagues discovered that they could not very well beat the Federal Credit Corporation and that the Federal Credit Corporation would in fact be receptive to becoming more generous in its loans. There is a great deal to be said for one loaning agency for all of Canada. Some kind of shared credit program between the federal government and the provinces, would be a good thing so that at least we could have uniform credit right across Canada, to help agriculture in all its aspects. What do we get, Mr. Speaker? We are told by the Premier that he is going to provide credit through SEDCO for big egg plants and that sort of thing — the very sort of thing that has created this egg problem that I was talking about a moment ago.

There was a meeting in Saskatoon recently in regard to the low prices of poultry products. Professor Ray of the Poultry Department of the University of Saskatchewan, made a statement at a special meeting of Saskatchewan Egg Producers. He said that:

Producers would face competition from large efficient plants unless present conditions are rectified.

This is exactly what the present administration of this province is doing when they made credit available to huge egg factories and poultry factories through SEDCO, but where is the family farm credit? Where is their love for the family farm? Where has this gone to anyway? May I say one more thing in connection with huge poultry establishments in this province? They are not in good competitive position with similar huge plants in Ontario, Quebec, and British Columbia. We went through that experience, but these are the people who created these huge surpluses, not the family farm. These are the factors, which according to the law of supply and demand, created these low prices. Who ever made this law? I don't know. We never could find that ghost that brought this myth into being — the ghost that has been resurrected from a period far from this modern age. Professor Ray continued:

Producers themselves must initiate changes in present conditions, and now is the time for positive action.

Statistics would show that there is almost non-existent profit in the egg business today.

You cannot solve these problems, but only aggravate them by making credit available through SEDCO.

There was legislation passed at the last session of the legislature which I might say, I worked for. At one time I was hopeful that credit under the ARDA or more preferably under the Federal Credit Corporation program, would be made available to rehabilitate farmers on the land — farmers who are being benefited as a result of the pasture and fodder programs, particularly in the northern part of this province and elsewhere. These particular ARDA programs in Saskatchewan were intended to rehabilitate small farmers and to improve their income position. The one thing that was lacking was credit to these small farmers who had no access to credit anywhere, whether Federal Farm Credit or through any other credit agency anywhere. So we passed a bill in this house a year ago, under which rehabilitation credit could have been made available to these people. No use has been made of this legislation. I say this with great regret and I sincerely ask the government for heaven's sake, activate this legislation. Make it applicable to the many small and sub-marginal farmers, especially in the northern part of the province.

Mr. Speaker, we do not need to talk about Metis and Indians alone. We have farmers there too with limited incomes. Yes, and I say to the Minister of Social Welfare (Mr. Boldt), who are either recipients of social aid, or potential recipients of social aid, whom we can rehabilitate and for whom huge sums of money have been invested in the development of pasture and fodder projects. These programs are intended for these small farmers, but they must have credit.

May I suggest too, that in accord with the provision of the legislation at the last session, this credit agency remain within the Department of Agriculture — that it be associated with the agricultural representative service — that it be associated with our farm management service — that it be associated with all the advice that we can provide through the Husbandry

branch too, and there is no risk, in my opinion. For at least six months of the year, these cattle will be in community pastures and many of these farmers will have access to fodder supplies that are complementary to the provincial pastures. Credit must also be made available to them so that they can develop more land on their own with the only qualification being that they have a proper hay shelter and have sufficient water and winter feed, and this can always be determined in advance, and can in fact, be accomplished by an applicant for credit before the winter sets in. In my opinion, there is no great risk involved. In fact, there is no risk involved because these people will either become relief recipients or we can put them on their feet in this manner, and I hope that the government will see fit to implement this legislation. That is the best thing you can do for agriculture. Those that are well established do not need credit as badly and certainly, a young man, even if he has plenty of backing and resources, as well as help from his father, in buying land at current prices, has not a paying business. We can do something to good advantage for these small farmers to improve their income position.

Some people will say "But these still will not be sound economic units." Mr. Speaker, this is a lot of hogwash, that a farmer has to have a section or two sections to be economic. I know many farmers, as does every member of this legislature, who have a half section of good land or three-quarters of a section of land in favourable moisture areas of the province who have made an excellent living for themselves and their children. Many of their children who left the farm are pilots, professors in the university, municipal secretaries and so on.

