

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Fifteenth Legislature**  
**20th Day**

**Wednesday, March 3, 1965**

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

**WELCOME TO STUDENTS**

**Mr. R.A. Walker: (Hanley)** — Mr. Speaker, before the Order of the Day are proceeded with I would like to take this opportunity to welcome to the gallery a fine group of students from the Crovet School in the Saskatoon East School Unit. These students come, of course, from Hanley constituency, and they attend what is probably one of the finest schools in Saskatchewan. On behalf of yourself, Sir, and all hon. members, I want to welcome them here this afternoon to express the hope that they have had an interesting visit to the city of Regina, and to express confidence that all members taking part in the proceedings this afternoon, will uphold the fine spirit and traditions of this assembly so that these young people will go back to Hanley constituency, pleased with the conduct of this assembly.

**Hon. Members:** — Hear! Hear!

**Mr. B.D. Gallagher: (Yorkton)** — Mr. Speaker, before the Orders of the Day are called, I would like to welcome a group of grade twelve students from Sacred Heart Academy sitting in the Speaker's Gallery. This group of students from Yorkton are accompanied by Sister Rosanne and Sister James. Incidentally, in my six sessions here, this is the first group that I have had the privilege of welcoming. I am particularly pleased to welcome this group because I have a daughter attending Sacred Heart Academy. I would like to welcome them here and I would like to caution the Acting Leader of the Opposition to be on his best behavior here this afternoon, because they have come here to listen to him as well as to others in this house, and I wouldn't want any bad influence on these students from Yorkton. I am sure that if they have the endurance to stay here for three-quarters of an hour, that it will be quite educational for them. Mr. Speaker, on behalf of all members of the assembly, I want to welcome them here and wish that they have a very good afternoon.

**Hon. Members:** — Hear! Hear!

**Mrs. Marjorie Cooper: (Regina West)** — Mr. Speaker, I would also like to welcome a very great fine group of students. They come from Wascana School which is in Regina West constituency. They are here with their teacher, Mr. S. Howe, and we want to thank Mr. Howe for bringing them here and we want to welcome them here and we are sure that they are going to enjoy very much the speech of the Leader of the Opposition.

**Hon. Members:** — Hear! Hear!

**Hon. D. Heald: (Attorney General)** — Speaker, before the Orders of the Day are proceeded with I would like to draw the attention of hon. members to the fact in the Speaker's Gallery we have as guests this afternoon, the grade nine and ten students from the Pense High School in my constituency, accompanied by their teacher and principal, Mr. Jensen. On behalf of the members and yourself, Sir, through you I would like to extend the greetings of all members I am sure, to these students from Pense in the finest constituency in Saskatchewan. I am sure that they will enjoy the proceedings this afternoon and I want to extend hearty congratulations and greetings to them and express the hope that they will return another day.

**Hon. Members:** — Hear! Hear!

**Mr. J.A. Pepper: (Weyburn)** — Mr. Speaker, before the Orders of the Day are proceeded with I would like to draw your attention and through you to the members of this house, a group of high school students in the east Gallery.

They are from the Goodwater Centralized School located in the Weyburn constituency. These students, Mr. Speaker, are accompanied by their principal, Mr. Andrew Medwid, and their bus driver Mr. Elmer Erickson. And I am sure, Mr. Speaker, that you and the members join with me in wishing these students a safe journey and that their visit here maybe both constructive and educational.

**Hon. Members:** — Hear! Hear!

**Hon. G.J. Trapp: (Touchwood)** — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to welcome all the students here from all parts of Saskatchewan, but particularly I would like to welcome the students from Sacred Heart Academy. Mr. Gallagher got ahead of me, but many of their students in that group come from my constituency, from Jedburgh area, and some of them were in my office and I can assure you they are a most delightful group and they are accompanied by their teacher, Sister Rosanne and Sister James. I hope you enjoy your stay this afternoon.

**Hon. Members:** — Hear! Hear!

**Mrs. Sally Merchant: (Saskatoon)** — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to point out to you and to the members of the house that I have saved the very best to the last, because I have been waiting while all these other inferior constituencies and inferior schools have been introduced, I have saved the school from Saskatoon that is visiting to introduce now. From Queen Elizabeth School, we have grade seven and I'm sure they will appreciate their own importance in being saved as the cream of the crop, and introduced to you here now.

**Hon. Members:** — Hear! Hear!

**Mr. J.E. Brockelbank: (Saskatoon)** — Mr. Speaker, in addition to the remarks from the lady member from Saskatoon city (Mrs. Merchant) I would on behalf of the four representatives from Saskatoon City, seated on this side of the legislative chamber, welcome the students from Queen Elizabeth School and wish them an enjoyable time here and a safe journey home.

**Hon. Members:** — Hear! Hear!

#### **ANNOUNCEMENT RE: UNION AGREEMENT WITH SASKATCHEWAN GOVERNMENT TELEPHONES**

**Hon. G.B. Grant: (Minister of Highways)** — Mr. Speaker, before the Orders of the Day are proceeded with I would like to make an announcement of which I feel will be of interest to the house. We have now received word that the union agreement with Saskatchewan Government Telephones has been ratified as of today, and I am very pleased to say that this union, whose reputation with the government has been excellent throughout the years, has used such good judgment and I commend them on bringing it to a rapid conclusion.

**Hon. Members:** — Hear! Hear!

#### **ANNOUNCEMENT RE: GRID ROAD MAPS**

**Hon. D.T. McFarlane: (Minister of Municipal Affairs)** — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to draw the attention of the members to the traffic-volume counts on the grid roads of Saskatchewan. The maps are on their desks, and I would point out that the volume counts on these maps are not necessarily taken during 1964. Some of them have been taken as many as five years previous, but the counts that we have are the latest available, and I hope the maps will be useful to all members in the house.

#### **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.

**Mr. J.H. Brockelbank: (Kelsey)** — Mr. Speaker, I wish to thank the leader of the house for arranging to leave the questions till after the Special Order has been

dealt with. I am very happy to have the opportunity to speak in the Budget Debate, when there is such a fine audience in the galleries and I can assure you that I shall do my best to carry on in the best parliamentary tradition with such a fine audience. I do hope that the pupils will enjoy their visit and that they will learn something about parliamentary procedures and about the business of government. I also hope that many of them will be interested in politics and will play their part as they should in the future life of this country.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — First of all, Mr. Speaker, I would like to turn for a few minutes to Kelsey constituency which I have had the honor to represent for a good many years. The Minister of Agriculture (Mr. McDonald) visited Kelsey constituency several months ago, and while he was up there, he said that we had the worst roads in the province of Saskatchewan. I wish he would tell the Minister of Highways (Mr. Grant) because the Minister of Highways apparently doesn't believe it. He is doing very little in that constituency in this budget. Only one small job of highways is on the 1965 program in Kelsey constituency, and that is a job that should have been done last year. There are twelve or thirteen miles, thirteen or fourteen miles from Carrigana to Shalene, so please I would ask the . . .

**Mr. Thatcher:** — You had twenty years . . .

**Mr. Brockelbank: (Kelsey)** — . . . so please I would ask the Minister of Agriculture, to see the Minister of Highways and ask him to double or triple that amount of work in my constituency.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — Another thing that the people of Kelsey constituency are very much interested in, and may I say very greatly disappointed about, is what the Premier had to say about the industry at Hudson Bay, about Wizewood. The Premier indicated that he might at any moment put this company into bankruptcy. And he could put it into bankruptcy . . .

**Mr. Thatcher:** — It is bankrupt now, you put . . .

**Mr. Brockelbank: (Kelsey)** — No, it isn't bankrupt until you put it into bankruptcy. When it goes bankrupt, you are the principal creditor that will be taking responsibility for putting it; into bankruptcy.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — And you will be taking responsibility for cleaning out the investments of my people in that industry and then sell it as a bargain to your friends. Now I am going to fight for this industry as long as I can. And I want to say a word or two to the Minister of Natural Resources (Mr. Cuelenaere). Just the other day, he made an announcement cancelling an agreement for a pulp mill at Hudson Bay. It came out in the Star Phoenix of February 25th:

Pulp Mill Deal Cancelled.

The agreement guaranteeing a pulp mill at Hudson Bay by 1967, has been cancelled.

This is another thing- that he does to my constituency. And then the very next day or two, there comes out a notice in the Financial Times of Canada, "Northern Alberta gets Major New Pulp Mill". This was dated March 1st. The Minister of Natural Resources gave us a story that conditions had changed and therefore it wasn't practical to have a pulp mill now. But it is in Alberta, and the people of Saskatchewan and the people of my constituency are wondering what is the matter with this government; they have done so much talking and so little action. No pulp mill. Even the talk they had about a pulp mill, they have abandoned.

**Hon. J.A. Cuelenaere: (Minister of Natural Resources)** — You should be the last to talk, You had twenty years

**Mr. Brockelbank: (Kelsey)** — The agreement that they had with Dumont, or Dumont and another company, is to give to Dumont a whole lot of timber, saw timber, and they make it look like a new industry in that area. There is no need for any saw mills by outsiders in that area. There are plenty of people in the saw-mill business that could have put up any necessary mill to use the timber that is available. This mill that is going to go into business, if the Minister is correct, is going to put other saw mills out of business, and furthermore, it is the first step in the destruction of the Timber Board. The Minister of Natural Resources (Mr. Cuelenaere) may say what he likes about keeping the Timber Board, but I can see that little by little they are going to chisel off the business of the Timber Board, chisel off some of the best business so that ultimately the Timber Board will be in a bad spot, and they will say, “well, we will have to do away with it”. This in my opinion, is the beginning of the end in that respect.

They talk about cutting a hundred thousand cords. Well, this winter so far, according to the question I had answered, they had cut only 5,270 cords, and much of this wood is over twelve inches in diameter, not cord wood or pulp wood, but saw timber. They are not getting the best price that we have ever received for pulp wood either. This is not correct. He mentioned \$2 a cord, but the Timber Board together with the dues paid to the Department of Natural Resources and the profit made by the Timber Board has been much more than \$2 a cord on many occasions.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — The other thing I want to say about Kelsey constituency is that, according to a return made in this house there were thirteen people in my constituency who had commitments made to them by the Department of Agriculture, in regard to lease land. Now the Minister of Agriculture (Mr. McDonald) is going back on these agreements and has posted that land so that somebody else may get it.

**Hon. A.H. McDonald: (Minister of Agriculture)** — There wasn't one agreement . . .

**Mr. Brockelbank: (Kelsey)** — This is the way, I didn't say there was an agreement.

**Mr. McDonald: (Moosomin)** — You did so, you said . . .

**Mr. Brockelbank: (Kelsey)** — I did not say there was an agreement, I said there were commitments, but my hon. . . .

**Mr. McDonald: (Moosomin)** — There weren't any commitments.

**Mr. Brockelbank: (Kelsey)** — My hon. Friend apparently doesn't know what a commitment is. He certainly is ignoring those, and this isn't going across very big either.

**Mr. McDonald: (Moosomin)** — The only commitment . . .

**Mr. Brockelbank: (Kelsey)** — The next thing I want to talk about for a few minutes, Mr. Speaker, is the latest that I have heard of in give-aways to the oil companies, and this is the oil that is under the road allowance in Saskatchewan. In the Western Producer recently, on February 18<sup>th</sup>, there was an item where the Premier said that he hopes to be able to remove the road allowance tax paid by the oil industry on oil production in the province. Well, actually there is no road allowance oil tax; it is a sharing of the oil that is allocated to the road allowance when it is produced.

**An Hon. Member:** — That's what it is.

**Mr. Brockelbank: (Kelsey)** — Mr. Speaker, and listen to this, Mr. Speaker, where the road allowances are ninety-nine feet wide and where they are around every section, and this is the situation that does exist in the great many parts of our oil fields, 3.6 per cent of the oil in those oil fields is under the road allowance. This is a very substantial part. Very substantial quantities of oil are under the road allowances. Where the road allowance is only sixty-six feet wide, and is only around every two sections, even there,

over 1.8 per cent — nearly 2 per cent — of the oil is under the road allowances. Now, what else can be done? Well, with plenty of give-aways to the oil companies already, they could compound the felony and give more public domain to the CPR, the Hudson Bay Company and other land companies and oil companies. This apparently is what he is thinking of doing. But we say: share the oil under the road allowances with the producers. And this is what we have been doing. The producers get a lease on a quarter section of land. They have no right to the road allowance at all — they have only the 160 acres. They have to put down the wells to produce the oil on that, but naturally they produce the oil from the road allowances too. So the agreement is that they produce this oil and they give us one per cent. The balance of it — this would be over two per cent where the road allowances are around every section — they have for themselves. They are getting well paid now. If we take this off, if we give them the road allowance oil without charging them anything for it at all, two things happen. One, our charges that we collect from the oil companies will be far less than that collected in either Alberta or Manitoba or British Columbia. I don't think this is good, and I don't think it is necessary. Second, the people who own the land beside the road allowances will be getting a free gift by giving to them the oil that is under the road allowances as well as the oil that is under their own land.

Coming now to the budget itself, I was interested in seeing one of the editorials in the Leader Post on February 20th which said:

#### Impossible Achieved

Mr. Thatcher has achieved the impossible by reducing taxation without eliminating any worthwhile services, while those neglected in the past, receive more financial help.

