

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session – Fifteenth Legislature
3rd day

Thursday, February 10, 1966

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

WELCOME TO STUDENTS

Mr. D. W. Michayluk (Redberry): — Mr. Speaker, before Orders of the Day are proceeded with may I bring to your attention and to the attention of the house, a fine group of students from the Hafford High School; they are seated in the Speaker's Gallery. This group is accompanied by Mr. Dan Marcinuk and his wife. Mr. Marcinuk is one of the teachers on the high school staff. The drivers who undertook to make sure these students arrived here for this afternoon are Rev. Father Glak, Mr. Wendell Moore from Speers, Mr. and Mrs. Boklashchuk and Mr. Orest Sokil. Hafford High School is one of the schools in the Redberry Constituency that has sent its grade 12 class to this legislature for some six consecutive years. I trust that this tradition continues. Therefore, Mr. Speaker, it gives me great pleasure to welcome this group here this afternoon, and I trust that their two day stay in the legislature and in the capital city will be pleasant and educationally informative.

Hon. Members: — Hear, Hear!

Mr. G. T. Snyder (Moose Jaw City): — Before the Orders of the Day are proceeded with, I want to draw to the attention of the house a fine group of 40 grade 12 students from Riverview Collegiate in Moose Jaw. I am sure that all members of the house will want to join with me in welcoming them to our session this afternoon. I trust that the afternoon here this afternoon will be informative, and that their trip back home will be safe and enjoyable.

Hon. Members: — Hear, Hear!

Mr. E. Kramer (The Battlefords): — Mr. Speaker, before the Orders of the Day are proceeded with I would also like to draw the attention of the house to a group of grade 12 students from my constituency, the town of Radisson. The grade 12 students are here, they are led and accompanied by their teachers, Miss Rosine, and Mr. Campbell, also Mr. Nichol and Mr. and Mrs. Karpan. I welcome them here and assure them that all of us do, and hope that their stay is pleasant and profitable.

Hon. Members: — Hear, Hear!

WELCOME TO PICKERING RINK

Mr. C. MacDonald (Milestone): — Mr. Speaker, before the Orders of the Day are called, I would like to bring to the attention of the house again that Bob Pickering of Milestone and his Avonlea compatriots have just successfully won once again the Southern Saskatchewan Curling Championship. Once again the constituency of Milestone is out in the front.

Hon. Members: — Hear, Hear!

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Mr. Michayluk: —Mr. Speaker, may I rise again, am I correct in assuming that Mr. Mike Lukovitch, who plays out of Harrod, has also won the Northern Championship in the Brier.

ANNOUNCEMENT OF MR. LARMOUR'S RESIGNATION AS DEPUTY MINISTER OF PUBLIC WORKS

Hon. J. W. Gardiner (Minister of Public Works): — Before the Orders of the Day I would like to make a brief announcement. I would like to announce to the house that Mr. D. A. Larmour, Deputy Minister of Public Works, has tendered his resignation to accept a position with the Regina Campus of the University of Saskatchewan.

Mr. Larmour has very kindly agreed to continue as Deputy Minister until the end of the session, or at least until the business of the department during the session has been completed. I would like to take this opportunity to express my appreciation to Mr. Larmour for the many years of service he has given to the province. I am also please that Mr. Larmour's services will be continued in Saskatchewan with the extensive building program underway at the Regina Campus, I am sure that he will find a wide and extensive field in which to work. I have enjoyed immensely my two years of association with Mr. Larmour and wish him well in his new position. A successor to Mr. Larmour will be announced in due course.

Hon. Members: — Hear, Hear!

ANNOUNCEMENT RE SASKATCHEWAN SAVINGS BONDS, SIXTH SERIES

Hon. W. Ross Thatcher (Premier): — I would like to announce to the house that the sixth series of Saskatchewan Savings Bonds will go on sale February 21st. Effective yield of the '66 series if held to maturity will be 5.27 per cent compared with 5.148 per cent on the '65 bonds. Nineteen sixty six Saskatchewan Savings Bonds are to be dated March 15th, and will carry an interest rate of five per cent to March 15th, and will carry an interest rate of five per cent to March 15th, 1970; 5.5 per cent from March 15th '70 to March 15th '76. They will be redeemable at par plus accrued interest any time after September 15th. As in the past, there will be no maximum for the total issue. Any resident of Saskatchewan will be eligible to buy the bonds, including corporations and societies with offices in Saskatchewan. The limit on purchases by any one buyer has been raised this year from \$15,000 to \$20,000. The bonds will be available in denominations of \$100, \$500, \$1,000 and \$5,000. They will be non-transferable and non-assignable except by inheritance. Saskatchewan Savings Bonds will again this year provide the people of the province with a gilt-edged investment for their savings, while at the same time providing the government with funds to finance investment in the Saskatchewan Power Corporation.