It all depends, Mr. Speaker, on what an individual wants out of life. Whether he wants a new automobile every year, or whether another jalopy will do; whether he is more concerned about having a comfortable home and enough to eat, and the satisfaction that goes with not wanting too much, but wanting enough so that his children are well fed, well clothed and well educated. The educational opportunities are here today. The hon. Minister of Education (Mr. Trapp) is saying that no child in the province needs to go without a good education and this is becoming more and more my opinion. So let us not think in terms of great big, huge farms at all. Let's do something for the small farmers who have no one to turn to at the present time for credit.

I hope some of this advice will be accepted, Mr. Speaker, I think I have said about all I want to say on this budget debate. I hope that I have made at least some impression on the hon. members opposite. May I repeat again that there is no better way of accomplishing political defeat than by making huge tax cuts at the expense of the expansion of existing services. I say it is certain that expenditures generally are bound to go up and up despite borrowing, and if we do in fact borrow more than the limit, we could jeopardize the credit of the province.

It is very pleasant politically to promise all kinds of things and often we as politicians are being severely criticized for this and rightly so, for saying that we can accomplish the impossible — that we can in fact, reduce taxes and expand services — that costs will continue to up and that no matter how you pay for goods and services, whether you pay income tax to the federal government, whether you pay gas tax to the provincial government, or sales tax to the provincial government, or whether you pay it by way of property tax, the money comes out of the same pocket. For the benefit of the hon. Premier, I would like to remind him too, he is always drawing a very distinct line between private enterprise and the public sector of the economy, as though these are two opposing forces. This ought not to be so, Mr. Speaker, and we ought not to do anything to create a division here of suspicion between private and public sector of the economy, because everyone of us knows full well that we are facing tremendous challenges to our democratic system in the years ahead.

With more and more young people coming into the labor market and automation, cybernation and all the rest of it will be displacing labor, our young people will have to be better educated. We will have to find jobs for them. The government alone will not be able to accomplish this. It will have to work in close cooperation with the private sector of the economy and I am not saying, Mr. Speaker, that all capitalists are bad. They too are victims of their environment.

Mr. Thatcher: — Just the monopoly ones.

Mr. Nollet: — They are not just the monopoly ones. There are a lot of these people, with the exception of the real reactionary ones, who have what

might be called the fascist mind, but with the exception of a few of those, your industrialists, your financiers, all have a great sense of social responsibility — a responsibility to the public and to society as a whole.

Mr. Thatcher: — Oh, you are mellowing!

Mr. Nollet: — I am not mellowing. I am being sensible. I would suggest to the hon. Premier that he mellow a little bit in this regard because what he would apparently like to do is to frighten people against government monopoly. What is wrong with government monopoly that is not more wrong with private enterprise monopoly, I would like to know?

Doesn't government now have a monopoly in providing roads and education and what an opposition we got, Mr. Speaker, when we thought government ought to do something for the health of the people too, as they have been doing for years in the field of education. This was held up as a terrible thing to do. This was supposed to be totalitarianism, Mr. Speaker. This is a bunch of eye wash! I think that all of us should become a bit more mature in our attitudes to our responsibilities and to society as a whole. This is the kind of world we are heading into. We are not back to the kind of world which is help up by the hon. provincial Premier — back to the days of private enterprise where everything was free — an open competition when we would do anything to have business come in for resource development in the hopes that a few crumbs would fall hither and yon, and help us out. This is not the case anywhere. It has not been the case anywhere, but the two sectors, private and public, working together, can make it possible to develop well balanced economic progress, providing each accepts its full responsibility to society as a whole from the resources that are being developed. Society is entitled to a good share of the benefits and why any companies should object, I don't know. Actually in fact, it is not they who pay for it. The ultimate person who buys the particular item is the one that pays it. We're kidding ourselves a little bit, so why all this objection? I would plead therefore, that we do look to the future in the broadest possible sense that we seek the cooperation of the entire community in facing and finding a solution to the tremendous problems ahead.

Mr. Speaker, I better finish this up proper like. I am voting against the motion, Mr. Speaker, and will support the amendment and the sub-amendment.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — The other day a question was raised by the member for Kelsey (Mr. Brockelbank). Having considered the question of privilege raised on Friday last by the member and having investigated the circumstances surrounding the matter, I wish to make a brief statement to the house.

The question of privilege involved the answer given to question No. 189 on February 25th, which answer simply referred the inquirer to a publication of the Workmen's Compensation Board. In raising the question of privilege, the hon. member for Kelsey (Mr. Brockelbank) claimed that this was an improper answer since the information asked for was not supplied. I am not aware of any rule which forbids the citing of a publication in answer to a question. Indeed, May's Parliamentary practice, page 360, of the 16th edition, states as follows: The following types of questions have been ruled out of order

requiring information set forth in accessible documents or in ordinary works of reference.