Well, let's look into this matter and see what actually is the case — what is the fact. Now there are some things that make it look like he has achieved the impossible. I agree that this budget was pretty clever, pretty smart, but I also suggest, Mr. Speaker, that it isn't quite honest. There is a gross tax reduction of \$14,000,000. But there are tax increases. First the tobacco tax, which will amount to about \$2,000,000, and the hospital and medicare tax increase which we had in effect since last fall, of \$5,000,000, or increases of \$7,000,000. So the net reduction is not more than \$7,000,000. Who gets the reduction? There's a good question. I took the trouble to do a little figuring, and I find that a family of four, man and wife and two children, with an income of \$6,000 a year, will live something like this: They will pay income tax of about \$475; it will cost them for housing (either rent or payments or up-keep) about \$1200 a year; a family of four will certainly spend \$1500 a year on food; and if that man is working for a company or for the government where they have a superannuation plan, there will be compulsory savings of probably six per cent which will amount to \$360. Allow them \$500 for the family for the whole year for travel and entertainment, and add these up; take it away from the \$6,000 and there is \$1900 left, for spending on taxable goods. But if they smoke, if these two people, the parents smoke, and in many cases they do, they will spend another \$300 . . .

**Mr. Thatcher:** — We're protecting them from cancer.

**Mr. Brockelbank: (Kelsey)** — No, and of course they pay some extra tax then, so if they smoke, there would be left for taxable goods \$1665. If they don't smoke, they would just about break even; they would have no reduction or no increase. But if they smoke, they will have an increase in their tax of \$16. These are the facts of the matter.

Now let us take another example, a single person earning \$3,000 a year. When we add up the necessities of life, including something for tobacco; including \$50 — a whole \$50 — for entertainment and travel we find that this person would have left \$600 to spend on taxable goods. The one per cent tax reduction on this amount will be \$6. But this person has already paid \$10 additional in hospital and medical care tax; and this person who smokes, will be paying approximately \$7 extra tobacco tax, or a total of \$17 in taxation increases. Subtracting the \$6 reduction leaves a net increase of \$11. It is true, Mr. Speaker, that for most people in the province of Saskatchewan — by far the majority of people in the province of Saskatchewan — there will be no tax decrease: there will be a tax increase.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — This is the fact of the matter. This means that the impossible was not achieved. The tax load was lightened for the rich, the people of high income, the people who spend a lot of money on good clothes, good furniture, good cars, on taxable goods — that's who benefits.

Now how is the tax reduction made? Well, first by deficit financing and increasing what actually is dead-weight debt. Over the last ten or twenty years, I think for all time, Mr. Speaker, the only amount ever borrowed by the university on a bond or debenture issue was \$4,000,000 two or three years ago. This year it is proposed to leave them in a spot where they will have to borrow \$7,000,000 to carry out their program. And this \$7,000,000 can only be paid back by grants made by the province of Saskatchewan to the university. It is in fact, if not in name, a direct dead-weight debt.

The reduction in taxation, of course, has also been made possible because there is a low increase in school grants, with the result that property taxes will undoubtedly go up within a year.

Just about four years of this kind of financing and our net assets of \$33,000,000 which we have at the present time, or had last March, will have disappeared. They are going to take everything out of the back pockets of the province of Saskatchewan. They have already cleaned out, or proposed to clean out, the medicare insurance fund. They are making some reductions at Embury House, doing away with it; they are doing away with agricultural machinery testing; they have less staff at the institutions. This is one place where "economies" can be put into effect. Let the children in the Training School at Moose Jaw do with less attention, let the people in the mental hospitals do with less attention; those people have no votes; they can't cry about it; they have no voice. This is one place where this government seems to be economizing.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — They propose, Mr. Speaker, in the estimates to pay the university grant for next year out of this year's budget to the extent of \$3,000,000. We'll have something more to say about big items like this in the supplementaries at some later time.

But I will have to ask, is the \$2,000,000 of capital grants being paid to the university being spent now, or is it going to be spent after April 1st? I know, it's not spent now. They expect it will be paid after April 1st. According to what my friends over here told us last year and the year before, this should have been in the main estimates, not in the supplementary. But they have changed positions now.

**Mr. Thatcher:** — You didn't do . . .

**Mr. Brockelbank: (Kelsey)** — They have changed positions, and they are taking it out of this year's vote. And in addition to this, out of this year's current estimates, they are taking \$1,200,000 and putting it into the medical care insurance fund. By doing this, by adding the \$10 and \$20 increase in taxes for health purposes, and by draining the fund of its resources, they can finance a reduction in taxation for the rich people of Saskatchewan.

Public health expenditures are down \$6,000,000, and that is the way they made it. that is the way they got it down, by paying out of this year's estimates for next year's work and by soaking the people the extra \$10 or \$20. The total supplementaries amount to \$13,000,000, nearly \$13,500,000. "Terrible situation", my hon. friends would have said. I remember the Minister of Agriculture (Mr. McDonald) when he was sitting on this side of the house a year ago. My, he got indignant at the idea that money should be taken out of these supplementaries and used for things like a university grant, or for the veterinary college.

**Mr. Thatcher:** — . . . practise Brock.

**Mr. Brockelbank: (Kelsey)** — I do want to point out, Mr. Speaker, that we don't change our minds when we move from one side to the other. We hold the same opinions. But I am only reminding my hon. Friends of the ridiculous position that they took last year and now, of course, they are taking

other ridiculous position.

There has been a good deal said during this debate in regard to what some people call the free enterprise system. Some people call it the private enterprise system, some people call it the capitalist system. And there has been talk about the great high standards of living which have been achieved under this system.

Now on this continent that is correct. We have attained high standards of living for most people, but not by any means for all people. But nowhere, nowhere in the world, Mr. Speaker, have resources, natural resources, mechanical and technical resources, scientific resources, been in such abundance in relation to the population, as has existed on this continent. Never was there such a situation any place else in the world, where science and technology were able to make use of the resources, where the resources were extremely plentiful and the population was relatively small.

Our resources were so bountiful that we were able to waste them, and we did waste lots of them. In timber for example I am not going back to the days of the last century when timber was the enemy on the lands of this continent; when the settler was trying to clear a patch to grow some grain, some crops, I am talking about this century. Timber, billions of cubic feet, have been wasted in this twentieth century. We stood by — eager, careless, cutting, not taking care of it, not protecting it from fire. And we could afford this because we had such bountiful resources, but we can't go on forever.

Millions and millions of barrels of oil have been wasted on this continent in the early days of this century, and not so very early either — thirty or forty years ago, Mr. Speaker, there were millions of barrels of oil produced and stored in open pits to seep away, to evaporate, to waste. This was the situation that existed. This was the great system of free enterprise, the great system of private enterprise that was in operation.

And probably no other waste so colorful as in natural gas. Trillions of cubic feet of natural gas burned into the air to waste. I imagine that if all of that gas could have been measured there would be enough to heat the cities of Saskatoon and Regina for probably a hundred years, maybe a thousand years. The quantities were stupendous. This was the operation of the private enterprise system.

Our land, much of it, has been literally mined on this continent. Some of it, because of the treatment it has had, has become a desert. Now it is a question of reclaiming it. Much of it has become underproductive, much of our good land has been destroyed by industry, by industry tearing it up and putting in concrete foundations. Some of the best land and the best climate we have any place in Canada. This is another dividend of private enterprise.

Our water too, of which we had a great plenty, has been wasted, has been polluted so that even in this continent, which is relatively sparsely settled yet, our streams are practically all polluted, there is not much left. Those are some of the dividends that we have enjoyed in this century. We had two major wars, and a dozen or so little wars. Are we too proud of the social system under which we have been living in this world? I don't think we should get too proud. I think we should be very humble when we look at this record.

We have in this century the world's greatest example of poverty in the midst of plenty. This is something of which we cannot be proud. We have today a growing and continuing army of unemployed people — we have today a growing and continuing army of unemployed people. We have not solved this problem. Many hundreds of thousands of people in small countries like Canada are constantly unemployed. Many of these people are young, and many of them have little hope of getting a job during their lifetime. These are some of the problems we should be thinking about, that we should be facing, and we should be dealing with, instead of taking the time to dig in waste-paper baskets and produce letters that aren't signed.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — We have kept our old folks and our unfortunate ones on a subsistence level and a very

poor subsistence level. Our problems have been production of so much goods and so many unemployed people. We can produce more, but we can't afford to give any better standard of living to our old people and to our unfortunate people. We have to stop and look and reorient our thinking to face these problems and to deal with them. There is no question today about being able to build more shopping centres. And when we get another department store in Regina and another one in Saskatoon I don't know whether it will give any better service to the people of these cities when they go shopping, but I do know that there will be two more stores which the consumers will have to pay for, all there will be capital for that . . .

**Mr. Thatcher:** — Are you opposed?

**Mr. Brockelbank: (Kelsey)** — I didn't say I was opposed to them, but it is a different thing when they talk about schools. No, we haven't got enough for education, enough money, we can't afford it . . .

**Mr. Thatcher:** — We've got plenty.

**Mr. Brockelbank: (Kelsey)** — We can't afford the schools. We can't afford the university that we need. Hospitals — oh, I've heard the Minister of Public Health (Mr. Steuart) talk about tremendous costs of hospitals in this province, but I never heard him talk about too much money being invested in stores and service centres and all this sort of thing. But these others, oh, it is a different class. You see hospitals don't pay a profit, and these people, Mr. Speaker, only respect those things that pay profits. And if their dividends from the capital system aren't enough we can't help but remember that we live each day with the threat of nuclear war, and there is no place to get away from it. We eat well each day, but every day about 10,000 people in the world die of hunger. The nations of the world spend about \$400,000,000 every day in armaments. Crisis follow crisis. Berlin, two years ago; Cuba; now South Viet Nam, where next? I don't know, but I am afraid that there is quite a possibility that man will likely get to the moon before he learns how to live on earth.

Now these, Mr. Speaker, are. . .

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — . . . are the things that should make us stop and think and I wanted to have the opportunity to pass my thoughts on to this legislature in those respects.

Coming back to the local scene again, I think everybody will admit that the most important single factor in Saskatchewan and the most important thing in this budget is the wheat crop. The Minister of Agriculture, (Mr. McDonald) demonstrated that when, just yesterday, he interrupted proceedings and was given consent to make the report on the final payment on wheat. Now, I would like to point out to this house that when the prices fell on Durum last November and on hard wheat a month ago, this government made no representations to the government at Ottawa.

**Mr. Thatcher:** — That's not right.

**Mr. Brockelbank: (Kelsey)** — The Premier stated to this house, "This party has long since been in touch with the hon. Prime Minister, and the hon. Minister of Trade and Commerce, as to express our concern over this very matter" But, Mr. Speaker, the Premier answered a question for the member for Turtleford (Mr. Wooff), and it will be found in the Journals of February 11th. It's questions number 20 and 21, and it's interesting to see just what the answer is. He said:

Repeated representations were made by the Premier and the Minister of Agriculture to the Minister of Trade and Commerce by telephone.

I thought this deserved more than telephone. Now it just happens that the Minister of Trade and Commerce answered a question in the House of Commons, two questions. Mr. Douglas asked him;

Were any communications addressed to the government or to the Canadian Wheat Board by the government of Saskatchewan with



respect to the drop in Durum wheat prices which occurred in November, 1964?

And exactly the same question in regard to the drop in wheat prices which occurred between January 22nd and January 29th, 1965. The answer in both cases was:

No such communications were addressed either to the government or to the Canadian Wheat Board.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — We said by telephone.

**Mr. Brockelbank: (Kelsey)** — No such communications were addressed to either.

**Mr. Thatcher:** — Except by telephone.

**Mr. Walker:** — Got caught that time.

**Mr. Brockelbank: (Kelsey)** — The Liberal party really has never been much concerned about the welfare of the farmer.

**Mr. Thatcher:** — Like purple gas.

**Mr. Brockelbank: (Kelsey)** — They shed crocodile tears for him. The Premier can only mention purple gas. I just today . . .

**Mr. Thatcher:** — You don't like it eh?

**Mr. Brockelbank: (Kelsey)** — . . . just today got a letter from a farmer out in the country and do you know what he calls it, Mr. Speaker? The lollipop.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — This is what he calls your purple gas. No, this isn't all. The Minister of Agriculture said, "I sincerely hope it can be forwarded to the national government tomorrow", and this was the resolution on wheat. Now I'm not discussing the debate that we had; I'm discussing, Mr. Speaker, the subsequent events. And I phoned the Minister of Agriculture on March 1st this resolution was passed on Tuesday, the 9th day of February, to go to Ottawa on March 1st, it hadn't been sent.

**Some Hon. Members:** — Shame, shame!

**Mr. Brockelbank: (Kelsey)** — I expected it was sent that day.

**An Hon. Member:** — No action.

**Mr. Brockelbank: (Kelsey)** — Now I did get the story, of course, that the Premier had been talking to Mr. Sharp on the telephone the next day. This isn't good enough, this isn't good enough, Mr. Speaker.

**Mr. Thatcher:** — . . . party line . . .

**Mr. Brockelbank: (Kelsey)** — Whether he's got a hot line or what he's got, I don't know, but this isn't good enough.

When the Liberals are in the opposition, of course they're always better. Or they sound better, and they appear better. Down in Manitoba, the leader of the Liberal party, Mr. Malden, has announced that he is going to propose a resolution in the Manitoba legislature asking a guaranteed price of not less than \$2 per bushel for No. 1 at the lakehead. He's going to propose it in Manitoba. He isn't going to be dragged into it, like the Liberals in some other provinces were. But on top of all this, my friends sit here, they occupy their time with letters out of the wastepaper baskets, Trade Minister Sharp flatly rejects the request of the Canadian Federation of Agriculture for government subsidization of wheat exports.

**March 3, 1965**

**Mr. Nollet:** — Not a word out of them . . .

**Mr. Brockelbank: (Kelsey)** — This year we're getting a final payment which amounts to around \$1.96 or \$1.97 a bushel at the head of the Lakes for No. 1. Next year, it will be a lot less. The Liberal party made the promise; they won't keep it.

I noticed in the paper, the Leader Post of February 19th, I can't see it, Mr. Speaker.