ANNOUNCEMENT OF NEW INDUSTRY IN PROVINCE

Hon. G. B. Grant (Acting Minister of Industry and Commerce): — Mr. Speaker, before Orders of the Day, I would like to make an announcement of interest to the people of Saskatchewan. I am very please, indeed, to welcome the announcement of the British American Construction and Materials Limited to establish in Saskatoon, and we welcome this company's decision most heartily

in that it means the building of a two plant project in Saskatoon, costing in the neighborhood of \$5,000,000. These plants will produce Gypsum Wall Board, a new activity for the province, and will also produce all lines of pre-cast concrete products.

This kind of secondary industry is needed in Saskatchewan because the province's industrial development in the past two years has heightened the demand for construction material of all kinds. It must be pointed out clearly that the Saskatchewan government approached B.A. Construction directly to come into Saskatchewan, and establish this manufacturing industry and we are very pleased indeed. They accepted the invitation and will start to build the project in Saskatoon next April. I might point out that this is the first entry of this company into Saskatchewan in the past 18 years. A Saskatchewan based plant of this kind helping to meet the demand for construction materials will benefit the province and its people and economy. It means specifically that between 125 and 150 people will find employment when the plant is in production besides the numerous people employed during construction.

This company already has a very successful plant operation in Winnipeg employing some 1,600; they are also operating in Alberta, have world-wide connections and are very substantial manufacturers and construction people. It is gratifying to know that British American Construction intends its Saskatchewan development to be a growing one with expansion contemplated as the need arises. The company's move into Saskatchewan has to be regarded as another of the many examples how responsible free enterprise system under the present Liberal government has encouraged the development of secondary industries in this province.

Some Hon. Members: — Hear, Hear!

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, on a point of order, I was quite prepared to let the hon. Member go on for some length of time, but may I ask your consideration of whether or not the very definitely, prudently orientated and based remarks are in order for an announcement of this kind.

Hon. G. B. Grant: — In closing, I would merely like to say that we owe a debt of gratitude to the Saskatoon Industrial Advisory Committee that did a lot of work on it.

Some Hon. Members: — Hear, Hear!

QUESTION RE RETURNS

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, I want to ask the Attorney General, when we may expect to get the remaining 16 returns which were ordered by the legislature last year, but not yet returned.

Hon. D. V. Heald (Attorney General): — Mr. Speaker, in reply to the hon. Leader of the Opposition, I hope his tally and mine correspond, I filed 15 yesterday, 11 today and I hope I can do as well tomorrow.

ADDRESS-IN-REPLY

The assembly resumed the adjourned debate on the proposed motion of Mr. MacDonald (Milestone) for an Address in Reply.

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, before I pick up the thread of the remarks, as I left them yesterday, may I join with some of the statements that have been made this afternoon. I do want to join with the statement made by the Minister of Public Works (Mr. Gardiner) in paying appreciation for the services of Mr. Larmour to the department, who is now leaving the service of the department. He has been a valuable employee, first of the Department of Highways, and later with the Department of Public Works. Although I am sorry to see him to, as the minister said, we are happy that he will be staying in Saskatchewan, in the employ of the university. May I also, along with the Minister of Industry, add the words of welcome of our group to the new industry which he has announced. We may differ somewhat as to the reasons which he used in explaining why it is here and, indeed, as I intimated, I differ with his right to make these statements at this time, but let him be assured and the province be assured, and the industry be assured, that we do heartily welcome this fine addition to the province.

Finally, Mr. Speaker, may I take this opportunity of adding my remarks of welcome to the schools who have sent representatives here on this occasion and on other occasions. We have had an increasing number of school groups coming in over the years. It is good to have them. In particular may I mention a group not mentioned before, but who are appropriately enough looking over my shoulder. I say “appropriately enough” because they come from one of the schools in my constituency, from the town of Asquith. In case some of you are a little shaky on geography, as some or you are in mathematics, may I point out that Asquith is the first main shopping centre west of Saskatoon, so if you are going in that direction, be sure and stop. I am glad, all of us are to welcome the group of students in the gallery behind me at this time.

Hon. Members: — Hear, Hear!

Mr. Lloyd: — Mr. Speaker, I intimated yesterday, that I had wanted to spend most of my time today with respect to the problems of industrial development and education. May I just interject one other item to begin with, however, and say a brief word about the allocation of radio time during this period before the broadcasting regulations stop the broadcasting from the legislature temporarily on Friday of this week.

As members know, we did enter a protest with the government when it seemed to be that the distribution of this radio time would give to the members on the government side twice as much time as they gave to the members of the CCF group. We entered this protest, first on the basis that this was a disproportionate time for them to use their authority to allocate themselves; secondly, we objected on the basis that it gave no opportunity during this period for the representative of the Conservative party in the house to make a statement. I know that there has been considerable discussion back and forth. I understand some rearrangement of that has been made, Mr. Speaker, and it still leaves the government with being rather generous in its appropriation of

time for this purpose during this period, but they are in a position to make such generous allotments to themselves.