Further on Beauchesne's Parliamentary Rules and Forms we find this:

The purpose of a question is to obtain information and not to supply it to the house. A question oral or written, must not seek information set forth in documents equally accessible to the questioner such as statutes, published reports.

However, a series of speaker's rulings in this house, has established that in our practice answers generally should not refer the inquirer even to readily accessible documents. Excepting in special cases, or where the quotation would be too lengthy. I would draw your attention to the journals of this house for Friday January 18, 1935, where the speaker's ruling in part, said as follows:

Answers generally should not refer the inquirer

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even to readily accessible documents excepting in special cases or where the quotation would be too lengthy.

And again to the journals of the house for Friday, March 28, 1941, when another speaker, in bringing down a ruling, said as follows:

I'm of the opinion that it would be unwise to lay down any hard and fast rule on this matter, but I think that answers generally should not refer the inquirer even to readily accessible documents excepting in special cases or where the quotation would be too lengthy.

I am of the opinion therefore, that in answering questions, Ministers should not simply refer the inquirer to a particular publication, but should, where possible, provide the information requested.

As for the question of privilege, it seems to me that this does not arise, since in this case, the inquirer was in fact, supplied with a copy of the publication referred to attached to a typewritten answer. Although, it would have been better had the question been changed to an order for return and the document supplied, I believe, in that manner.

In regard to the question of the length of an answer which was mentioned in both of the citations in the journals, if I understand this question correctly, this entire booklet I am holding in hand, is what it would have been necessary to print in the votes and proceedings, had it all been printed therein.

Hon. Dave Boldt (Minister of Social Welfare): — Mr. Speaker, we have just heard, for an hour and a half, the former Minister of Agriculture (Mr. Nollet) . . .

Mr. Brockelbank (Kelsey): — Mr. Speaker, replying to the point that you were dealing with, could I say a word or two?

I appreciate your ruling, Sir, and I apologize to the Minister for interrupting but I was just looking for this paper. I don't want to be unreasonable in asking questions, but I certainly want to get information because I am entitled to it and members in the house are entitled to it. I today, submitted a notice for motion for return which says the classification to workmen covered under the provisions of the Workmen's Compensation Accident Fund Act at the rate of assessment of each classification. Now, the easy thing, of course, would be for the minister to give all the members a copy of this booklet which he has given to one, but you see the answer was tabled or was given to the member that was asked the question, had the little book attached to it, but that little book wasn't printed in. All I got was the reference and didn't even have the book. As a matter of fact, I would be quite happy to withdraw this if the Minister would promise to give us each a copy of that book.

Mr. Speaker: — I think the minister . . .

Hon. L.P. Coderre: — Mr. Speaker, not speaking on the point of order, but I can assure this house that these booklets will be available to the members of this house.

Mr. Brockelbank: — Tomorrow?

Mr. Coderre: — If I can get them that fast.

Mr. Boldt: — We just heard the former Minister of Agriculture (Mr. Nollet) for an hour and a half . . .

Mr. Nollet: — One hour and ten minutes.

An Hon. Member: — Two.

Mr. Boldt: — Or was it two?

An Hon. Member: — Two hours.

Mr. Nollet: — One hour and ten minutes.

Mr. Boldt: — . . . telling us about the problems that exist among the farmers, and I want to assure this house that those problems existed while he was, for twenty years, Minister of Agriculture. At no time in the history of Saskatchewan have more farmers left the farms of Saskatchewan than while he was occupying the chair as Minister of Agriculture.

I am amazed at some of the remarks that have come from the opposition. I've been in the opposition for four years and I want to relate my remarks to the four years I enjoyed being in the opposition.

We attacked the government constructively and we were rewarded after four years of constructive criticism, that we today sit on this side of the house.

Some Hon. Members: — Hear, hear!

Mr. Boldt: — The members seem to be bitter. They still haven't accepted the fact that they have lost an election. They don't seem to grasp that we are still looking after the poor. The teachers are in the schools. The highways are being built. Buses are operating, and this will continue for the next twenty years under a Liberal government.

Some Hon. Members: — Hear, hear!

Mr. Boldt: — In rising to take part in this debate, Mr. Speaker, I would like to comment on a few things that hon. members of the opposition have said.