**Mr. Stuart:** — Take it as read.

**Mr. Brockelbank: (Kelsey)** — Yes, my friend would like to take it as read but Mr. Sharp was answering Eldon Woolliams, the Conservative MP for Calgary about this, and he said, "No, there's not going to be any subsidization of wheat". On top of this, we have the Leader Post here in Regina, supporting the idea that there should be no subsidization and there should be no payment to the farmers. I think we will never get a fair deal for the farmers until we get some other government than the Liberal government. In fact we'll only get a fair deal with a CCF government at Ottawa or New Democratic party. And this is no joke. I don't want my hon. friend on the left here to run away with any other ideas because actually when the Conservatives were in power at Ottawa, they gave some acreage bonuses which were just a little better than the Liberal party's lollipops over here, but they were no fundamental cure for the situation. They refused, too, to give any guaranteed price for wheat, but I'm glad my hon. friend voted for the resolution in this house.

Now, Mr. Speaker, there's one other subject that I would like to discuss for a few minutes and that is the new heavy water plant, which is supposed to be built at Estevan. In the Premier's announcement of this on February 23rd, 1965, he was very positive and without any question, I have here a transcript of what he said on that occasion, he said;

The government of Canada has accepted the recommendations of the Atomic Energy of Canada Limited to accept the bid of Western Deuterium Company Limited for the sale of heavy water. This will mean construction of the world's largest heavy water plant at Estevan.

The he says:

The plant will have a capacity of 300 tons, the cost of the new plant will be \$46,000,000. It will employ about 500 men in the construction stage. The plant will utilize more than 1,000 tons ref lignite coal per day.

Well, we were all very happy about that and we hope it's not going to be a disappointment.

**Mr. Thatcher:** — You really were happy, Brock.

**Mr. Brockelbank: (Kelsey)** — Yes, we're all very happy and Estevan was very happy about it. It got a big spread in the Leader Post the next day, all across page two of the Leader Post. So everybody was all set to go. But I was shocked to find in the Leader Post of February 27th, this item with a little headline, The little headline at the top is:

Estevan Plant Contingent on Tests

A spokesman for Atomic Energy of Canada said Friday, it would be four to six weeks before the heavy water proposed by Western Deuterium Limited for its Saskatchewan plant could be analyzed. The official said it would be impossible to tell at this stage what the outcome of the study would be. He said however, that if the process was not acceptable, the other three bids would have to be studied again by the government.

**Mr. Thatcher:** — We'll still get it because we're low on the next one/

**Mr. Brockelbank: (Kelsey)** — And in the Financial Times of Canada, of March 1st, again this article;

The low Western Deuterium price is a result of major technological break through which departs from the conventional hydrogen sulphide process before any contract is signed however, A.E.C.L. is conducting a study to make sure that the company is capable of the required output.

Now the fact of the matter is, that the leader of the government, the Premier obviously tried to deceive the house and to convince us and the people of Saskatchewan that this was final, firm, and tied down. This was the impression he gave to everybody. And on more than one occasion the Premier has tried by devious means to get wrong information accepted by this house. He still says it's tied down . . .

**Mr. Thatcher:** — It is tied down.

**Mr. Brockelbank: (Kelsey)** — But the people in the Atomic Energy Control Commission say that they have got to study this and . . .

**Mr. Thatcher:** — It's a week old.

**Mr. Brockelbank: (Kelsey)** — And can't say yet whether it will be accepted. Now I hope it's right, and I hope it's right because . . .

**Mr. Thatcher:** — We know you do, Brock.

**Mr. Brockelbank: (Kelsey)** — I am more interested in the welfare of the province of Saskatchewan than I am in the downfall of the Liberal party.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — I don't have to worry about the downfall of the Liberal party, that will happen automatically and without much trouble.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank: (Kelsey)** — They'll do it themselves. You wait and see.

**Mr. Thatcher:** — That's what you said last session.

**Mr. Brockelbank: (Kelsey)** — I really don't think it's worth arguing about this, Mr. Speaker, only time will tell and . . .

**Mr. Cameron:** — Long time.

**Mr. Brockelbank: (Kelsey)** — . . . and the people who are most arrogant are often the people who come down hardest and furthest.

**Mr. Thatcher:** — You should know, Brock.

**Mr. Brockelbank: (Kelsey)** — We'll see what is going to happen in the future. Now there's another reason too of course, because before the Liberal government came to power, we did a great deal of work in regard to getting a heavy water plant at Estevan. There was an arrangement with the same company, Western Deuterium. But before I go on to that, I would like to deal with the situation as it is now, just for a moment or two. The heavy water sales are guaranteed by the government of Canada. They guarantee to take the product. The government of Saskatchewan is financing construction of the plant, and Western Deuterium operates and takes the profit. I don't know whether you call this Socialism, free enterprise or what it is, but it's a mixture, I would say. The editor of the Leader Post calls it, "A Notable Success"

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“Wonderful”. Well I hope it is a notable success. Now in Time Magazine, they had a story about the previous plant and it came out that the bid of Western Deuterium was the lowest bid at that time. But the government obviously wanted it in Nova Scotia, because Nova Scotia was a depressed area.

Mr. Speaker, I'll support the amendment and the sub-amendment.

**Some Hon. Members:** — Hear, hear!

**Mr. C.P. MacDonald: (Milestone)** — Mr. Speaker, to rise in this debate is an opportunity welcomed by every government member. I am particularly happy to speak today, on a day when so many students are sitting in the galleries, and I certainly hope that they will enjoy the remainder of the day. You know I am glad I'm speaking today because it's Ash Wednesday, the first day of Lent, and if I have to bear the penance of listening to the member for Kelsey, (Mr. Brockelbank) I'm glad I'm going to get some reward in the next life, because I certainly got none today.

Before turning directly to the budget, Mr. Speaker, I want to say a word to the people of the Milestone constituency. I was most happy, Mr. Speaker, when the Hon. Gordon Grant, Minister of Highways, announced his 1965 highway program. He included many miles of grading, oiling and paving for my constituency, much of which has long been overdue. I certainly sympathize with the member for Kelsey, (Mr. Brockelbank) — Milestone is in much the same condition as his seat. After twenty years of Socialism he only received thirteen miles of paved or oiled highways and I want to assure the member for Kelsey, (Mr. Brockelbank) and the people of the Kelsey Constituency that this will certainly improve within the next four years. When our \$175,000,000 highway program is finished, the Kelsey constituency will get more than their share.

In Milestone, that contract has been let for the re-oiling of No. 39 highway from Rouleau to No. 1; it includes grading and paving of No. 6 from Corinne to the junction of No. 13; a direct route to the tourist traffic south of the border. It also includes the oiling of No. 13 highway from Weyburn to the junction south of Radville, and Mr. Speaker, No. 13 highway from the junction of 6 at Pangman to the junction of 34. It also includes the oiling of No. 34 from No. 13 to Bengough. This highway is used by many of the people of the Milestone constituency for medical and dental services.

Perhaps, Mr. Speaker, the part of the minister's program that gives me the most pleasure is his decision to take over many grid roads in the province and include them in the highway system.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — One of these grid roads to be included is from No. 13 through Kayville to Avonlea. This is an area, Mr. Speaker, that has long suffered from a complete lack of any road, grid or otherwise. During a winter such as we have just experienced, many of the people of this area have been unable to get their children to school for days at a time.

The problem of grid roads maintenance has become a major problem for rural municipalities. As they continue to expand the grid road program the problem of maintenance to prevent deterioration has reached major proportions. Many of these roads are in reality public thoroughfares, and serve not only the municipality but the general public as well. I am pleased with the inclusion of this road in the highway system, it is the only road available to hundreds of the people in the south of my constituency, and will be a blessing to all of them.

I want to also at this time thank the people of Milestone for their support on April 22nd. I will attempt to serve them honestly and faithfully in the future.

Now, Mr. Speaker, back to the battle at hand. I would like to first make a few comments on the statements by the member for Kelsey, (Mr. Brockelbank). First of all he expressed great concern over the removal of the monopoly from the Saskatchewan Timber Board. Well, I want to tell the member for Kelsey, (Mr. Brockelbank) that we on this side of the house are not interested in the preservation of the Timber Board, we are interested in the establishment of a timber industry in Saskatchewan . . .

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — . . . whether it be in the Timber Board or private, all we have done is to remove the monopoly, and if we look back on the record of the Timber Board in the last ten years, this is a progressive step, and if the removal of the monopoly of the Timber Board results in the expansion of this industry, I am certain that no one in Saskatchewan will complain. Also, Mr. Speaker, the member for Kelsey, (Mr. Brockelbank) presented a deliberate misrepresentation to the people of iris constituency. He said that there was no need to bring in a new saw-mill there were many . . .

**Mr. Brockelbank: (Kelsey)** — Mr. Speaker, on a point of order, the hon. member cannot say that I made a deliberate misrepresentation.

**Mr. MacDonald: (Milestone)** — Mr. Speaker, the member for Kelsey, (Mr. Brockelbank) reminds me of a ship . . .

**Mr. Brockelbank: (Kelsey)** — Mr. Speaker, on a point of order, is the member going to withdraw . . .

**Mr. MacDonald: (Milestone)** — I will withdraw, Mr. Speaker. It is difficult to be accurate when you consider the inaccuracies of his statements. Mr. Speaker, the Minister of Natural Resources, (Mr. Cuelenaere) in his announcement made it abundantly clear that the new Dumont-Simpson mill at Hudson Bay was a pulp wood utilization mill, exclusively, and the saw-mill operations in that area will not be affected. There is no change in any way, shape, or form. This is a new industry. A new development and a new means of employment.

He also made a few statements about the heavy water plant, and I might tell any doubting Thomas that the proof of the pudding is in the eating, and I can assure you that in the years ahead that the people of Estevan, and the miners of Bienfait, will certainly get the value of this new heavy water plant. I might also point out that supposing by any chance we did lose it, we were also low bid on the second corporation or company. And if it is suggested that the Premier deceived the people of Saskatchewan, I wonder of the Minister of Industry in Ottawa also deceived the Canadian public because he made the announcement at the same time.

**Some Hon. Members:** — Hear, hear!

**An Hon. Member:** . . . and you have now . . .

**Mr. E. Kramer: (Battlefords)** — You've got the necklace, go ahead and wear it.

**Mr. MacDonald: (Milestone)** — Perhaps, Mr. Speaker, if the member for North Battleford (Mr. Kramer) ever goes down for a visit, it is as close as he will ever get to the House of Commons where he might be able to learn a few things himself.

Mr. Speaker, the member for Kelsey, (Mr. Brockelbank) also expressed the idea that the taxation load was lightened for the rich. Well, Mr. Speaker this has been an agricultural budget, and the great majority of all tax reductions in this 1965 budget were for rural Saskatchewan and I wonder does he consider the tax reduction to the farmers, a reduction for the rich. Is purple gas, mineral tax, the other nuisance tax removals, is this a reduction for the rich?

**An Hon. Member:** — How about sales tax?

**Mr. MacDonald: (Milestone)** — How often, Mr. Speaker, have we heard the members opposite crying to Ottawa for assistance to the farmer? Here is an honest and conscientious attempt to reduce the cost of production and this is the way it is greeted.

It's rather interesting too, Mr. Speaker, to note the altruistic remarks of the member for Kelsey (Mr. Brockelbank) regarding the waste of the oil industry — and he referred to open barrels and burning of natural gas. Well, I am sure that everyone in this house would agree with that statement. In the early days of the oil industry a great deal of oil and natural gas was wasted, but, Mr. Speaker, we have advanced since that day and I would tell you that if you go to the province of Alberta or Manitoba or Texas, or anywhere in the world, you will find no more open barrels or burning gas wells.

But I would say that it is a far greater waste to have oil and gas of the province of Saskatchewan sitting underneath the ground untapped.

Mr. Speaker, the member for Kelsey, (Mr. Brockelbank) also mentioned the fact that the sales tax was to be reduced, and that this, too, was an effort to reduce the burden on the rich. I wonder if his party thought that way in 1944, because they promised to abolish the two per cent sales tax, the only difference between now and 1944 is that the Liberal government is carrying out its promise.

Mr. Speaker, I would like to comment on a few other remarks by the members of the opposition in this budget debate, but first I want to congratulate the Provincial Treasurer, the Premier, for his Budget Speech. He presented to us a budget that grasped the needs of Saskatchewan in a clear and positive manner, a budget whose popularity and acceptance is spreading right across Saskatchewan. No budget in the past twenty years has received the acclaim that this budget of the year 1965 has received.

To my friends opposite, I offer my sympathy for their efforts at criticism, it has indeed been difficult for them to find a weakness or shortcomings. In fact, they talked about everything, everybody, and anything but the budget. The financial critic, the member for Regina West (Mr. Blakeney) delivered a one and one-half hour reply. On checking Hansard he discussed the record of the NDP, the civil servants, federal politics, industry under the NDP, the Jubilee Year and everything else. He spent fifteen minutes on the budget. It was well written, well rehearsed, and well delivered, but, Mr. Speaker, it missed the point — the budget.

However, Mr. Speaker, due to the bankruptcy of ideas, the inability to find legitimate criticism, some of the hon. members opposite have not only diverted from the budget, but have gone to the bottom of the barrel to such a degree that I cannot refrain from commenting on some of their remarks.

**Mr. G. Willis: (Melfort-Tisdale)** — What did we hear last night?

**Mr. MacDonald: (Milestone)** — First, Mr. Speaker, we heard from the junior member from Saskatoon, he presented himself as the voice of antitotalitarianism. He, then proceeded to attack our good friends to the south, our American neighbours.

However, Mr. Speaker, I sympathize with the junior member from Saskatoon. He took the brunt of criticism after following the example of the older members across the way. Ever since we have come into this house we have listened to the opposition ridicule Montana and American business in general. The member for Saskatoon fell into his own trap by not having the experience of his colleagues. He did not know the bounds of propriety or discretion, then Mr. Speaker, he was deserted by his colleagues, who one by one, stood up and expressed their disapproval of his remarks, the very theme of which they initiated themselves, and I might say Mr. Speaker, that if wisdom does not come with experience, the member for Saskatoon could well be the missing link in 1968.