Now, I want to turn to the matter of industry and economic growth. All of us will agree, Mr. Speaker, that 1965 has been one of a series of good years. Not as the members sitting on the opposition side would have us usually believe, the beginning, it has been one of very many good years. It is a year in which we will see sustained the trend of previous years, and in which we will see maintained the situation in which non-agriculture production accounts for something more than fifty per cent of total production in the province, even though we have had a good year from the point of view of agriculture. All of us are aware that continuing expansion of the development of resources and the use of skills of our people is essential. But this in itself is not enough. Also important is it that we procure a proper share of that growth for the people of the province: this, too, needs ensuring and assuring.

I think it is fair to say, and I think the government will not deny that the main emphasis of their effort for industrial development has been by way of subsidization of private enterprise. They have been content to drift and dream, and claim that all is well because of that plan. I submit that in that drifting and dreaming course they have neglected some basic programs, some basic programs which are necessary if we are going to have continuing development, full employment, and a fair deal for Saskatchewan.

For example, Mr. Speaker, economic research by the government is now virtually non-existent. We have, I suggest, the only government in Canada, that puts more effort into publicity than it does into economic research. I was interested in looking at the annual report of the Department of Industry and commerce, which came in just the other day. One finds there on page 9, that under Economic Research Branch, "services were curtailed due to staff losses", "unable to do more than service inquiries". Later on page 19, with regard to Economic Research, "the professional staff was reduced from five to one". This is just one branch of government activity.

Secondly, I suggest that you look at the budget of the Saskatchewan Research Council. In 1964 - 65, \$640,000, 1965-66, the same amount. Since there would be salaries to increase, and other costs would have increased, this constitutes, in fact, a decrease insofar as work in the Research Council is concerned.

Once again, the Liberals have shouted "Whoa" when they ought to have been shouting "Go". They have as I indicated yesterday, dragged their feet in expanding technical education. Long after two years will have passed, they will not have added space to accommodate one single additional person in technical training. Nor is there enough preparation to determine what technical education to provide, or for how many, or who is to do the teaching.

In all of these fields, acceleration is needed. We, on this side of the house, urge that there be developed an adequate Bureau of Economics and Statistics and Research, to provide the necessary economic intelligence for economic growth. We urge a crash program now and an immediate escalation of the whole program of education. To guide this development we need a study of our economy's need for trained people so that people can get the training they want and need.

Furthermore, we urge an imaginative and courageous approach to the opportunity for Saskatchewan people to share in the ownership of Saskatchewan, to return benefits for Saskatchewan people

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to retain power over Saskatchewan and Canada in the hands of Canadian people. We need to be concerned about who owns Canada and Saskatchewan. We need to be concerned about who influences government policy. We need to be concerned about how cheaply we sell the right to exploit and develop our resources.

Also, Mr. Speaker, it is obvious we need to know where we are at, and in order to determine this, I want to look at some statistics of publications of the Saskatchewan government itself, and of the Dominion Bureau of Saskatchewan what is in question is the extent to which the Liberals have exaggerated claims and manufactured news about Saskatchewan development. What is needed is an accurate appraisal, based on facts, on what is happening in our province. This we need so that the future can be properly predicted and directed, so that the productivity of our resources and the creativity of our people can be used in the best interests of Saskatchewan people. I submit that once we know these facts we will not be content to drift and dream as has been the policy.

Let me call, as one witness, the Financial Times, a newspaper published in Montreal, the issue of January 17, 1966. It looks at Saskatchewan. It makes this appraisal and I quote:

The financial economic results for 1965 will restore the record levels of 1963.

The final economic results for 1965 will restore the record levels of 1963.

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — Place that assessment, Mr. Speaker, against the “all’s well forever since 1964” used by Liberal spokesmen, and we understand a statement a few months ago by the Hon. Mitchell Sharp, now Minister of Finance. You will recall that he was here in Saskatchewan, he was trying to explain one of the premier’s many flights into fancy, and he said “When the Premier gets exuberant, he exaggerates”.

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — Well I suggest that Mr. Sharp was only partly right. What he should have said was that the Premier exaggerates and then he gets exuberant because of his own exaggeration. Let me examine some of the extravagant and manufactured claims which members opposite have made about their contribution to Saskatchewan development. Let me look, first of all, at the statement which the Premier himself made, reported in the Carrot River Observer, December 22, 1965.

Two years ago, the Premier said, royalties and leaselands netted the Provincial Treasury \$2,000,000.

Hon. W. Ross Thatcher (Premier): — I never said that.

Mr. Lloyd: — Well Mr. Speaker, he goes on to say:

This year this income was \$40,000,000, a twenty-fold increase.

Now, either he said one or not the other, or else his arithmetic is worse than that of the member from Milestone.

Mr. Thatcher: — I must say – would the hon. leader permit it, I must say that I misquoted in that instance and I did not say that. I hope the hon. leader will take my word for it. The figure I used was \$20,000,000.

Mr. Lloyd: — Mr. Speaker, I will take his word for it, but if he is going to explain on this basis all of his statements which are incorrect about development, he will be on his feet from now until next Christmas time in this house.