First of all, I would like to thank the hon. member from North Battleford (Mr. Kramer) who usually is not in his seat, for having given me credit for rerouting no. 5 highway through Langham on to no. 11 highway in Saskatoon. I doubt if I could have made more votes in the Rosthern constituency in four years of campaigning than the hon. member made for me in the few moments when he directed this attack on me. I doubt that the hon. member and the Minister of Highways (Mr. Grant) needed much convincing as to where the highway should enter Saskatoon. I'm also convinced that the business people of northern Saskatoon appreciate the common sense attitude of the minister of Highways. These businesses have been established here for forty years and certainly they are entitled to some consideration.

I also noticed during the course of this house, that a good number of questions have been asked by the former Minister of Welfare (Mr. Nicholson) in regard to smoking at the Boys School. If he has asked fifteen questions, I would say ten have been related to the Boys School.

On a previous occasion I accused the Minister of being the Minister while the notice, permitting smoking, was posted on a bulletin board. I've been advised that this was not the case. He was sworn in four days later and I apologize for not having checked this out. However, the former Minister stated in public accounts, that he took full responsibility which he must, while as Minister, for the operation of the Boys School. He also stated that it was not forbidden, in the statutes of the federal and provincial governments, for parents to give tobacco or cigarettes to their children, and as the boys were wards of the Minister, he had every right and did not disobey the law, if he as Minister, provided cigarettes to the boys.

I have read, Mr. Speaker, both the federal and provincial statutes and there is nothing in them permitting parents to supply tobacco to a child under sixteen. Both statutes forbid the sale or supply of tobacco in any form, to any minor in that age group, and no exceptions are mentioned. So the former government and Minister, in fact, violated the statutes and the people of Saskatchewan will condemn him for doing so.

I want to read the act, and I doubt very much whether the former Minister has ever read the two acts. I've had legal consultation and consultation with the medical people regarding this act, and generally speaking, they say that the laws of the statutes of both the government of Canada and the government of Saskatchewan, have the effect of prohibiting a parent from giving cigarettes to a child under the age of sixteen. I will read clause two, three, and five of the Saskatchewan Act.

A person who either directly or indirectly, sells, gives, or furnishes, to a minor under sixteen years of age, cigarettes, cigars, or tobacco in any form, is guilty of an offence

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and liable on summary conviction to a fine of not less than one dollar, nor more than ten dollars, or to imprisonment, with or without hard labor, for a term of not exceeding ten days, or to both; and where a fine is imposed and paid forthwith upon conviction, the justice may commit the offender to a common jail, there to be imprisoned for a term not exceeding ten days unless the fine and costs are sooner paid.

Now, here is one exception and I hope you will not misinterpret this, because I have had legal advice on this one. Except, and clause three says this:

This act does not apply to a sale to a minor under a written request or order of his parent, lawful guardian, or employer.

This means if I send a child to a store to buy cigarettes, I have to give him a written order and the clerk may sell. Clause five to the Saskatchewan Act says:

Subject to section three, no minor under sixteen years of age shall in any way, either directly or indirectly, procure or permit the sale, disposal, gift or delivery to him, of cigarettes, cigars, or tobacco in any form.

This is the Saskatchewan Act, and the federal Act is even more strict. I will read it. I want to read it into the records of the house. The federal Act, chapter 266, clause two:

Everyone is guilty of an offence and liable on summary conviction in the case of a first offence to a penalty not exceeding ten dollars and in the case of a second offence, to a penalty not exceeding twenty-five dollars, and in the case of a third or subsequent offence to a penalty not exceeding one hundred dollars, who directly or indirectly sells, or gives, or furnishes, to a person under the age of sixteen years, any cigarettes, or cigarette papers, whether for his own use or not, or sells or gives or furnishes to such person, tobacco in any form, other than cigarettes which tobacco he knows or has reason to believe is for the use of that person.

That is the Act. Certainly the former government has violated the statutes. I am also informed that the liquor laws prohibit anyone, including a parent, from supplying a minor with liquor.

A good deal has been said about me ordering the social aid recipients who are not disabled to seek employment last spring. I certainly see nothing wrong with this. When spring comes around, the Department will again send out a similar directive. Job opportunities look very promising. I would hope that every employable person will go and seek employment. Just let me read two paragraphs of the directive and see if it didn't make sense. I would like the hon. member from Saskatoon, the former minister (Mr. Nicholson) to listen to these words. This is the directive that was sent out:

Now that spring is here, job opportunities have increased and we should all be encouraging those social aid recipients who are not disabled, to seek employment.

You will be interested to know, that it has been a common practice in other parts of the province for municipalities to adopt the policy of discontinuing social aid to employable persons once jobs are available. We would urge you to do so now.