The, Mr. Speaker, the member for Redberry, (Mr. Michayluk) stood up in this debate and became the voice of anti-sectarianism. He violently criticized a member of the clergy regarding a subject as far removed from this debate as snow on the 4th of July, and then he had neither the courtesy nor the courage to give his name upon request.

**An Hon. Member:** — Shame, shame.

**Mr. MacDonald: (Milestone)** — I want to tell this assembly that Father Murray has made a contribution to Saskatchewan in the fields of education and sport, than will be remembered long after we are gone.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Thousands of young Canadians are living proof of his determination and his dedication. Here in the city of Regina, in the province of Saskatchewan, hundreds and thousands of his graduates are today doctors, lawyers, engineers, plumbers, electricians, housewives, good citizens of this city and good citizens of this province. He is a man who believes in the rights of the individual and has never hesitated to express his views. Your disapproval of him was only based on the very thing that you profess to hold dear, the right of free speech.

Then, Mr. Speaker, we heard from the senior member from Saskatoon (Mr. Nicholson), the voice of anti-discrimination, and I want to read a comment on an editorial in the Saskatoon Star Phoenix, February 19th, 1965:

Mr. Nicholson, not content to repeat Mrs. Cooper's unsavory remarks, added a new factor in his party's preaching of class hatred — religion. Mr. Nicholson, a United Church minister, said in the house he expected Mr. Boldt's own church will have something to say about the war on the poor in Saskatchewan. Mr. Nicholson quoted a Mennonite pamphlet condemning war contrary to the teachings of Christ.

Mr. Speaker, let me read a comment also:

We have heard in this house great dissertations on freedom of speech and even quotations from the great Voltaire, but here is a quotation by the Rev. Joy, that I think fits the circumstance: "The freedom of some is the freedom of a herd of sheep that ran violently down a steep place, fell into the sea and were drowned."

Mr. Speaker, freedom without wisdom is license and I can assure those members opposite that if they continue this type of destructive criticism, they, too, will be drowned.

Mr. Speaker, in this budget debate we have heard the Americans, the Mennonites, the clergy, the civil servants, the federal government, all violently attacked by the opposition. The only thing that hasn't been attacked is the budget itself.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Of course, Mr. Speaker, this has not been an easy thing. Here is a budget that reduced taxes, increased spending, and balanced the books. A budget that was built around our election promises, the problem of reducing the tax-load and the goal of economic development.

**Mr. Walter Smishek: (Regina East)** — What about . . .

**Mr. MacDonald: (Milestone)** — I am coming to you sir — patience is a virtue. What criticism has been generated, Mr. Speaker, has centred around education, a safe subject, no matter what is done, one can always point to the expanding needs of education.

Let me examine for the moment their proposition. It is built around four specific areas in the field of education. One — municipal taxes will rise because grants were too small. Two — expanded school grants in the elementary and secondary level were too small. Three — expansion of technical facilities in the province have been sacrificed. Four — the university building program is deficit financing.

Let me consider them one at a time. First — the idea is that during the year 1963-64, provincial grants to education paid less than 48 per cent of the total costs of education in the province. Over 52 per cent was left to the municipalities of the province. In 1965 over 49 per cent of the total cost of education will be paid by the provincial government and less than 51 per cent by the municipalities. An additional, or close to an additional one and one-half per cent will be removed from the burden of municipal governments.

By what algebraic formula does the member for Regina West (Mr. Blakeney) draw his conclusion?

**Mr. W.J. Berezowsky: (Cumberland)** — . . . common sense.

**Mr. MacDonald: (Milestone)** — We in Saskatchewan have long had the goal that the

provincial government are paying 50 per cent of the costs of education. In our first year we have nearly reached that goal and I can assure the members opposite that in the years ahead we will go far beyond the 50 per cent proportion.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Second — expanded grants in the elementary and secondary level were too small. The Minister of Education has demonstrated that this too was false; that we, in our first year of office, have provided over \$600,000 above the last four-year average of the NDP. Here are the statistics — 1960-61, \$3,600,000, 1961-62 — \$2,100,000, 1962-63 — \$4,100,000, 1963-64 — \$4,100,000. The average of \$3,200,000.

Much has been made also, Mr. Speaker, of the lack of budgetary estimates for technical training. The Minister of Education has answered these remarks but let me briefly review the argument.

First — the NDP states \$2,000,000 had been allocated for technical schools. This, Mr. Speaker, is rubbish. There were no plans, no programs, no federal allotment, no federal agreement, no agreement with school boards, everyone knows the length of time required to complete an educational facility. The timing involved, the architectural requirements, the federal participation needed, the program to be drawn, the agreements with the school boards, every centre in the province had been promised a technical school. Wherever you went before April 22nd, every NDP speaker in the province promised a technical school. You know, Mr. Speaker, these technical schools were the educational pulp mills at the April 22nd election.

Yes, Mr. Speaker, there will be technical schools but not the institutes as we know them today. They will be composite schools, teaching division four, built to stimulate and create interest in the vast fields of mechanical, electrical construction, agricultural fields, leading to a further study in our technical institutes. Already plans are being made for comprehensive schools to include these technical schools in the following areas; — Yorkton, Lloydminster, Melfort, Regina Separate School District, Swift Current, North Battleford, some of these will be ready to start construction this summer.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Mr. Speaker, with the changes in automation and cybernation, the fundamental requirement in education today is a general education, with broad interests directed along the vocational level according to a student's ability. We must not imprison a student's mind in a field that five years from now may be obsolete.

Mr. Speaker, the fourth criticism in education is that we were financing our university program through a deficit program. Once again, Mr. Speaker, let us look at the facts. Our government has agreed to a capital or building program for the University of Saskatchewan of \$13,400,000. Of this \$13,400,000 we agreed to finance \$7,000,000 or just over 50 per cent of the total program.

How about the NDP? What is their record? When they were in office, the last year their capital building program was \$6,200,000, less than half of our present program. In that fiscal year the university actually borrowed \$4,000,000, which is 65 per cent of that year's program. We are today borrowing 52 per cent, they borrowed 65 per cent. Mr. Speaker, there is no change of policy, there is no change of financing, there is no change in the methods of borrowing, there is no change in the program, the only change is in the amount, and perhaps the best way of describing it is to use the descriptive adjective of the member for Regina West (Mr. Blakeney) the difference is that the NDP were too niggardly.

The government is spending the biggest total amount on education, \$71,000,000 — the biggest proportion of actual cost, 49 per cent — the biggest capital program for our university \$13,400,000 — the biggest operational grant for our university, \$8,300,00, in the history of the province of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Mr. Speaker, the member for Kelsey (Mr. Brockelbank)



objects to borrowing for the university. He suggests that these are not self-liquidating loans. He tells us that it is all right to borrow millions and millions and millions of dollars for power and telephones, but not for our university. Through his socialistic mathematical gymnastics he has differentiated between which pocket the bill is to be paid, the left or the right, but this is the basic difference between our two governments, the attitude toward our young people. We do believe our university is a self-liquidating debt, that our power lines, and our telephone lines, and our gas lines, and our generators of the future are our doctors, our engineers, our accountants and our school teachers. These are the best assurance of a growing and expanding economy. In the next four years the university enrolment of this province will double from what it was a year ago. In the next four or five years we will require expanded facilities to handle over double the student load of today. To suggest that today's generation must pay for the requirements of succeeding generations is neither good business, good sense, nor is it accepted practice. Saskatchewan and Canada are going through an educational crisis, and particularly on the university level. We intend to respond to that challenge. Mr. Speaker, this government in the next four or five years will be asked to do as much for university education as the government of the province of Saskatchewan has been asked to do in its history.

Now, Mr. Speaker, let me turn for a moment to the member from Hanley (Mr. Walker). After listening to his two-hour reading of the estimates, and checking Hansard, I attempted to pick out the substance of his argument, if there was any substance, and here is his criticism.

The first argument intrigued me, and it intrigued me because of the wisdom of the observation. He said that even though the rate of taxation was going down, the total amount collected was going up from \$214,000,000 to \$220,000,000. Therefore, he came to the conclusion that this is in reality a tax increase and not a tax reduction. Well, I can assure the member for Hanley (Mr. Walker) that the total revenue from taxes will continue to rise, that we intend to broaden our tax base and that jobs for our young people, the development of industry, the tapping of our resources, our gas, coal, oil and minerals, will give us a far greater revenue in the years ahead, and the amount will continue to increase. I can also assure him that the rate will continue to decrease.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — The second argument, Mr. Speaker, was that purple gas was an unwise and a discriminatory tax reduction, and the farmers didn't want it. We have listened to you for years — the NDP — complain about the cost-price squeeze, that the costs of production rising and that farm revenues were falling. We have listened for many, many years to their pleas to Ottawa for assistance. Here, Mr. Speaker, is an honest attempt on the part of this government to reduce the cost of production, and I would suggest that if the hon. member drives through his constituency, particularly the rural areas, that he will find out whether or not the farmers want purple gas.

The third argument, Mr. Speaker, was that as he went through the estimates he noticed the costs of administration were down in many departments, and he suggested that this was a bad sign. For example, he noticed that in the Department of Municipal Affairs there was a reduction from \$77,500 to \$61,800. In the Department of Labour from \$124,000 to \$110,000. Mineral Resources from \$266,000 to \$235,000. He failed to notice in some departments they were going up. But I can assure the member for Hanley (Mr. Walker) that we are not satisfied yet, governments all over the world recognize the growing cost of government administration. It is climbing by leaps and by bounds. Here in Saskatchewan our civil service has jumped from a little over 3,500 to well over 7,000 in less than twenty years. We have instituted the Johnson Commission and when they finish their report we hope to reduce the cost of administration in government by far greater amounts, and we intend to do this, not by reducing service, but by increased efficiency.

The fourth argument, Mr. Speaker, is that municipal road assistance was down \$200,000 — from \$7,000,000 to \$6,800,000. He forgot to mention that the ten-year grid program was almost finished in many of the municipalities and that some only had a mile or two to complete, and that the real problem today was maintenance and upkeep. As the grid road program expands the danger becomes greater. He forgot to mention that we are taking over more than 450 miles of the grid road and putting it into the highway system. A real benefit to the rural municipalities.

But the last one gave the greatest chuckle to this side of the house. He suggested that this was an election budget and advised us not to go to the country. He said, "you know any government that gives so much on the first budget in office, surely, Mr. Speaker, must be going to the country" and he suggested we might regret that move. Well, Mr. Speaker, I can tell the member for Hanley (Mr. Walker) that we are not going to the country. We have more of our program to implement and it will only be after we complete that program and finalize it will we go to the people of this province.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Mr. Speaker, let me turn for a moment to the member for North Battleford (Mr. Kramer). In this budget debate he became the voice of anti-propaganda in the timber industry. He directed his counsel to the younger members of this side of the house. We have had a lot of counsel since we came in to this assembly, particularly from the members opposite. We have been advised on seniority privileges, and so forth, but on this occasion he advised us not to believe all the propaganda emanating from our front benches, particularly in the development of the timber resources Saskatchewan. He urged us, as an example, to keep politics out of the pulp mills and follow the good example of our predecessors in this regard.

Mr. Speaker, if there was an Oscar presented at this session, I am sure that that remark would earn the top award. Let me read you a quotation from the Prince Albert Daily Herald of Tuesday, May 28th, 1957:

Kuziak asks recognition for CCF when mill arrives. When a pulp mill is established here I wonder if the people of Prince Albert, or the Prince Albert Herald will give the CCF party a little recognition and praise.

Of all the governments in Canada none can top the NDP for using a pulp mill to garner votes. As regularly as Saturday precedes Sunday . . .

**Mr. Berezowsky:** — You did.

**Mr. MacDonald: (Milestone)** — . . . as Sunday precedes Monday, as Monday precedes Tuesday, Saskatchewan preceded every election by an announcement of a pulp mill the NDP.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Then, Mr. Speaker, we have been accused of selling out our resources to the vested interests, that our forests in the north were being sold down the river. The member for Kelsey (Mr. Brockelbank) has often ridiculed the new stud mill at Hudson Bay and suggested it was only perhaps a figment of our imagination. Mr. Speaker, the Minister of Natural Resources has told this house that the new agreement will bring the highest return ever paid for pulp wood in the history of this province. The province will receive \$2 a cord for rough spruce and \$1.50 for jack pine.

**An Hon. Member:** — That is what Brockelbank was afraid of.

**Mr. MacDonald: (Milestone)** — Then, Mr. Speaker, we heard a great deal about the mineral tax reduction. It was suggested that once again we were giving privileges to the oil companies, and yet, Mr. Speaker, since the announcement that it was only on farm lands, the subject has strangely passed from view.

Then, Mr. Speaker, we heard all kinds of accusations that we are giving our oil rights away that belong to the province of Saskatchewan. Let me read out a comment from the editorial entitled "Let's Have A Leduc":

With the reference to the opposition's claim that the treasury would lose \$50,000,000 were another Leduc discovered in the horizons below 10,000 feet, Mr. Cameron produced figures which refuted this extravagant claim effectively. According to information he obtained in Alberta, the Leduc wells paid royalties of only \$10,900,000 in the first six years after its

discovery. The land sales in Leduc, at that same time, netted the Alberta government \$14, 500,000 and an additional \$7,000,000 from lease rentals.

And then it goes on to say. . .

Let's have another Leduc. We need the \$15, 000,000 in Saskatchewan.