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — Well, I go on, and here we don't have to take newspaper clippings, for one of his followers who gets exuberant at the Premier's exaggerations, because we have the words used yesterday in the legislature, by the member from Milestone (Mr. MacDonald) when he was explaining something that he had said, or attempting to explain it.

Now, you may remember, Mr. Speaker, he was critical of my statement that he had misinformed people when he said that oil revenue in 1965 would be \$25,000,000 more than it previous years. Now, let's examine his mathematics, the mathematics he used in this house yesterday. Year one – he took for revenues from oil as \$24,000,000. Then he took year two – as \$30,200,000. Then he took the next year as being, on his estimate, because it isn't over yet, \$42,000,000. Now, he took the growth for two years, not one to begin with, and he got \$24,000,000. Even so, to do this, he subtracted \$24 from \$42 and somehow got \$25. Now, Mr. Speaker, ask anyone of these young people in the gallery and they will tell you that if you take 24 from 42, you get 18, not 24. This is his first error. Secondly, in order to justify the figure 24, he proudly claimed 18 and 6 are 24. I will agree with him on this, and this is about the only correct point he made. How did he get this 18? Well, he took \$6,000,000 once and then he used the same \$6,000,000 again, and as a result he got 18 that way. He further confused the picture by throwing in at some stage a figure of \$38,000,000 for 1964. Now, remember we are talking about oil revenues, \$38,000,000 happens to be the revenue from all mineral sources in that year, but he tossed it in just to help the picture out a little bit.

Now, Mr. Speaker, let's look at the combination of errors, one, the difference over two years instead of one, and so I must point out that one year plus one year equals two years, not one year. Secondly, he compared the revenue of all minerals in one case for one year to the revenue from oil alone in another case, and I must point out that you can't add apples and oranges unless you want to get salad which I guess is what he was after, probably.

May I point out thirdly, he subtracted 24 from 42 and he got 24 and he should have got 18, and he used on one occasion the figure of \$6,000,000 as revenue for one year and then he used the same \$6,000,000 because he got mixed up with the calendar years and fiscal years, and he used it twice and so helped to get a new answer.

Mr. C. MacDonald (Milestone): — Where did you get . . .

Mr. Lloyd: — I got my \$5,000,000 from the figures, mostly, in the White Paper issued by the government from the statistics in the report of the Petroleum Statistic Department, I think it is, and an estimate of what it is going to be this year.

Now, \$5,000,000 to \$6,000,000 is going to be very close to what the increase is. Now, Mr. Speaker, the gentleman is a teacher of history, but it doesn't give him the right to rewrite history in that particular way.

Now, as a third example, the member from Last Mountain (Mr. MacLennan) got into the act, not quite in this way, and he had trouble, too, with figures, with respect particularly as they apply to dates. You may remember that he said "We have witnessed the announcement" [and he was speaking of the last two years]"of two major chemical plants, one in each of our two major cities."

Now, I ask the member from Saskatoon (Mrs. Merchant) the only Liberal member from Saskatoon, if she is willing to stand up and say that there has been the announcement of a major chemical plant in the last two years in that city. I ask the member from Regina South (Mr. Grant) the Minister of Industry, if he is willing to get up and say there has been the announcement of a major chemical plant in that city in the last two years. I know neither of them will because here are the facts about announcement of chemical plants in Saskatchewan. Interprovincial Co-operatives announced the chemical plant in the city of Saskatoon in 1962 and began turning sod in September of 1962. Armour Chemicals announced the plant in the city of Saskatoon, March 19th, 1963 and the Cominco Fertilizer Plant was announced in the city of Regina on October 1st, 1963. The member speaking, secondly in the debate motion yesterday, claimed these had been announced in the last two years. Now, I know what his problem is, Mr. Speaker. His problem is this. He was, so the papers tell us, in charge of the campaign in the Moosomin constituency and in that campaign the proud majority of the Liberals dropped by some 85 per cent. With another by-election on now, that record wasn't good enough so they called in the old maestro, my friend the Minister of Public Health (Mr. Steuart) to take charge of the stretching of things there. And what is happening, Mr. Speaker, is that the member from Last Mountain (Mr. MacLennan) is still in competition and he hopes to qualify as . . .

Hon. D. G. Steuart (Minister of Public Health): — I'll stretch the majority.

Mr. Lloyd: — . . . better than the Minister of Health (Mr. Steuart) in this regard for the next by-election. But he has really got a job on his hands.

Well, let me, Mr. Speaker, since these kinds of claims have been raised, ask two questions which ought to be of interest to the government. First, are we keeping up with the rate of growth and development which we had prior to the middle of 1964? Second, are we maintaining our position or are we dropping behind in the race with the rest of Canada? I ask the Liberals to get their heads out of the sand of their own propaganda and look at three indicators — manufacturing industry in Saskatchewan, petroleum production in Saskatchewan, and capital invested in Saskatchewan. Manufacturing first — they talk of 30 plants since they came into office, a period of 20 months. That is an average of 1.5 per month.