Your policy statement, might simply be, that since employable social aid recipients are expected to seek employment when it is available your municipality will discontinue social aid payments to them when employment conditions are such that they can reasonably be expected to obtain a job.

You may wish to give them formal written notice with their May cheques, since job opportunities should be at the peak in May. If you have taken any action along this line already, this is good social aid practice on your part.

Does the former Minister (Mr. Nicholson) want to criticize this statement? They criticized it and yet I have every reason to believe that the former Minister issued the same directive. Does he want to stand up and deny this?

An Hon. Member: — . . . whether he did issue it.

Mr. Boldt: — Sure, he issued the same directive. This directive was issued in June 5, 1964, and I have one here written April 30, 1963, and it is almost word for word. Yet it was a horrible thing for the Liberal government to ask these people to go and seek employment when it was perfectly alright under a Socialist government.

I would like to turn now for a few moments, to the administration of social aid, by the municipalities. I have been aware during the nine months in office, and recently again in public accounts, that welfare offices have at times in the past, withheld information from the councils, regarding social aid costs of social aid recipients.

Councils have been led to believe that information regarding social aid was strictly confidential and were told that members of council had no business asking for and were refused information. If this has been the case in the past, and I do not doubt that it has been in some areas, then the welfare official has outwitted the council. I want to make it abundantly clear that social aid is the council's business. They administered almost \$7,000,000 of social aid in the last fiscal year and I hold them responsible for every nickel of it. I'm sure that they would want to know how it was being spent if they had to bear the full cost of social aid. The provincial government is the greatest contributor to social aid and I personally want to know how it is being spent.

I want to say to the municipal representatives that if your welfare official refuses to give you this information, then get rid of him and hire one who will. It is entirely in your hands. Don't come to me with the excuse that you did not get the information. Make social aid your business. Scrutinize every application if you feel it necessary and make certain for yourself, that social aid is not being abused and that the people in need are given according to their needs.

Now, as I said in the past, the former Minister very seldom outlined social aid and the welfare programs of the Department. The members of the legislature were usually left untold after the session ended, what really occurred and what the program was in welfare. I today, again, intend to expound on some of the programs that are within my Department. I think one of the most important ones is public assistance.

If I mention assistance, services to needy people of Saskatchewan continue to be made available to five categorical allowance programs administered by our Department and a generalized program known as social aid that is administered by municipalities. Of the five categorical programs, aid to dependent families and supplemental allowances are provided for in the provincial legislation. While old age assistance, disabled persons allowance, and blind persons allowances are established by federal legislation.

The federal government shares in the cost of all of these programs except certain supplemental allowances granted to old age security pensioners and blind persons prior to April 1, 1961. This latter group, could not qualify under the means test which was a condition of the federal government for the sharing of supplements of old age security pensioners and the blind disallowance recipients.

Social aid is provided for by the provincial and municipal legislation and financed by federal, provincial and municipal governments. All municipalities contribute to the cost of the program through a per capita arrangement. In order that you will all be fully informed, I would like to give a brief review of the latest information on each of these programs.

During the time of the 1964 legislative session, the public assistance branch staff were engaged in increasing the allowance of old age assistance, disabled persons allowance, and blind persons allowances, recipients

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for a monthly payment of \$65 to \$70. This increase in maximum payments raised the average monthly payments in old age assistance from roughly \$59 to \$68; disabled persons allowance from \$64 to \$74; and blind persons allowance from \$64 to \$71.

The old age assistance case load stood at 5,536 in December, 1963, and a year later at 5,414. A decline of 122 cases. On qualifying for old age assistance, these recipients receive a medical and hospital card. The decline in the blind persons allowance program has been from 413 to 391, a drop of 22 cases in the last year. The disabled persons allowance program, on the other hand, has continued to climb. It rose from 1,631 to 1,762 in the last year.

Despite the increase in these three programs to a maximum benefit of \$75 per month, it is still necessary to supplement the income of these recipients to social aid and supplemental allowance, by about \$320,000 annually.

The means test of the supplemental allowance program paid to old age security pensioners and blind persons allowance recipients, is decreasing quite rapidly because no new cases have been added since April 1st, 1961. This case load totals 4,027 recipients in December and a year later 3,701.

Aid to dependent families provides financial assistance and health services where the mother had dependent children, and is widowed, divorced, or legally separated; or the father incapacitated; or where the mother is deserted or unmarried and has made some reasonable effort to obtain support from the child's father. The benefit levels under this aid to dependent families program are the same as for social aid. The total number of parents and children benefiting from this program has increased slightly from 11,225 to 11,379 in the past year.