Mr. Speaker, regarding resources and particularly the oil resources of the province of Saskatchewan, no one knows how long they will be of value and be a resource. With the developments of the power industry, and particularly in atomic power, and the development of turbines and so forth, perhaps in another fifteen years the oil and gas resource of this province will be of no value. We must get it today.

**Mr. Berezowsky:** — Nonsense.

**Mr. MacDonald: (Milestone)** — As far as the member for Kelsey (Mr. Brockelbank) is concerned I would like to tell him that he can rest assured that despite his efforts to pave the way for his by-election, come this spring or this fall, that before he goes to the polls that the new pulp mill at Hudson Bay will be constructed . . .

**An Hon. Member:** — . . . stud mill . . .

**Mr. MacDonald: (Milestone)** — . . . stud mill, will be constructed, will be operating, and will be producing revenue for the community and for the province. Then, Mr. Speaker, perhaps the most significant thing about this debate, is not what has been said, but what has not been said.

Perhaps, Mr. Speaker, we could turn for an example to the member from Melfort (Mr. Willis), the former Minister of Highways under the former government. The only reference to the highway estimates he made was that he was pleased that they were continuing the policies of expanding the former government's wonderful program. Then he gave us a resume of their accomplishments. Well let's have a look at the resume for a minute — the former government spent the lowest per capita expenditure on highways, the lowest per vehicle expenditure on highways, the lowest per mile expenditure on highways, of any province in Canada. Here in a province that has the most miles of highway in Canada, we have spent the least. The weakest, most inept program in the Dominion, at a time when transportation was becoming a major factor in our economy.

Mr. Speaker, yet when this budget allocates a fifty per cent increase in capital construction, a total of \$35,000,000 he could find nothing to say. When sixteen per cent of our entire budget was being spent on highways, nothing was being said about the expenditure by the former minister.

You know, we in this province collect \$39,000,000 on gasoline taxes and license fees, and in the past we only spent around \$27,000,000 on highways. We intend 'in the next four years to spend all of that revenue on the province's highways because at this time they are grossly in need of it.

Mr. Speaker, he even failed to mention the fact that we were taking over many miles of grid road in this province. My only conclusion is that either he went to sleep when the budget was presented or else he had a guilty conscience.

Now, Mr. Speaker, let me discuss industrial development for a moment.

The Premier has called this budget a development budget. It would appear that his words were more than prophetic. Hours after his speech two of the greatest developments in Saskatchewan history, certainly the two greatest developments in one week in Saskatchewan's history was finalized. A \$70,000,000 potash mine at Viscount and a \$50,000,000 heavy water plant at Estevan.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Now, Mr. Speaker, a budget,

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a policy, and a program that has brought astonishing results in potash, copper, timber, oil, gas, heavy water has brought no comment, or very little, from our opposition, other than ridicule and hostility.

Look for a moment at the comments from the member for Regina East, (Mr. Smishek) the member most closely associated with the labor movement of this assembly. He spoke directly after the Premier announced the acquisition of the heavy water plan. Yet not once did he mention the benefits to the miners of Estevan, not once did he mention the benefits to the workingman of Estevan. not once did he mention the benefits of the potash mine at Viscount, and actually ridiculed the number of men working in the potash industry. It is time, Mr. Speaker, that the labor representatives across this house stood up and were counted. Are they interested in the workingman of Saskatchewan or are they interested in their personal, political, partisan problems?

Let me quote a report from the Leader Post, "Snyder's Remarks Causing Concern":

Concern has been . . .

**Mr. E.I. Wood:** (Swift Current) — I shall have to rise on a point of order, Mr. Speaker, according to the section of Beauchesne, which you quoted the other day, it is improper to quote the opinions of others outside this house in regard to debates which have taken place in this house. We can bring other people's opinions in but we cannot have their opinions expressed in regard . . .

**Mr. MacDonald: (Milestone)** — On the point of order, this is not an opinion, this is a report.

Concern has been . . .

**Mr. Wood:** — I demand your ruling on this, Sir. We cannot have the opinions of other people expressed in regard to speeches that have been made in this house.

**Mr. Speaker:** — I am not quite sure what the hon. member has that he is quoting from, but it appears to me that he is quoting from something which was said by the member from Moose Jaw, who is a member of this house.

**Mr. Wood:** — He is quoting what is said by the editor in regard to what the member has said here.

**Mr. MacDonald: (Milestone)** — On the point of order, Mr. Speaker. I will take responsibility and suggest that it is my opinion.

**Mr. Wood:** — Excuse me, Sir, may we have the ruling?

**Mr. Speaker:** — Well, here is where the ruling comes — here is the ruling from Beauchesne's Parliamentary Rules and Forms, section 157, sub-section 3:

It is out of order to read extracts in debate if they refer to other debates during the same session.

I don't know whether this does or not.

or to any question not under discussion . . .

I think in the budget debate everything is under discussion almost.

or reflect upon any proceedings or any determination of the house — contain unparliamentary expression as no language can be heard in quotation if it would be disorderly if spoken; refer to, comment on. or deny anything said by a member; allude to debates

in the other house of parliament, etc., etc.

**Mr. Wood:** — Excuse me, it is sub-section 5, the one I refer to.

**Mr. Speaker:** —

It is not in order to read articles in newspapers, letters or communications emanating from persons outside the house and referring to, or commenting on, or denying anything said by a member or expressing any opinion reflecting on proceedings within the house.

I take it that what is being quoted from is from the member who is a member of the house.

**Mr. Snyder:** (Moose Jaw city) — Mr. Speaker, on a point of order, the hon. member is obviously making reference to a contribution which I made in the Throne Speech Debate. I haven't yet had the opportunity to speak on the Budget Debate, so my only conclusion can be that he is drawing attention to something that was made in a previous debate during the session.

**Mr. MacDonald: (Milestone)** — Mr. Speaker, I can understand his sensitivity about this particular newspaper report and if I was in his position I would be sensitive also, and, therefore . . .

**An Hon. Member:** — He still isn't in order.

**Mr. Speaker:** — I was of the opinion, I am sorry, I was in error in this regard, I thought that the member from Moose Jaw had spoken in the debate, and he hasn't. I just looked up the scorecard and he hasn't. Now, if the member is referring to something which was said by the member for Moose Jaw (Mr. Snyder) in the previous debate then it is out of order and can't be discussed.

**Mr. MacDonald: (Milestone)** — Agreed, Mr. Speaker.

**Mr. Wood:** — On a point of order, Mr. Speaker, I would like your opinion on this. Is it possible to refer to a press clipping, a press report, in regard to someone else's opinion on a speech that had been made in this house.

**Mr. MacDonald: (Milestone)** — Mr. Speaker, let him ask that question when I have finished my speech . . .

**Mr. Speaker:** — I think a press report which was mentioned by somebody else, providing he names the article it appears in and the date on which it appeared, is in order, it is a statement of fact. People have been quoting statements made outside of this house by cabinet ministers, by the Premier, by others, back and forth for two weeks.

**Mr. Wood:** — That was not the point, Sir, they may not refer to a speech that has been made in this house. We came here to talk to one another and have the opinions of the members here, but the editor of any paper is not a member of this house and we cannot have his opinions brought in here in regard to speeches that have been made in this house.

**Mr. MacDonald: (Milestone)** — I will agree with the hon. member for the time being, if that would be permissible.

**Mr. Speaker:** — Well, it is doubtful, editorials have been quoted in this house time and time again . . .

**Mr. Wood:** — But Your Honor . . .

**Mr. Speaker:** — I am a little confused in

this regard, possibly because I don't know exactly what the member has got.

**Hon. A.H. McDonald (Minister of Agriculture)** — Might I point out that if the hon. member wants a ruling on a hypothetical question, I suggest he go to your office and talk about it. He is now suggesting that you make a ruling on something that isn't even before the house. Why don't you wait to see what it is?

**Mr. R.A. Walker: (Hanley)** — Mr. Speaker, on the point of order, some of us may have been listening to the hon. member from Milestone (Mr. MacDonald) with a little more perception that the Hon. Minister of Agriculture was, but the hon. member for Milestone (Mr. MacDonald) commenced to read an editorial opinion criticising . . .

**An Hon. Member:** — No, No.

**Mr. Walker:** — . . . a statement which was made in this house by one of the members for Moose Jaw, and I submit, Mr. Speaker, that clause 5 expressly forbids anyone to read an editorial opinion criticising any member of this house for anything that is said here, and I refer, Your Honor, to clause 5, of citation 157, which says:

It is not in order to read articles in newspapers, letters or communications emanating from persons outside the house and referring to, or commenting on, or denying anything said by a member within the house.

I submit, Mr. Speaker, that the hon. member commenced to read the editorial and that is exactly what it is, it was criticising something which was said by the hon. member for Moose Jaw (Mr. Snyder) for something that he said in this house in another debate, and it is expressly forbidden by this rule.

**Mr. McDonald: (Moosomin)** — May I point out that the article that the hon. member is referring to is not an editorial. Why don't you wait and find out what the hon. member is referring to? You are asking the Speaker to make a ruling on a hypothetical question. If somebody wants to quote from an editorial they have every right to do this, if you want other information I suggest you to the Speaker when he is in his office and get a little guidance.

**Mr. Walker:** — If the rules as taken in Beauséjour are not to be observed in this chamber. I think we should have notice of this. If this is to be run like a bull pen . . .

**Mr. Speaker:** — Order! the hon. member for Milestone can continue. Now, sit down.

**Some Hon. Members:** — Hear, hear!

**Mr. Dewhurst:** — Mr. Speaker, on a point of order. Will you please keep order in the gallery.

**Mr. Speaker:** — And you can sit down, too . . .

**Mr. Dewhurst:** — I am rising on a point of order.

**Mr. Speaker:** — And I consider your point of order poorly taken.

**Mr. Dewhurst:** — The point of order is that the people in the galleries are entering into this debate, which is entirely against the rules.

**Mr. Speaker:** — I didn't hear them.

**Mr. J.H. Brockelbank: (Kelsey)** — Mr. Speaker, I want to rise on a point of order, and I want to suggest to you, Sir, that you are bound by the rules of the house,

same as any other member.

**Mr. Speaker:** — If the hon. member doesn't like the way I am administering the rules of this house, he knows what he can do. He can do so by substantive motion. The member continues.

**Mr. MacDonald: (Milestone)** — Mr. Speaker, as I said I can understand the sensitivity of the members opposite. You know it has been rather interesting, ever since we have come into this assembly, we have heard the members opposite quoting continually from those capitalistic rags, we have had the Financial Times, the Leader Post, the Saskatoon Star Phoenix, and it surprises me that at this time they should rise with such consternation and dismay. Perhaps it was because of the substance of what was being said.

I would like to remind the members opposite, if I may continue, that labor has many problems in this twentieth century, not only in the area of wages and fringe benefits, not only in the area of technical training and re-learning, but also that labor has a grave responsibility to provide for its future — for its sons and daughters and the future generations. They must go beyond the status quo, and look for every avenue of encouraging the development of industry, of new mines, of new oil wells. Automation and cybernation are reducing the labor requirements of the future. The hope of the workingman is in new fields of endeavor, and I would like to suggest, Mr. Speaker, that if the comments of the members opposite is any indication, one heavy water plant in Estevan will do more for the workingman than all the socialistic theories presented in this house.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — Let me point for the moment to the member from Regina West (Mr. Blakeney). His remarks indicated that private investors in Canada and the United States took strong exception to the philosophy of socialism and expressed it in no uncertain terms he said and I quote: "We are here because the Socialists are not." He maintained they were Liberal hacks. He suggested this was an ominous sign, he claimed that we only looked to the coming of industry to Saskatchewan as the glorification of the Liberal party. He gave us a quotation from my favorite poet — Robert Burns, from "To A Mouse". Perhaps, Mr. Speaker, if you listen to the budget, a quote from the great master, Shakespeare, might best have expressed his feelings: "Oh, 'tis too true, how smart a lash such speech does give my conscience." I want to make it clear, Mr. Speaker, that the only ominous thing in this statement of the hon. member is the vicious attacks on private investment, profit capitalists, monopolists, fascists, monopolistic capitalists — it is reminiscent of the 1870's, outdated, outmoded, Marxian Socialism.

Is it any wonder, Mr. Speaker, that free enterprise looks on the NDP as their enemy and has looked on Saskatchewan, in the past, as the land of plague. The proof of the pudding is in the eating.

I wonder, Mr. Speaker, if the people of La Ronge, if the people of Hudson Bay, if the people of Estevan, if the people of Delisle, if the people of Viscount, if the people of Allan, if the people of Lanigan, look on industry as the glorification of the Liberal party, or do they look on it as the development of Saskatchewan for the benefit of their community, their province, and their country as a whole.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — I wish to remind then once again, that private enterprise is free enterprise, free to choose, to select, to determine the place, the amount and the kind of investment. It is free to go where it is wanted, where it is needed, and where it will be fairly treated.

Mr. Speaker, I could not pass by this debate without going to the hon. member from Cut Knife (Mr. Nollet) the former Minister of Agriculture. You know he made a valiant attempt to divert from agriculture, and perhaps I might suggest that he should have remained where he is most familiar. He expressed great concern about increased expenditures in the future and in fact, he said, in the next two years we possibly will need \$46,000, 000, and then he went on to apologize to this house for the reason why the NDP had never in the past reduced taxes. "And you know", he said, "this is an impossible situation, under no conditions can you achieve this

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\$46,000,000.”

Well, Mr. Speaker, I would agree that if things had remained as they were prior to April 22nd, this would have been true, that is why . . .

**Mr. Nollet:** — On a point of privilege. I know the hon. member would not want to attribute to me a statement that I didn't make. I didn't say under no circumstances can these objectives be met, I said, with only the one exception that borrowing will have to take place if this objective is met.