If they want to play this kind of numbers game let them go back and look at the record for the 48 months before that and they will find the average for those months when were the government, not 1.5 per month but 2.33 per month.

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — Let's look at investment in manufacturing and it was this in Saskatchewan. Nineteen sixty three it was \$26,000,000; 1964 it was \$20,000,000 and the intentions announced so far as we know for 1965, \$21,000,000. Nineteen sixty three, \$26,000,000, it appears the figure will be \$21,000,000 this year.

Let's look at the increase in the net value of manufacturing in Saskatchewan. In 1963, it increased by \$10,000,000 over the year before. In 1964, it increased by only \$7,000,000 over the year before and in 1965 the increased dropped to \$5,000,000 over the previous year. Plainly the power in increasing production and manufacturing is petering out.

Let's look at the revenue freight loaded by rail in the province of Saskatchewan. Here we find that from January to august of 1965 there was almost 25 per cent less revenue from freight loaded in Saskatchewan than in the year previous. This included the loading of a lot of potash. How much less would there have been if the product of these mines developed while we were in office for which Liberals claim credit had not been available for shipping and for revenue in this way.

I turn secondly to petroleum production. There are correct general statements that we have been having a good year. But let's look again at relative growth. Increase in drilling licenses – in 1963 there were 400 more drilling licenses issued than in the year before; 1965, the increase in drilling licenses, the rate of increase had dropped to 250. Increase in the volume of oil production – 1964 increase was 10,000,000. In 1965 the increase dropped to 6,000,000 barrels. Increase in net value of oil sales – 1963 was \$18,000,000 up; 1964 was \$26,000,000 up but 1965 was only \$15,000,000 up. So the tempo is going down a little bit.

Completion of new wells. There were 800 this year and that is good. We're gratified at it. But we go back to 1957. There were almost 900 wells in that year. In 1956 there were over 800 wells. So we have not yet reached the peak of years some time past.

Let's look at natural gas production because from January to June in 1965 the amount of natural gas produced in Saskatchewan was down eight per cent from the same period the year before. If we take the period January to October 1965, the amount of natural gas was down 25 per cent as compared to the year before. The only thing that is increasing here is the speed at which we are decreasing.

I turn to the matter of investment per capita. In 1963 there was only one province in Canada which had a greater investment per capita than the province of Saskatchewan. But in 1965 there were two other provinces which had a higher investment per capita than we had in the province of Saskatchewan. We slipped a little bit in that race. In 1963 under the Socialist government that we had at that time, the investment per capita was 25 per cent above the Canadian average. In 1965 under the Liberal government the investment per capita was only 11 per cent above the Canadian average. Who's frightening capital away, Mr. Speaker?

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Mineral production – in 1963 Saskatchewan had mineral production to the extent of 8.9 per cent of Canada whereas in 1965 this had declined again to 8.7 per cent.

Now, again may I repeat – the question in dispute isn't whether there is growth in Saskatchewan. There is. There was certain to be. And to those members of the Liberal party who seem surprised at that I can only say that not even a Liberal government could have changed the direction of things that fast. But the question is, how much have the Liberals misled Saskatchewan people and why do they persist in doing so? The statistics that I have used, Mr. Speaker demonstrate that in these nine key indicators the rate the rate of increased development has fallen behind the mid-1964 rate. The three other indicators demonstrate that we are not maintaining our position in regard to the rest of Canada. They demonstrate, Mr. Speaker, that the Liberal approach isn't good enough.

Let me add three more examples of Liberal manufacturing of news. I am sure, Mr. Speaker, that most of you have in your homes the calendar issued by the Saskatchewan Government Insurance office. It has a beautiful picture of the Kalium plant on it. I invite you to turn over the pages and read what it says below about Kalium Chemicals Limited, Belle Plaine. The first four words "built in mid-1964", "built in mid-1964". There were \$40,000,000 expended on it by that time and it opened in mid-1964. The Liberals tried to claim credit in this way for that kind of development.

To hear their claims about population one would think that the trains and the buses and the aeroplanes were clogged with passengers evidently. As I said yesterday, the C.P.R. doesn't think so. But one statistic alone which can be found in the Dominion Bureau of Statistics, Canadian Statistical Review, abolishes this claim which they make. It shows that the growth in population for the first five months in 1964 was equal to the growth of population in the entire year 1965.

Now I want to add just one more and it is not quite economic, Mr. Speaker, because there isn't any commercial value for the sort of thing I am going to talk about.

But the Premier on a recent on a recent radio program was asked to make some statement about what was suspected to be deterioration of health services. So he said this, "Well, you know the former government built a new hospital in Moose Jaw". That's true. The he said "We", meaning the Liberal government "have just built a new one in Yorkton".