Turning to social aid. This program case load is composed of a fluctuating number of employable persons who are out of work; a relatively constant number of persons who are employable because of age of desirability; and a third group whose employability is limited. There is no reliable data available regarding the exact number of persons in each of these three categories. However, a 1961-62 survey showed that recipients of social aid amounted to about 2.4 per cent of the population in November, 1961. Of that, fifty-seven per cent of the recipients were unemployable. In any event, it would appear that between one and two per cent of the population will need social aid regardless of either the level of employment or the services provided. To the extent that the trend is toward an ageing population, this permanent case load is likely to increase gradually.

Persons rated as employable include substantial numbers whose outlook for employment is precarious. The 1961 study showed that recipients were predominantly unskilled and that one-third were fifty years of age. Experience both here and elsewhere, indicates that many of these people are inadequate persons who did not do well in school and so dropped out at an early age. They have never had a satisfactory work experience and have had so few successes of any kind, that they have no hope for improvement to spur them to further efforts.

A comparison of the average case loads for periods April to September, 1963 and 1964, shows that the case load for social aid has declined by slightly better than 1,300 recipients. The expenditure has dropped by \$70,000 during the same period.

Recently I have had discussions with representatives of two municipal associations regarding present content and fiscal arrangements for the social aid program. After some six years of experience with the program, it has been decided that a provincial-municipal study, in effect, will be initiated. This study will inquire into the coverage provided by the program such as for example, the cost of medical and hospital insurance cards and drugs; appropriate fiscal arrangements as between the province and the municipalities collectively; and also by class on municipality for benefits under the program. Effective administration and a sharing of the provinces in these costs, where improved services were obtained and various aspects of the administration of social aid will also be studied.

In addition, the national department has appointed staff, in each province, who are designated as public assistant representatives. In Saskatchewan, this representative is situated at the central office of my department and is engaged in testing provincial financial records, sampling case records for the provincial administered aid to dependent families and supplemental allowance programs, and some sampling of case records in selected municipalities. His contacts with municipalities are being coordinated with

the administrative reviews conducted in municipalities by department staff. The philosophy of the public assistance program in this province, has been stated on numerous occasions. The purpose of the program is to provide financial assistance and other services to a person and his family who are in circumstances and to do so in a way that their capacity for self-respect and self-dependence is maintained, strengthened or restored. The aid should be sufficient to provide a standard of living in keeping with what is minimum for the community, provided the requirements of health and decency are met.

From the brief description of the various ways of meeting the basic needs of persons in this province, it will be noted that they are very complicated and difficult to comprehend. How much more difficult this must be for a goodly number of people who must seek help for their livelihood from these programs.

Furthermore, as I have indicated earlier, the maximum level of benefits under old age assistance, disabled persons allowance, and blind persons allowance must be subsidized to a considerable extent before recipients minimum needs are met, thus involving at least duplicate administrative procedures. The administration of these categorical allowances is complicated by the necessity of applicants to meet numerous eligibility conditions, some of which are unrelated to need. The result is that assistance is often denied or delayed when the need is obvious and acute. Also, these means tested allowances deny need on the basis of public assistance as they are granted under resource tested flat grant basis and permit the retention of substantial personal assets.

Here the result may be that persons with substantial resources receive assistance or a person may suffer want, or he must seek supplementation through social aid. At the present time there appears to be a climate across Canada for coming to grips with the types of problems which I have stated. Legislation is required at the national government initially. Already the province of Quebec is preparing to opt out of federal provincial welfare programs in return for certain tax concessions.

It appears that the next step is for the enactment of a national omnibus piece of legislation which will permit provinces to elect a type of legislation which will permit provinces to elect a type of welfare program, they feel will best serve their people. Historically the categorical programs referred to, have each developed in response to the needs of these assistance to persons, should be based on need regardless of the particular reason for such need. In other words, assistance should be based on the fact regardless of the particular reason for such needs.

We advocate a unified public assistance program which will provide help to those who most need it; provide substantial savings in administrative costs by combining these various programs and eliminate complicated procedures. This approach is particularly advocated in view of the developments which will likely take place with the introduction of the Canada Pension Plan and the intended proposals related to old age security pensions payable at reduced amount at age sixty-five and the adjustment of these pensions in line with the Canadian economic growth.

The provision of financial assistance without services creates a very serious gap. These welfare services, as a minimum staff who are oriented to doing a welfare job preferably with professional social work supervision. They also demand work loads which will permit clients to be seen fairly frequently. The number and size of municipalities continues to restrict the possibility of employing appropriate welfare staff in a social aid program to a few larger centres and associations of municipalities such as the Meadow Lake Social Service Board.