**Mr. MacDonald: (Milestone)** — Fine, the member for Cut Knife (Mr. Nollet) I will agree that he said that.

I would like to suggest, however, Mr. Speaker, that we do not believe that it will be necessary to borrow. We believe that the growth and the development of Saskatchewan, with a growing and an expanding economy in the next four years, can look after the needs of this province.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — And then he said, Mr. Speaker, and I am correct on this one, that farmers do not want to be the recipients of the public dole in reference to purple gas. Well, Mr. Speaker, I have never considered a tax reduction a public dole. Mr. Speaker, if this was under the jurisdiction of the provincial government, I can assure the member for Cut Knife, (Mr. Nollet) that we on this side of the house would take the appropriate action . . .

**Mr. Nollet:** — Why haven't you? Why haven't you already taken it?

**Mr. MacDonald: (Milestone)** — Mr. Speaker, the member for Kelsey (Mr. Brockelbank) also tried to make a point that letters had not been received by the Minister of Trade and Commerce and by the Prime Minister. Well, Mr. Speaker, letters have not been received. We thought that this communication was too important and we telephoned to get immediate action.

**Mr. Walker:** — You said no communication . . .

**Mr. MacDonald: (Milestone)** — Mr. Speaker, my time is almost up, but I would like to take an additional five minutes because of the confusion that was in the house, and I would like to make a reply to one more thing that the hon. member for Kelsey (Mr. Brockelbank) intimated — that there were thirteen people in his constituency that had temporary agreements for lease lands taken from them, and temporary commitments, and that these lands had been re-posted for re-allocation.

Well, Mr. Speaker, I will tell him that this is so. This province has 9,000,000 acres of crown lands, cultivated lands, grazing lands, hay, community pastures. An asset of over \$100,000,000. Mr. Speaker, in all probability the most productive resource in the province of Saskatchewan.

**Mr. Berezowsky:** — Sixty per cent.

**Mr. MacDonald: (Milestone)** — In most of the communities of this province, Mr. Speaker, where lease lands are available, it is the very life blood of these communities.

**Mr. Nollet:** — Again on the point of order.

**Mr. MacDonald: (Milestone)** — Mr. Speaker, if the member for Cut Knife (Mr. Nollet) will be silent, I can assure him that the members of this house will want to know what he says when I finish.

On top of that, Mr. Speaker, not only are these the life blood of these communities but the number one vital important thing is that they be allocated in a fair manner, and by a fair and independent board.



Mr. Speaker, we on this side of the house have long suspected that the lease land policy . . .

**Mr. Nollet:** — A point of privilege. The hon. Member mentions, allocations made by a fair and impartial board. Allocations are not made now by a fair and impartial board . . .

**Mr. McDonald: (Moosomin)** — They certainly are.

**Mr. Nollet:** — They are made by a board of review to scrutinize allocations, made in the administration division of the Lands Branch . . .

**Mr. Walker:** — They are.

**Mr. Speaker:** — Order!

**Mr. MacDonald: (Milestone)** — I am going to answer the member for Cut Knife (Mr. Nollet) in a moment. Mr. Speaker, I have here, and I have only got five minutes and I hate to cut this short, because I would love to spend fifteen or twenty minutes on the member for Cut Knife, but I have here the Order-In-Council, a copy of it that set up the original Land Allocation Board for the province of Saskatchewan, and it is dated June 9th, 1950, and it says:

The Land Allocation Committee consisting of three members be established. Such committee to be responsible for the Director of Lands, but to have independent responsibility for the allocation of posted lands.

Then Mr. Speaker, in checking it I find that there is no single factor in the province of Saskatchewan that this side of the house has had more complaints on, than in the process of allocation of lease lands.

**Mr. Nollet:** — Think I haven't too?

**Mr. MacDonald: (Milestone)** — Patience, Mr. member from Cut Knife. Now, on top of that, Mr. Speaker, we find that there was no Land Allocation Committee for almost one year. First there were three, then there were two, and then there was one. I can assure the members opposite that now there is none. Mr. Speaker, in checking into that member of The Land Allocation Committee, I found that it was a man by the name of George Elchuk. I could not help but look up his qualifications. The member for Regina West, (Mr. Blakeney) made quite a thing out of qualifications — then I found to my dismay that he had no accountant's degree, no agricultural degree, no degree that I could find, very little experience — the only qualifications he had were not LL.B but NDP.

**Some Hon. Members:** — Hear, hear!

**Mr. MacDonald: (Milestone)** — This man, Mr. Speaker, stood for an NDP nomination in the constituency of Kinistino. Mr. Speaker, this man was given the sole responsibility of supervising, allocating and suspending a \$100,000,000 asset of the province of Saskatchewan. He was responsible to no one.

Then, Mr. Speaker, I found a copy of the supposed policy of the former government, and it contains nine principles, nine principles; priority, ability as a farmer and as a farm manager, resources, need for land, proximity, livestock, war service, Canadian citizenship and applications. No regulations, no rules, no guides, no standards as to how these are to be allocated. Nobody knows how much priority is on the proximity to the land. We found, for example, leases that are thirty-four miles away, leases that are nine miles away, and farmers sitting right next to the land. We have found, for example, ability as a farmer and a farm manager, with an ideal tax record, still he received none.

**An Hon. Member:** Shame.

**Mr. MacDonald: (Milestone)** — Deed for land, no relationship, some farmers had deeded land, some had. none, some were cafe owners. Mr. Speaker, the member for Kelsey (Mr. Brockelbank) wanted to know why the lands allocations for temporary commitments were cancelled on May 22nd. The Minister for Agriculture (Mr. McDonald) when he entered the department, after receiving

numerous complaints asked the Department of Agriculture if there were any contentious leases, and they said "Yes" and they brought up two, and he asked them if they would apply the point system of the new program. I have here for the S1/2 29-38-3-W3rd, and Mr. Speaker, the man that received this was a J.K. Dyke. After applying the point system, Mr. Speaker, this man came fifth, and yet he was given the allocation. And a man, Mr. Matman was given the allocation on the re-posting.

Now, Mr. Speaker, I can say that this side of the house is glad that Mr. Matman received it, because if anybody looks at this allocation, and looks at the point system, it will be very obvious as to why he received it and why Mr. Dyke had it taken away from him.

Then, Mr. Speaker, we have another one, a lease was given to Mr. Boyenko, a successful applicant in this case. However, on applying the point system, we find that this man came fourth and that a Mr. Martin came first. And this too would be very obvious to any of the hon. members opposite.

Mr. Speaker, this former policy without any rules or regulations, or laws or anything to guide it, to leave it in the hands of one man, a political appointee, who has had no experience, is an invitation to dishonesty, an invitation to patronage.

Mr. Speaker, my time is up and I do not wish to take the member for Moose Jaw's time, but I will say, Mr. Speaker, that I support the motion and I do not support the amendment or the sub-amendment.

**Some Hon. Members:** — Hear, hear!

**Mr. W.G. Davies: (Moose Jaw)** — Point of privilege, Mr. Speaker, I believe that my privilege was abridged during the speech of the member from Milestone (Mr. MacDonald), and I hesitated to interrupt at the time that I believe he abused my privilege. It occurred at a time when his argument was teetering, so I didn't interrupt. The abuse, I believe, was this, that he attributed remarks to the junior member from Saskatoon, which were not uttered by the junior member from Saskatoon.

**Mr. MacDonald: (Milestone)** — Mr. Speaker, I apologize to the junior member from Saskatoon, I was only referring to the category of seniority. I think everyone in this house, and probably everyone in the province of Saskatchewan does know who I was referring to.

**Mr. Davies:** — Mr. Speaker, I was just thinking to myself, a little humorously, that I appear to be getting the thin edge of the time in the two debates and I am blaming nobody for that. I would think I could spend the whole of the time that is left until five o'clock in answering some of the propositions that the hon. member for Milestone (Mr. MacDonald) has been making in the last one hour, and I want to congratulate him, Mr. Speaker, on a good resonant delivery, in a forthright convincing style. That doesn't mean I agree with a large number of the propositions that he has advanced, but he certainly does have a good delivery in this house.

I would like also to suggest to him that many of the propositions that he has given to the house this afternoon are in the nature of generalizations that have to be put to the test, and as the members of the government have been telling us so often, "the proof of the pudding is in the eating". We will see just how these come out, Mr. Speaker, in the next year or so.

I will make, however, one or two short comments about what he has told us this afternoon. I want to tell the member from Milestone (Mr. MacDonald), Mr. Speaker, that the former CCF government need apologize to no one in terms of what it has done for education in this province, particularly university education.

**Some Hon. Members:** — Hear, hear!

**Mr. Davies:** — Ten years ago, Mr. Speaker, the university attendance in Saskatchewan was twenty per cent below the national average. As of today, it is twenty per cent above the national average. I think those figures tell the story without too much comment. I have heard him discuss a number of other matters, — I don't want to try and deal with all of them for example, the reduction in the size of the civil service. I can only

say to him, if there is a reduction, I hope that this will not be accomplished by the contracting-out measures that the Minister of Public Works has referred to last evening, which takes people on the lowest wage level, and at their expense, contracts-out their work to other contractors. That work has to be paid for, Mr. Speaker, and the fact that the numbers of the workers are reduced in the civil service will still create a number of workers somewhere else in contractual service, albeit, I suggest with lower wages and poorer fringe conditions.

You know, the member from Milestone (Mr. MacDonald) has said members on this side of the house did not discuss the budget, but that they had gone to the bottom of the barrel. Well, I don't know if he should have used that comment, Mr. Speaker, because if we have been seeing the bottom of the barrel in this debate, it has certainly been from comments of members on the other side of the house, and more about that later.

I want to comment briefly about some of the remarks of the lady member from Saskatoon (Mrs. Merchant). She told us yesterday that she had taken a poll of some of her constituents as to the budget and that she had found that the poll was very heartening. I wanted to remind her that polls are often very misleading and very inaccurate, and I was thinking when she was speaking about the Literary Digest Poll, taken in 1936, that had Alf Landon elected President by a good margin. She may recall that in that year, President Roosevelt was elected, taking every state in the American Union except Maine and Vermont, so I say place not your trust in polls.

She went on to suggest that members should not make personal reference and I thoroughly agree with her in general. But I was very curious, Mr. Speaker, why she should have chided the member from Saskatoon who spoke yesterday and made some very mild references as I thought about Mr. Buckwold who "sold overalls" and Mr. Bowman who "sold spark plugs" and Mr. Mars who "sold the Conservative party". I thought, Mr. Speaker, that she might far better have given this advice to the member from Athabasca, (Mr. Guy) because last night for a period of almost two hours he made reflections and suggestions about a number of people and a number of members of this house which I think was indeed a sad commentary on the tone and the tenor of this debate.

You know, the Liberal strategy during this session has been plain. They used a device of the trash basket as a means of easing their own troubled situation and the record incidentally of their own shortcomings and dubious actions. I think, Mr. Speaker, that since May 22nd, of 1964 and last night displayed this at least to me, it was the deepest depth that they have plunged to this time.

But I say, Mr. Speaker, that the Liberal tactics have boomeranged as I get the reaction of my constituents. The Liberal image is of someone with his head deep in the barrel with only his end protruding. I think that there have been in history "rump" parliaments, no pun intended, and there have been "long" parliaments and there have been "short" parliaments. But this session, Mr. Speaker, may go down as the trash basket session and what will be recalled with revulsion will not be purple gas but the purple prose of some of my hon. friends in this house. I think really that the Liberal members of the government have out-manoeuvred themselves. They have so over-worked this theme, they have talked about it so much that it has been impossible for the people of the province to study the budget that they have put before us. And again, Mr. Speaker, referring to the remarks of the member for Milestone, (Mr. MacDonald) about the bottom of the barrel, and that some members who from this side of the house discussed the budget without talking about it, I can honestly say that throughout the two hour period last night when I listened to the member from Athabasca (Mr. Guy) not once did the question of the budget intrude itself into his discussion.

I want to say this because I feel that this needs to be said, Mr. Speaker, that the people on the street are indignant about the stance of the Liberal party in Saskatchewan in the face of the macabre and sinister tale which the national Liberal party is so deeply enmeshed and involved in, in eastern Canada.

**Some Hon. Members:** — Hear, hear!

**Mr. Davies:** — And I am not going to say any more about that part because it is subjudice as you have suggested at this time.

Mr. Speaker, yesterday the member from Nipawin (Mr. Radloff) told us that Saskatchewan has long been looked upon as a poor sister, I think this was what he said. Times have changed however, he said, under a Liberal government. He then gave what I thought was a peculiar illustration from him saying that Canada was second only to Sweden in power growth, in growth of electrical power. Then he said, how pleased he was that the Squaw Rapids Station would have an expansion in this coming year.

I want to tell him, Mr. Speaker, that this expansion is part of the planned expansion of the former CCF government; furthermore that had the members of the CCF government not persevered there would never have been the development of the Squaw Rapids Dam and the development of the Saskatchewan Power Corporation. On this side of the house, Mr. Speaker, when the Liberals were in power, we heard nothing but continuous abuse about the "burden of crushing debt". And what was the burden of crushing debt, Mr. Speaker? Those sums that financed the Saskatchewan Power Corporation, that gave the member from Nipawin (Mr. Radloff) all those advantages about which he has expressed so much pleasure in the debate yesterday.

There is one other item I wanted to make some reference to. I believe it was the Minister of Agriculture (Mr. McDonald) and the Minister of Labour (Mr. Coderre), briefly too, who charged that the CCF government in 1964-65 estimates over-estimated the amount of corporation tax collected. The Minister of Agriculture said that the amount of the yield will be shown in next year's estimates because the current year's estimates were wrong. The figure, if you remember Mr. Speaker, was \$11,800,000. Well, I picked up the other day the White Paper on Saskatchewan's financial and economic position. This is dated November of 1964 — almost a year after the estimate was first projected and it states in part, the following: that the sum of \$11,800,000 would be realized in this fashion. If the CCF were wrong in 1963, Mr. Speaker, then the Liberals certainly were just as badly misled a year later by the same figures that are only obtainable from the federal government sources. If the figures are now too high, this certainly was not a result of the error of a CCF administration.