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — Well bigger. The Yorkton hospital had patients in it in October, 1963. Yet the Premier says to the radio audience he was speaking to there was a new hospital "just finished" by the Liberal government. But it was in use before the election. Now the Premier, Mr. Speaker, has stated the prize ambition, the height of his ambition for his life is to raise prize bulls. He will never do it, Mr. Speaker, if he insists on giving it away at that rate, I assure you.

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — I read in the newspapers about new instant porridge. Well the Liberals have invented a whole host of new miracle instant products. These include instant potash, instant jobs for instant people, and instant mental hospitals. This is quite a record.

The main point I want to make is that if Saskatchewan of tomorrow is going to be a province of capacity production with employment benefits and service benefits we cannot afford to be made exuberant by statistics Liberally exaggerated.

Previously I mentioned four things that need to be done. Better statistics in economic research, more scientific research, acceleration in education, other public investment. In this latter regard we recommend the establishment of a purposeful and vigorous Saskatchewan Development Corporation. A new opportunity for investing in ourselves, for ourselves, comes now with the availability of funds from the Canada Pension Plan. From this source an estimated \$25,000,000 per year will accrue to Saskatchewan. Add to this funds available for investment from the Workmen's Compensation Board; from other superannuation plans there is substantial amount of money for investment. I am not suggesting that all of this could or should be used for investing in the Saskatchewan Development Corporation but a lot of it could.

A further source for Saskatchewan investment is the procedure from the Saskatchewan Savings Bonds — [something the Premier announced a new issue of this year]. Perhaps in a modified form. We introduced this in 1961 as one means whereby people could take part in owning and helping to build Saskatchewan. It has been successful. Other provinces have followed suit. Saskatchewan Savings Bonds have provided an opportunity in part for people with small amounts to invest to take part in building our province. We would reconsider the amount, we would reconsider the method of payment. We would consider the possibility of monthly sales extending the opportunity for more individual Saskatchewan citizens to take part.

Now, Mr. Speaker, these various sums don't of course make us entirely independent of outside capital, but they can, I suggest, properly used, extend our real independence. They can increase our productivity. They can help retain for Canadians the opportunity to be "masters in our own house". Something of this need to be "masters in our own house" is indicated in a late 1965 Toronto Star Weekly editorial and I quote in part, Mr. Speaker:

No supposedly independent country in history has ever had so much of its economy under foreign domination or done so little about it. Laws made by our parliament will account for little if the basic economic decisions are made in New York or Chicago. The three largest Canadian flour mills, all subsidiaries of American corporation, refused to mill flour, [in this case for Cuba, agreed to by the Canadian government], because their parent companies considered it a violation of the U.S. Trading With The Enemy Act.

One other reference. Just recently, one of the Quebec cabinet ministers, the Hon. Eric Kierans, quoted in the Financial Post, February 5, spoke of this tightening grip of the U.S. over the Canadian economy in these words. He said:

It threatens the attainment of our own economic objectives and weakens further our competitive position.

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I wouldn't expect the Liberals across there to agree with the Liberals in the province of Quebec. They might agree with this one, Mr. Speaker, which is a statement made by the late John Foster Dulles, who is closer to their general philosophy, in an article written by the President of Arthur D. Little. He quotes Mr. Dulles as saying:

There are two ways of conquering a foreign nation. One is to gain control of its people by force of arms. The other is to gain control of its economy by financial means.

I want to say something about the concern about foreign ownership of resources which has recently extended to concern about the ownership of our agricultural resources. The question is raised by more and more people and in more and more Saskatchewan communities, - Is some large non-Canadian company buying land here or in the next community? Corporate farming by companies owned by absentee landlords is not a picture which is pleasant to contemplate. It spells death for much that has provided the satisfaction and the fullness of Saskatchewan farm life. This government, I suggest, ignores it and indeed by its philosophy encourages this to happen. This concern has been underlined recently by the entry of the Kern County Land Company into Saskatchewan. It registered here in July of last year. This company owns in the United States 2,400,000 acres of land. How much is that? Well, as an example, it is one and one-third times the total land area in the constituency of my mathematical friend from Milestone, (Mr. MacDonald). It is one and one-third times the size of the Bengough constituency. It is also a major owner in oil, implement companies, feed lots, machine companies, and several other activities. Now, this development is compatible, I suggest with Saskatchewan Liberal philosophy and invited by it. One of the most serious detrimental effects of all this is that it erects even more barriers to young people wishing to start farming. Land prices are artificially increased to the point where young farmers simply can't compete or if they do succeed in initially competing are forced to mortgage their entire future. And it is true that the present activity of the Kern County Land Company is confined to oil in Saskatchewan but there is nothing to stop it from expanding.

Mr. Speaker, I must pass on to some other subjects which are of real concern to the people of the province. We heard an announcement that was of interest the other day in the Speech from the Throne, about Home-owner grants. We say that it is about time after handicapping homeowners that the Liberals provide some relief to them. What has been their contribution to helping homeowners? Well, they turned a deaf ear to the CCF warning that the restriction they placed on school grants (some seven per cent last year as compared to 14 per cent increase the year before) must result in a general increase in mill rates for education. As a result homeowners from Meadow Lake to Estevan, from Hudson Bay to Eastend, from Prince Albert to Rock Glen, for the most part paid more taxes on homes. Homeowners in cities, homeowners in towns, homeowners in villages, homeowners on farms, for the most part paid more taxes on their homes. Homes, Mr. Speaker, are generally occupied by families.