Recent information indicates that 246 municipalities were not issuing aid; 393 were issuing aid to less than six recipients; and another 76 were issuing aid to ten persons or less. Out of a total of 806 local government units, only 91 units or eleven per cent, issue enough aid to become thoroughly familiar with the program.

One of the objectives of the public assistance program as of all social welfare measures, should be to enable the people to live as normal lives as possible. The program therefore, should make available such health and social services as may contribute to rehabilitation and prevent further development of the factors which contribute to dependency such as ill health, lack of occupational skills, poor personal relationship, or bad family management. Adequate recognition should be given to these related services,

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which are an integral and essential part of a total program. There appear to be a number of approaches that might be used to resolve the situation that I have identified. First of all, a classification of case loads to determine where service is needed, and then reduce case loads for workers carrying a case load with the major service component, are a requisite. This would apply equally within my Department and for larger municipalities. Employment of staff who are well oriented to enable giving services designed to rehabilitate recipients is a necessity.

After detailed studies, the public assistance program is to be converted to electronic data processing. Steps have already been taken to place the program administered by the department on an electronic tape, and an educational program is taking place now and will continue until March of this year, with all municipal welfare officials in the province. The social aid program will then also be processed through the computer, and, and numerous benefits will accrue from the use of it.

This government has a real concern about the number of employable persons who continue to need aid, while the number of persons in this category drawing aid declines to an estimated five to ten per cent of the case load, during a period of economic buoyancy. There are however, inherent dangers that a tendency is being created when a goodly number of these persons are able to hold jobs for only a limited period of time each year. The alternative for those persons is a program of work. The winter works incentive program helped but does not provide the full answer. The premier of this province proposed a plan to the federal-provincial conference last fall. Several other plans have been proposed to the federal government. I believe that the stimulus has been provided whereby a plan for work instead of aid, will emerge and that it will be one which will include federal participation.

I would like to say a few words about the rehabilitation branch. The services of our rehabilitation branch have been instrumental in causing a large number of disabled men and women to become independent and self-sufficient, through training and other services provided. Some of the disabled persons we have assisted, now occupy responsible positions in industry and business. Others own and operate their own business. The department brings together many professional people who recommend that the best kind of treatment or training needed, to rehabilitate the disabled person.

Medical examination and treatment by a client's own doctor or specialist recommended by him; board and room while training in any suitable school; employment finding and finances necessary to procure these services, are provided when necessary. Our objective is to enable disabled persons to take a proper place in the economical life of their communities whenever this is possible.

Increasing numbers are doing this. In March, 1963, there were 166 disabled persons in training. This figure jumped to 262 in March of last year. Our latest figures show 307 disabled persons in training as of December, 1964. This is a fine record for a department that is to have engaged in war on the poor.

Last year, eighty-one persons were placed in employment and their earnings were estimated at about \$183,000. The numbers placed in employment should show a sharp increase next year as those now enrolled, graduate from training classes. The fairly recent demands of employers for better trained workers, has made it necessary for us to provide more academic training to more disabled people. The larger numbers now in training for long periods will, of course, take a little longer to completely rehabilitate. They should, however, be equipped to do a better job.

There are very few job training courses open or suitable for disabled persons who have less than a grade ten education. Parents who have children with a disability should therefore try to provide all the basic education that is possible. We have provided university training, as a rehabilitation measure, in some areas. This can be done when the person's disability is such that only through university training can he be equipped to do an adequate job. Although much of the expense of this program is shared under the federal provincial rehabilitation agreement, there is a large part of the program which is born entirely by the province. The future looks optimistic for larger numbers of disabled persons being able to compete in employment and become taxpayers instead of recipients.

In conclusion, regardless of the defined purpose of each of our welfare programs, the long range objective of our services is to better the lot of the needy individuals and families. In other words, to rehabilitate

them to a better way of life than they otherwise might have known.

This, you will agree, represents the highest level that mankind has yet attained in a social attitude towards his fellow men. In our history and to some degree within memory, we have transcended the survival of the fittest philosophy and passed through a period when custodial philosophy that gave care and protection to certain needy citizens, predominated. We now implement a philosophy of giving or giving back to the less fortunate, the opportunity to become self-sufficient. This, I contend, is a challenge of welfare services as we progress through the 1960s, with the help of a dedicated staff, which it was my good fortune to inherit when I became Minister of Social Welfare. It is my avowed intention to do all in my power to better the lot of those in need of our services.