Mr. Speaker, the pattern of government policy during the next period will, as we have been told by the Premier, proceed on what he said was a "passionate faith" in private enterprise methods. He added significantly that only through private enterprise could we get this needed investment. Well, Mr. Speaker, no one on this side of the house quarrels with the proposition that private investment is necessary. The extent of private investment in Saskatchewan over the past twenty years and the efforts of a CCF government to accommodate it, are proof of what I say. But we have never been prepared to accept passionately or otherwise, that the field of development is exclusively that of private enterprise or as so often in today's terms, large and concentrated accumulations of money.

You know, Mr. Speaker, this so-called risk capital is not always prepared to take risks. In fact large investments are not usually made today without the cold determination having been made in advance, and before the commitment of capital, that profits can be made with the least risks.

Now I am not saying that this isn't a natural thing to expect. I am simply stating that we cannot always depend upon private capital for development. And indeed I think that this is one of the great problems the world over. This is one of the problems in a time when in the interests of our own position and the position of the world, even our safety and security, economic expansion is required and cannot be supplied solely on the efforts of private enterprise. As a matter of fact, Mr. Speaker, the Premier had really tacitly admitted this within a few days of the declaration of passionate conviction that I mentioned earlier. I am referring now to the announcement that we all acclaim, that is the location of the heavy water plant at Estevan.

We have been assured this afternoon by the Premier that this deal is a solid one. Now as I understand it, the statement to the house and news reports, indicate that about \$18,000,000 or \$19,000,000 of public money will be bound up in the purchase of this plant and that the plant will be under the aegis of SEDCO; and that Western Deuterium will have rights to buy. These are stipulated in pretty generous terms. I think it is commonly accepted here and everywhere else that the extent of public involvement in the organization of these arrangements was the clinching argument in favor of this plant's location in Saskatchewan. We don't know at this time all the details of the arrangements and I hope that the house will shortly be apprised of these arrangements. But I do say at this time, that I approve of the principle of this public financial involvement

and this has already apparently got us the substantial advantage of the heavy water plant. The point is, it is rather evident that the government was able to achieve its objective only through a mixing of public and private capital sources and objectives.

I say that the fervent and worshipful belief that only private enterprise would get us the much-needed growth did not stand up in this example. The government, Mr. Speaker, was prompted to follow the courageous example of the previous administration when it set out to establish an industrial base through the building of the Interprovincial Steel Company. And who in Saskatchewan, Mr. Speaker, does not recall the difficult times that this concern had to go through? Who can't remember the continuous barrage of criticism from the Liberal opposition and the now Premier of Saskatchewan? And I say that in my opinion this barrage of criticism seriously endangered the thorny path of what is now the successful operation of a large and important firm.

The steel plant, Mr. Speaker, would never have been possible without the prodigious amount of public effort and public assistance rendered through a CCF government, and that it has achieved some success is no credit to my hon. friends opposite. That they have apparently been persuaded to follow a similar course of aid in the case of the heavy water plant at Estevan is an admission that its earlier policies and declarations were inadequate; that the policies of a CCF government were superior and that the pure and holy passion of the Saskatchewan Liberal party for private enterprise only is like the expression of many fevered lovers, wanting in substance and wanting in durability.

Mr. Speaker, during this debate we have heard from the Minister of Education (Mr. Trapp) and from the Minister of Public Works (Mr. Gardiner), criticism about the CCF approach to technical education. To review briefly we all know that the sum of about \$2,000,000 was in the estimates last year in the current estimates for the building of technical institutions. The Minister of Education has said that they couldn't go ahead with this because this would have been "blind spending". I think his comment was "on what could we spend it?" "How could we build when we didn't know what to build for and whom to build for?" And the Minister of Public Works said that there were no commitments, no plans, "we couldn't go ahead without proper investigation" and other words of this kind. I thought it would be useful, Mr. Speaker, in these declining minutes of the debate to refer to the remarks of the Hon. O.A. Turnbull at the time Minister of Education, in the budget debate of Mar. 3rd, 1964, just about a year ago. At that time, Mr. Turnbull told the house in pretty succinct terms, I think, what was the intention. He said, first of all that the concept would be for the development of regional vocational schools. He referred to the school in Prince Albert as the first experiment that indicated this line of approach. He commented on the fact that the government wanted to get moving in a hurry because of the fact that an agreement has just been made, a new agreement with the federal government for a period of three years so that it was incumbent on the government to get busy and take advantage of an agreement that offered us a seventy-five per cent payment for all capital construction. If I may quote briefly, he said:

Submissions from regions requesting the construction of vocational schools will be made to the Department of Education.

Then he went through the steps. The first step to develop a submission in the formation of region, a vocational committee representative of the unit, urban and other boards of the region. He said that any board in the region could take the initiative and approach other boards if necessary to form a vocational committee and he said that the functions of the vocational committee would be to get agreements from the boards in the regions so that a submission could be made to the government requesting a vocational school for the region. Second, there should be assurance that the boards would represent an area sufficient to ensure a total grade ten, eleven and twelve enrolment and also that there would have to be a basic population of 2,000 students.

I don't want to do more at this time than to say that this and much more was said at that time by the Minister of Education. There is simply no doubt that plans were actively in effect for the construction of two vocational schools and a wing on another one. If the present government has not proceeded with those plans, the blame must be charged directly to them. If the government sat down on the job for the last year, this delay must be wholly attributable to them. I might say that this is one year of a three-year agreement with the federal government of a most

advantageous nature — that it may not be possible to renew after that period. Significantly, Mr. Speaker, this is one of the alleged savings, what was it, \$6,500,000 that the Premier has talked about, — this is one of these savings, and you can put that in quotation marks because in my mind this was not a saving. In my mind this was a backward step and one that has hurt the province of Saskatchewan.

I want, Mr. Speaker, to say a little bit about the Department of Public Works, and its estimates for the coming year as it refers to my constituency. I note by the estimates that nothing will be done about the start on a provincial office building in Moose Jaw. I want to bring to the attention of the government once again, the number of complaints that I have had from workers in the city of Moose Jaw over the inadequate accommodations in the old Moose Jaw Club that accommodates Social Welfare, and Public Health employees. The Health region in that area serves a large number of people and certainly the building in which they are housed is not suitable in the way of comfort or in other ways for the service that has to be rendered. I would hope that something might still be done about a start on this building.

Now, may I also go on in the public works budget, Mr. Speaker, to refer to the area of mental health capital construction. I point out, Mr. Speaker, that the department had previously recommended an addition to Moose Jaw Training School facilities. This was without, I may say, any prompting from any political representative as far as I know. This construction was to be in the cards for this year. Now I don't know what's happened to this, but certainly this was on the recommendation of the staff. The fact that it is not now in the estimates is I think an omission that should be explained.

Mr. Speaker, may I point out that the budget for capital construction in the field of mental health has been seriously hurt this year. In the next fiscal year, as far as I can see in the estimates, we have the sum of \$250,000 for the construction of a new mental health addition at Prince Albert. In the constituency of my friend, the Minister of Public Health (Mr. Steuart). But in the current year we had the sum of \$656,000 for improvement at Weyburn and at North Battleford. In the 1963-64 budget, Mr. Speaker, we had included the sum of \$440,000 for work at North Battleford and miscellaneous construction in the Department of Public Health; apart from the figure of \$1,250,000 that was included for the psychiatric institution at Yorkton. It is very apparent from the next budget, that the tempo of the program for better mental health facilities has been slowed down. I predict that this will be much regretted by the mental health organization in the province as well as by all of the civil servants that have to do with this area.

I would like to say something about Jubilee works, that the Minister of Public Works (Mr. Gardiner) mentioned last night. I would again say, Mr. Speaker, that I hope something could be done about being more generous in the treatment of Moose Jaw city. I have here in my hands, Mr. Speaker, which I will table if it is requested, a letter written by the Premier to the Hon. Maurice LaMontagne on July 7th, 1964. This is in regard to the Saskatchewan Centennial grant, the so-called "special grant". I don't want to read the whole letter but the Premier refers to the commitment of the previous CCF administration to divide the special grant of \$2,500,000, — \$1,000,000 to Regina and \$1,000,000 to Saskatoon and \$500,000 to the Moose Jaw Zoological Park or Centennial Park, as they are now calling it. Now the next paragraph in the letter of the present Premier is this:

The present government is certainly sympathetic and anxious that this commitment is carried out. It would be extremely embarrassing to us, if the whole grant was made to the city of Regina. Frankly, I think the grant to the Moose Jaw Wild Animal Park is high and perhaps could be cut in half with the balance going to the two auditoriums.

Now I would just like to say this, Mr. Speaker, that I regret very much that that letter was written because I think it resulted in less generous treatment for the city of Moose Jaw. I think that had the letter not been written, that Moose Jaw might well have benefited more from what . . .

**Mr. Thatcher:** — Mr. Speaker, could I ask the hon. member a question? I certainly wrote that letter and I take responsibility for it, and I agree with it still, but where on earth did you get it if I may ask, or a copy?

**Mr. Davies:** — Mr. Speaker, I did not get this at the bottom of the trash barrel; this letter here was tabled in the House of Commons and this is a copy of the same letter that was tabled, and I hope the Premier . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Davies:** — . . . will take responsibility. One final appeal on this, and this has to do with the deficits for the auditorium in Saskatoon and Regina. Now as I understand the statement of the Premier, he has said that deficits will be absorbed by the government. I understand also that some citizens in Moose Jaw of the Centennial Committee have approached the Premier and asked that deficits for the Centennial Park in Moose Jaw be absorbed in the same fashion. I further understand that they have been given a refusal. I want to appeal for the same kind of treatment here, Mr. Speaker, because I think that this may be the deciding factor for the citizens of Moose Jaw when they vote on this Centennial Project on March 17th. Surely, it is only fair to suggest that what is good enough for the Centennial Projects in Regina and Saskatoon, should be good enough also for the city of Moose Jaw. Because there is a good deal of discussion in my constituency on this, I wish the Premier would take it under advisement.

Now, Mr. Speaker, I have already had some comment to make on the question of the Public Work's policy of contracting-out. I don't want to say more at this time except to say that I hope that this will not continue and when we study the estimates I shall certainly want to be convinced that any alleged saving of \$45,000 has not been made at the expense of a number of very poorly paid workmen, who still, nonetheless, in the government's service had the protection of the union contract and some added fringe benefits.

In the area of labor standards, Mr. Speaker, I would like to have time to comment on a great number of questions that I think are pertinent to our discussion this afternoon. I will however make reference to only one little matter that might point out what I have in mind. First of all, may I say that the fact a number of the items in the labor estimates are down is very disappointing to me and to others. I believe to put it quickly that conciliation services are down nine per cent, labor standards are down fifteen per cent and that safety services are down by some \$50,000. I want to say this, about the Women's Bureau, that the Minister of Labour (Mr. Coderre) said it was to be included under the Labor Standards Branch. If it is being included under an item in the budget that has already suffered a substantial loss, I simply don't know how an effective Women's Bureau can be generated.

I want just finally under the labor estimates to point out that on a question I asked yesterday of the Minister of Labour (Mr. Coderre), I found that the figures on labor force statistics for 1963-64 are not available in the province of Saskatchewan. On the other hand, an answer to another question on the same day told me pretty precisely the number of hogs in the province, and the number of hog marketings in the same year that I asked a question about with respect to labor. I have only to say that it is a pretty bad situation when we know the number of hogs in the province and don't know the number of working people.

Now, Mr. Speaker, I see that my time is up, although there is much more that I would like to say. May I at this time, therefore, conclude by saying that in my view the budget does not give us the kind of social direction that we have in this house a right to expect. I will support the amendment and the sub-amendment. I will not support the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. W.R. Thatcher: (Premier)** — Mr. Speaker, it is now my privilege I believe as Provincial Treasurer to close the debate on the budget. May I say that I have been impressed with the quality of many of the speeches and observations which have been made over the past eight or nine days; I think some of the suggestions from both sides of the house will be helpful.

As I said about nine days ago, our budget was designed primarily to do three things. First of all to improve the economic and political climate in this province, in a manner, that would promote industrial and commercial development. Our second objective was to reduce taxes in a major way. Our third objective was to carry out the election promises which we made some nine months ago. I think in the main we have achieved these three

major objectives in this budget.

**Mr. Thatcher:** — Newspaper comments have been made in many parts of Canada on this budget and I am not going to bore the house with reading these editorials and stories. However, there is one I think which was typical and I would like to cite the Vancouver Province. Some hon. members may have read it already.

The new Liberal government in Saskatchewan has set a mark for other Canadian governments to shoot at. It has reduced taxes. This is the answer to politicians who claim it is virtually impossible to cut taxes.

Another comment I rather enjoyed was made by Mr. Roy Atkinson, the president of the Farm Union. Roy is not necessarily noted as a Liberal adherent, and yet he said:

The budget brought down on Friday indicates some steps at least have been taken in the right direction.

The financial critic of the opposition (Mr. Blakeney) indicated that this government had failed to obtain the industries that it promised in the last election. As I recall his words, he said our approach to this problem had been timid, had been hesitant, had been lacking in courage, I think were the words he used. The hon. member for Saskatoon (Mr. Nicholson) went even further. He said, "where are the new industries, where are the jobs promised by the Liberals?" One socialist member after another on that side of the house, echoed those sentences. They suggested that we could not obtain the industries or the jobs that we committed ourselves to about a year ago.