In November, 1964, hospital medical care premiums went up by \$20 per family. November, 1965, hospital medical care premiums were not reduced. So there was the second round of taxes for this purpose at the increase rate to be met. A second \$20 per family in the first 19 months of Liberal government means a total in two years of some \$20,000,000 more taxes paid by homeowners and renters alike. No relief in sight for 1966.

The Ottawa Liberals, the blood brothers of the group across here got into the act of handicapping homeowners. Just recently the interest rate on mortgages in H A Loans was increased by one-half of one per cent. The cost to the owner of a \$15,000 home over a period of 25 years went up by about \$1,400 as a result. It will take the homeowner over 25 years to recover this in the proposed grants which are being talked about.

The Ottawa Liberals got into the act in another way by decreasing the ability of many farm homeowners to pay their taxes and other costs. One year ago this legislature adjourned to discuss a matter of urgent importance. The matter was the recent, at that time, drastic drop in wheat prices, a drop which was allowed by a Liberal government that had boldly promised two dollars a bushel for wheat and then brazenly forgot about it, a drop averaging fifteen cents a bushel, an average loss of \$150 on every 1,000 bushels of wheat. These people were homeowners for the most part. And so, Mr. Speaker, homeowners do deserve a break at the hands of the Liberals. So do other Saskatchewan families.

I draw attention to those who are renters not homeowners. They are a large group and if the legislation is as proposed they are going to be excluded by this plan. Now, in centres of 5,000 and over in our province, almost one-third of Saskatchewan families are in rented accommodations. It ranges from a high of almost 40 per cent in Swift Current to over twenty two per cent in Melville. In rural Saskatchewan 17 ½ per cent of the people, the families, are going to be excluded as they are renters not homeowners. Mr. Speaker, we urge this government, if it is going to introduce this bill to include a means whereby it does not discriminate against this 23 per cent of Saskatchewan families.

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — Now, there is a trust imposed on government to distribute revenue which it receives from people and resources in the fairest and most productive manner. Now, there is a procedure for tax relief which the government can choose which will avoid discrimination against any group and that way is to reduce and reduce substantially the premium for hospital and medical care insurance. To remove the Liberal 1964 increase would reduce the taxes of Saskatchewan people by about \$5,000,000. To reduce this tax by another \$20 per family or \$10 per single adult would mean another \$5,000,000 of tax relief. These together are the approximate cost to the government of the proposed homeowners plan. This would leave yearly premiums of \$32 a family. It would be comparable tax relief. Indeed if the Liberals have any confidence in the pledge to the electorate by the federal Liberal government they would remove not that part but they would remove all of the premium for hospital and medical insurance.

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — This, too, would avoid discrimination against the 23 per cent of Saskatchewan families who are not homeowners. It would save the administration costs of a yearly check being mailed to each family after determining whether or not the taxes were paid. However, Mr. Speaker, if the government is unwilling to consider such a more easily administered, less discriminatory procedure than this, then this party will not oppose this one opportunity for homeowners to get one benefit from a government which owes them much more.

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Mr. Speaker, today more evident than ever, a most urgent responsibility of government is the provision of educational experiences. Even if there were no arguments with regard to the economic needs here, the case for more and better education would be real. As the Canadian University Foundation said in a recent statement:

We Canadians have been relatively slow to realize that the economic, social and cultural health of the country all depend on the high level of investment in education.

Let me give just a few examples of what some people think about how productive this investment in education is. One United States researcher says that his studies imply that one-third of the productivity increases are due to improvements in the quality of inputs, of which education is one. Another one emphasizes the return on investment in human capital is at least as high as the return on machines and on factory buildings. These are substantiated in many ways by the statements of the Economic Council.

If we are to face today's needs for elementary and high school, vocational and university education, we need more accommodation for students, classrooms and housing. We need better equipment for teaching and for studying. We need more research. We need more teachers and better trained teachers. This is an expenditure which should not be regretted and bemoaned. We should be thankful that we have available such a productive investment, one which serves not only economic but social and individual human purposes as well. Some of the investment will not be made if the government insists on carrying out a statement made and repeated and repeated at the December conference with local governments and restated in the Speech from the Throne the other day. At that conference the representative of school trustees were told there of a new condition for receiving school grants. That condition was that the mill rate must first be reduced (sometimes but only sometimes or held to the same level was included). I submit, Mr. Speaker, that no government with any grasp of the real problem of education would make such a statement. It will handicap many school systems. It will frustrate many fine teachers. It is a bit of educational madness and the proposal should be withdrawn.