Mr. Speaker, I shall not support the sub-amendment and the amendment, but I shall support the motion.

Some Hon. Members: — Hear, hear!

Mr. H.H.P. Baker (Regina East): — Mr. Speaker, would the hon. minister permit a question? In your remarks, you stated that the social aid program was responsible to the city councils. Are you saying in essence that the City Act supersedes the Social Aid Act?

Mr. Boldt: — The first remark that the member made, I did not catch.

Mr. Baker: — I believe you stated, if I understood you correctly, that the city councils — all social aid activities in the program of such welfare, of this welfare organization, is responsible to the city councils. Now, my question is, are you saying then that the City Act supersedes the Social Aid Act?

Mr. Boldt: — What I did say to the hon. members was this, that it had been brought to my attention that a good number of social aid officials did not relate information to city councils. I say this, that it is the city council's business to know how the money is spent, and if the welfare officials do not want to give you this information, then you should get an official that will, and if they won't, you come to my office and I'll show it to you.

Mr. Baker: — I agree with you on that, Mr. Boldt, but the thing is, the question I asked is, does the City Act then, from what you say, supersede the Social Aid Act? This is my opinion, of course. Are you saying the same thing that I believe too. If you don't want to answer it, we can do it privately. That's alright. I'm not trying to put you on the spot but to me this is most important in this municipality.

Mr. F.E. Radloff (Nipawin): — Mr. Speaker, as I rise to speak in support of the budget motion as outlined by our Provincial Treasurer and the Premier of this province, I have a tremendous feeling of pride to be associated with a man who is determined to fulfil the promises and the predictions of his party. The promises of tax cuts and efficient operations of the government departments promises an improved standard of government operations.

Mr. Speaker, and members of this legislature and especially the members in opposition, I would again like to refer to the Budget Speech. I know that the members in opposition may dislike the Budget Speech of our Provincial Treasurer. They must know that the people of this province are going to be highly gratified with the tax cuts the Premier has promised. All the speeches by the members of the opposition show concern about the tax cuts as outlined by the Premier. If they will also read one article in today's Leader Post, they will see that the Communist party of Saskatchewan is concerned about the Premier's budget. I do not blame these people for being perturbed about the tax cuts because these tax cuts do promise development and a more satisfactory return, and more money to live on. I know the people of Saskatchewan are going to take another look at the program of the members of the opposition.

If the members in opposition will continue to read the Budget Speech and throw away the "Commonwealth" I know that they will have a more solid program to work from.

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I have been listening daily to speeches by members of the opposition. One matter that should be brought to the members of this legislature is the statement made by one of the members from Saskatoon, regarding the extension of opening hours of liquor stores in each of the cities of Regina and Saskatoon. I'm sure the member from Saskatoon did not consider his remarks too carefully, but I can say to him, that the purpose of this government's action in the opening of the liquor stores for extra hours in the evening, is not for the purpose of encouraging the consumption of liquor, but in the two larger cities. I can say that I am certainly surprised at the member from Saskatoon criticizing the government in this regard because I know that the peddling of liquor by bootleggers will be curtailed by giving the citizens of these two cities the opportunity to buy their liquor legally.

There is a remark by the member from The Battlefords, that he wanted to see some of the over-age timber that has been lying dormant or unutilized in the province of Saskatchewan. He challenged the members of the government to show him some of this timber. Now, I can say that if the member from The Battlefords (Mr. Kramer) would like to come to the Nipawin constituency and to the Cumberland constituency, I can show him many millions of feet of lumber uncut and deteriorated. I would certainly like the pleasure of taking him around and showing him some of this timber, which he says is not in existence.

The reason that a great amount of this timber has not been utilized is because of the policies of the Saskatchewan Timber Board. There would have been salvage operations, if the Saskatchewan Timber Board had been prepared to pay the small operators, amounts for the lumber similar to what operators in other provinces receive for their operations. Our Saskatchewan Timber Board pays the operators something like one-half or two-thirds of the amount that other governments pay or other industries pay for this kind of salvage operation. I certainly criticize the Saskatchewan Government Timber Board for the way that they have treated the small operators and I certainly hope that within the next few weeks, the government, now in power, will be able to do something about the way the Saskatchewan Timber Board has carried on their operations.

I have a great deal more to say, but I will take the opportunity tomorrow to make my remarks regarding the Budget Speech. At this time I would like to move the adjournment of the budget debate.

Debate adjourned.

The assembly adjourned at 10:00 p.m. o'clock.