Mr. Speaker, I want to say that new and exciting developments are taking place in Saskatchewan these past nine months.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Because of the encouragement which this government is giving to private enterprise, a new economic era is opening up in Saskatchewan. I would point out that even as this budget has been debated even since Last February 19th, when it was introduced, at least three major industries have come to Saskatchewan and a number of minor ones . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — The hon. member for Milestone (Mr. MacDonald) pointed out the potash mines of Noranda, employing 500 people. The heavy water plants costing \$46,000,000 at Estevan employing 200 people. The Lumber Mill at Hudson Bay Junction, Simpson Timber Company, an American company that will employ 150 people. My hon. friends opposite may scoff, they may sneer and they may disparage; the facts are, however, Mr. Speaker, that Saskatchewan under the Liberal Party is on the move.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — For the first time since the war, investment capital is beginning to look at Saskatchewan seriously. I believe they like what they see.

The second major objective of our budget was to provide for major tax reductions. Surely no reasonable person can deny that we have accomplished major tax reductions. Among other things, this budget has provided for net tax cuts of more than \$12,000,000, for the elimination or reduction of forty-three existing taxes, some major and some minor, and for the exemption of twenty-five additional commodities from the sales tax.

Some hon. members opposite have said, "of course you didn't go far enough, you should have done more". Well, following twenty years of socialist government even after the \$12,000,000 tax cuts that we have made, we know that Saskatchewan tax levels are still far out of line as compared to other provinces.



**Mr. Thatcher:** — I do want to assure the house, that this government will continue to work diligently to honor the balance of its tax promises in subsequent budgets.

The hon. member for Regina West, the financial critic (Mr. Blakeney) and others have said that really we didn't provide tax reductions at all. In fact all we have done, he said, is to shift the tax burden, from one group of citizens to another. I challenge the socialists opposite to tell me one citizen of Saskatchewan outside of this house, who will not agree that the so-called shift in the education tax from five per cent to four per cent was desirable and welcomed. I challenge the hon. member or the members opposite to show me one farmer outside of this house who doesn't think that the so-called shift which eliminated the mineral tax was a mighty fine measure. I challenge my hon. friends to show me one farmer in all Saskatchewan, except in this house, who does not favor the shift which permits farmers to use purple gasoline in their farm trucks.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Now, Mr. Speaker, I was amazed when I heard the hon. member for Kinistino (Mr. Thibault). The hon. member said Saskatchewan farmers don't want to drive trucks with tax free purple gas. If there's such a farmer, Mr. Speaker, I haven't found him, nor met him.

The hon. member for Pelly (Mr. Larson) said that the permission to use purple gas in farm trucks is a hoax and a smoke screen. Well if it's a hoax and a smoke screen . . .

**Mr. L.M. Larson: (Pelly)** — Mr. Speaker, on a point of privilege, I did not say that in this house.

**Mr. Thatcher:** — Mr. Speaker, I have the clipping and I have only twenty minutes . . .

**Mr. Larson:** — Well, I am sorry, Mr. Speaker, I ask for the withdrawal of that statement because I did not make it in this house.

**Mr. Thatcher:** — I will not withdraw, Mr. Speaker. I quote the Leader Post:

The Saskatchewan government's announcement that purple gas would be available tax free to the farmers for farm trucks is a hoax and a smoke screen . . . L.M. Larson . . . Canadian Press.

**Mr. Larson:** — I invite the Premier to check the records, I did not say that in this house.

**Mr. Thatcher:** — Mr. Speaker, I have twenty minutes and I don't want any interruptions.

**Mr. Speaker:** — Order! Order!

**Mr. Thatcher:** — I have the clipping right here in front of me, and I am not going to withdraw.

**Mr. Larson:** — . . . I didn't say that . . .

**Mr. Thatcher:** — I don't blame him for being ashamed of it.

**Mr. Larson:** — I did not say that in this house.

**Mr. Thatcher:** — Mr. Speaker, I want to say

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that in all the years that I have been in either parliament or in the legislature, I have never seen a measure which is as popular with farmers as this one is.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Our farmers in Saskatchewan will long remember that in the government and in the opposition, the socialists opposed and voted against purple gas. I suppose if they ever do get back into power, they'll prohibit the farmer from using purple gas again in their farm trucks.

**Mr. McFarlane:** — . . . they were . . .

**Mr. Berezowsky:** — During the debate, some hon. members said that we had curtailed spending on various essential programs. We cut down on education, so they said, and health, and so on. I maintain that in no instance have essential services been eliminated in this budget. The hon. member for Regina West (Mr. Blakeney), described the grants to schools as a pittance. Mr. Speaker, if they are pittance, nevertheless, they represent \$4,200,000 more than the socialist government gave schools a year ago.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — In 1965, this government will spend by far the largest amount that has ever been spent on education. Gross spending this year on education will be \$11,000,000, more than the socialists spent last year. We have given an absolute priority in this budget to education, because we believe there is no better investment that the government of Saskatchewan can make, than in the future of our young people.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — What did L.S. Nicks president of the Saskatchewan School Trustees Association have to say on the matter. I don't think he is a Liberal. I quote the Leader Post:

An increase of \$4,000,000 in school grants included in the provincial budget will save tax payers an increase of more than two mills, L.S. Nicks said Tuesday.

The hon. member for Regina West, the financial critic (Mr. Blakeney), and several others, criticized the government for proposing to guarantee bonds to the university in the amount of \$7,000,000. This of course was needed to finance new buildings. To me this is just one more example, Mr. Speaker, of the socialist saying, "Don't do what we did, do what we say". Because two years ago, they used this precise same method to guarantee bonds to the expense of \$4,000,000. Now they are criticizing us for following a policy which they used two years ago.

We have been told by university people, that this government must find \$52,000,000 over the next four years for university buildings. If we fail to find that money, there will be students turned away from our university. We know that these buildings will serve the people of Saskatchewan for fifty to one hundred years. We are going to finance every dollar of capital expenditures, out of current revenue. But I will tell this house, that if we have to borrow for this purpose, we will have no fear.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — I would certainly like to tell the socialist members that Doctor Spinks, the president of the university and the board are certainly very happy with this policy. Hon. members have criticized the fact that we restored medicare premiums a few months ago, back to the level where the socialists had it before the election. I am not going to say very much today, except to say this. In opposition, they are talking in a completely different manner from the way they acted when they were the government. As has been repeatedly emphasized, the elections of 1948, 1952, 1956 and 1960, right after the elections were over, the socialists raised the head tax. In 1960, they not only upped it, they increased it.

You know, today medicare and health costs are going up about

ten per cent a year. If we had refused as a government to put these rates back where they were economically sensible, the whole medicare scheme could have been in jeopardy. Now I can tell my hon. friends that the day will come far too soon for them, when this government will reduce the head tax on medicare and hospitalization.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — But it just won't be because it is politically expedient. Decreases will be made because the Minister of Health, has made savings in the department, brought in efficiencies, so that the fund has a proper reserve.

Mr. Speaker, I want to say a word about what was said about the medical care reserve. The hon. member for Regina West, again the financial critic (Mr. Blakeney) said, this alleged reserve of \$8,000,000 or \$9,000,000 shouldn't have been used this year. He said, "You are robbing the kitty." Where did the reserve come from, Mr. Speaker? It was accumulated a couple or three years ago, when the former government brought in the medicare taxes six months before they started paying benefits. Now why on earth shouldn't the people of Saskatchewan have the benefit from those reserves. They paid tax, why shouldn't they have the services.

**Some Hon. Members:** — Hear, hear!

**An Hon. Member:** — . . . immediately . . .

**Mr. Thatcher:** — I have five minutes, I think I had better proceed in a hurry. The hon. member for Saskatoon (Mr. Nicholson) said that this government had failed to carry out a very substantial number of the promises we made in the election. I want to look at that allegation. May I remind this house, that the Liberal party was elected to form a government on the basis of a program, which we didn't say we would implement in a month or in a twelve-month period. We said our program would be implemented over a four year period. We have been in session one month, Mr. Speaker, what is the record? I think it is a pretty good record. Let's look at the promises carried out.

One, we promised to reduce the retail sales tax from five per cent to four per cent . . .

**An Hon. Member:** — Immediately.

**Mr. Thatcher:** — This has been done. Two, we promised to permit farmers to use purple tax free gas in farm trucks, this pledge has been honored.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Three, we promised to abolish the mineral tax on farm land. This has been carried out. Four, we promised to increase the list of goods exempt from the sales tax. The budget added an additional twenty-four farm items to the exempted class. Five, we promised to give each newlywed couple an exemption from the sales tax on the first \$1,000 they spend on household goods. This is now the law of the province. We said we would set up a Glassco-type commission to investigate all facets of government spending with a view to eliminating waste or extravagance. Such a commission has been working for six months with most encourage results.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Seven, the Liberal party promised to take politics out of the allocation of lease land. We have accomplished this by setting up an independent appeal board from nominees given the department by the various farm organizations. Eight, the Liberal party promised, where conditions warranted, to sell some cultivated and grazing leases. Machinery has now been set up to carry out this commitment. Nine, we promised to launch a \$175,000,000 four year, highway program. This has been commenced in this budget; a fifty per cent increase in capital expenditures has been provided for.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Ten, we said that a Liberal government would reclassify the grid road system, placing those roads now bearing a high percentage of provincial traffic in the highway system of the province. During the Budget debate, the Minister of Highways (Mr. Grant) announced that 450 miles would be added over the next several years. Eleven, as promised, we have accepted the responsibility for paying fifty per cent of the cost of paving main streets in towns and villages. Twelve, we promised to look into the problem on Indian and Métis, in an effort to improve their living standards. A new agency is being set up at this session and we believe it .will be productive. Thirteen, the Liberals promised to provide financial assistance to certain private high schools. That has been done at this session. We promised to increase pension payments to those civil servants and teachers who had retired on grossly inadequate pensions. In general all of these pensions will be brought up this session to a minimum of \$2400 annually.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — We promised to increase school grants and overall education. This year we are spending \$11,000,000 more on education. We promised to remove many of the monopoly privileges of crown corporations, I wish I could tell you how we have done it. We promised to set up a new Youth Agency, to provide financial and other assistance to youth organizations in the province. This legislation is now ready for the house. Mr. Speaker, we have made a major start in providing the factories which are necessary to provide 80,000 jobs over the next four years.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — These are some of the major promises we carried out. We are going to continue our efforts, Mr. Speaker, to carry out the rest of the promises. I say then that this is a good budget, it is a development budget, it is a budget where we have honored the promises we made to the electors some nine months ago.

**Some Hon. Members:** — Hear, hear!

Mr. Speaker put the question on the sub-amendment:

and further this assembly is of the opinion that much greater emphasis should be placed on the construction of facilities for technical education.

which was negatived on the following recorded division:

**YEAS — 25**  
**Messieurs**

Brockelbank (Kelsey)	Whelan	Wooff
Cooper (Mrs.)	Nicholson	Snyder
Wood	Kramer	Broten
Nollet	Dewhurst	Larson
Walker	Berezowsky	Robbins
Blakeney	Michayluk	Brockelbank (Saskatoon)
Davies	Smishek	Pepper
Thibault	Link	
Willis	Baker	

**NAYS — 31**  
**Messieurs**

Thatcher	MacDougall	Romuld
Howes	Gardiner	Weatherald
McFarlane	Coderre	MacLennan
Boldt	McIsaac	Larochelle
Cameron	Trapp	Asbell
McDonald (Moosomin)	Cuelenaere	Hooker
Steuart	MacDonald (Milestone)	Radloff
Heald	Gallagher	Coupland
Guy	Breker	Pederson
Merchant (Mrs.)	Leith	
Loken	Bjarnason	

The question being put on the amendment:

This assembly views with alarm and dismay the inadequacy of the amounts proposed to be voted for school grants and other assistance to local governments and regrets that these local governments will be compelled either to reduce services or increase property taxes

It was negatived on the following recorded division.

**YEAS — 26**  
**Messieurs**

Brockelbank (Kelsey)	Whelan	Wooff
Cooper(Mrs.)	Nicholson	Snyder
Wood	Kramer	Broten
Nollet	Dewhurst	Larson
Walker	Berezowsky	Robbins
Blakeney	Michayluk	Brockelbank (Saskatoon)
Davies	Smishek	Pepper
Thibault	Link	Pederson
Willis	Baker	

**NAYS — 29**  
**Messieurs**

Thatcher	Loken	Leith
Howes	MacDougall	Bjarnason
McFarlane	Gardiner	Weatherald
Boldt	Coderre	Larochelle
Cameron	McIsaac	Asbell
McDonald (Moosomin)	Trapp	Hooker
Steuart	Cuelenaere	Radloff
Heald	MacDonald (Milestone)	Coupland
Guy	Gallagher	Romuld
Merchant (Mrs.)	Breker	

The question being put on the motion, "That Mr. Speaker do now leave the chair," it was agreed to on the following recorded division.

**YEAS — 30**  
**Messieurs**

Thatcher	Loken	Leith
Howes	MacDougall	Bjarnason
McFarlane	Gardiner	Weatherald
Boldt	Coderre	MacLennan
Cameron	McIsaac	Larochelle
McDonald (Moosomin)	Trapp	Asbell
Steuart	Cuelenaere	Hooker
Heald	MacDonald (Milestone)	Radloff
Guy	Gallagher	Coupland
Merchant (Mrs.)	Breker	Romuld

**NAYS — 26**  
**Messieurs**

Brockelbank (Kelsey)	Whelan	Broten
Cooper (Mrs.)	Nicholson	Larson
Wood	Kramer	Robbins
Nollet	Dewhurst	Brockelbank (Saskatoon)
Walker	Berezowsky	Pepper
Blakeney	Michayluk	Wooff
Davies	Smishek	Snyder
Thibault	Link	
Willis	Baker	

The assembly accordingly resolved itself into resolved into the Committee of Supply.

The assembly adjourned at 5:30 o'clock p.m.