In another sense we must recognize that the changing nature of the world of work does add greatly to the urgency of extending and upgrading our educational system. Failure to do more than talk as the government did in the Speech from the Throne of such nothingness as a "work-force", of such mediocrities as meeting technological change by the "reclassification of workers" will retard economic growth. It will mean that we accept the folly that when machines are obsolete then the men who operate them must be considered obsolete also. The resultant waste and disruption by such obsolescence be our greatest enemy. I trust we are willing to mobilize to prevent it.

I regret that there is little in the performance of the government to indicate that it understands the problem or that it has the will to tackle it. I see some, but precious little, of the required understanding and energy. Now they are going to say I know, that they are spending more money on education than ever before. True. But this could be said, as I said yesterday, by the government of every province in Canada for the last twelve or fifteen years. Last year this government provided an unavoidable minimum increase for education. They seek to make a virtue out of that necessity.

The evidence — school grants last year were up seven per cent compared to an increase of 14 per cent the year before. One result was that the property taxes generally increased across the province. My hon. friend the mathematician from Milestone (Mr. MacDonald) sought yesterday to compare increases in school grants with increases for all purposes in education last year. According to the 1965-66 estimates scholarship assistance was this year reduced. Last year, the Liberals to save money, left money unspent which had been allocated for scholarship assistance. Last year the government of Canada moved into the field of school student loans and the government of Saskatchewan virtually moved out. They again shouted, not this time “Whoa”, they shouted “Back up”. They should have been shouting “Go”.

Money voted for technical education, \$2,000,000 in 1964 — not spent. Money for technical education 1965 — reduced from the 1964 level. I doubt if this limited amount is going to be spent. The Minister of Education (Mr. Trapp) in this legislature in writing answered the question on February 17th of last year. He said “Regional vocational projects have been initiated at Lloydminster, Swift Current, Yorkton, Regina, North Battleford and Melfort”. Where are they? At Lloydminster, no. At Swift Current, no. At Regina, no. At North Battleford, no. At Melfort, no. Some start was made in the city of Yorkton at what is being called a regional vocational school. I submit, when people find out what it is going to do, there is going to be a tremendous amount of disappointment because it will not, I’m afraid, do the job that people want it to do and it ought to do. The extension of the provincial technical school at Saskatoon slowed down. During the summer, I understand, the minister said that tenders would be called soon. Summer’s gone, Autumn has come and gone, Winter more than half gone — no call for tenders yet. I repeat it will soon be two years since the government took office and in that time not a single new place for a single student in technical education has been provided.

I submit that there is no indication that the government is thinking beyond the fringe of yesterday. Within our institutions for technical training there should be development of other than just work skills, consideration of other skills and experience which effective citizenship demands in knowledge of labor history, labor organization and labor law, in some grasp of economics and the organization of economic forces, in some preparation for the use of leisure time. How about new kinds of institutions to meet new needs? Well, we have heard very little of them. Mr. Speaker, we have bridged some of the gaps between general education, technical education and university education, but there are a lot more to be bridged yet. The Committee of Presidents of Provincially Assisted Universities and Colleges of Ontario made this statement in 1963:

What we must do is face the obvious fact of specialism in our culture and the equally obvious fact of different aptitudes and interests in our population and provide our young people with a wider choice of institutions with specialized training beyond the secondary school.

I urge government to be doing some thinking in this regard.

Mr. Speaker, I know that the educational problem is big. It should be looked at in a new light. Instead of spending resources we should be devoting those resources to an investment, to the replenishment and enlargement of our natural resource base and to opportunities for more people to have access to first class experience. Later in the afternoon, Mr. Speaker, I am going to submit an amendment relative to this fact.

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Our legislative proposals for education which we set forth are designed to secure for Saskatchewan people those benefits which can only be obtained by public investment in education. If they are accepted they will upgrade and they will extend educational opportunities for young and old. They will begin to remove financial burdens from students and from taxpayers.

We recommend as the minimum program to grow and to develop in the future, this. We should increase school grants this year, enough to make the first stop in a massive transfer of education costs from local government to the provincial government. The 1966 objective must be to meet increases in cost and at the same time permit a decrease in property tax rates.

Second, the province should assume with the federal government the entire capital cost of real regional vocational schools. This, I may say, was done when the Prince Albert technical school was built, completed I believe in 1963. There was not charge for capital on the community, there should not be on communities in the future for this purpose.

Thirdly, we should begin preparations to substantially decrease student fees, and to increase non-repayable financial assistance to students. This should be applicable to vocational students and to university students. In a recent statement to the students on the Regina campus of the university, the Premier not only rejected such proposals for student assistance, but he disparaged the idea. I must read just a little bit of his reply that appears in the Carillon published by the students on the Regina Campus, February 4, 1966: Here in reply to a letter from the students the Premier says, (They had spoken of Mr. Smallwood's decision to relieve students of financial obstacles of higher education – these being tuition fees) – I quote from the paper – Mr. Thatcher said:

That is nonsense. I am unequivocally opposed to any suggestion eliminating tuition fees. We are facing difficulties accommodating the number of students going to university now. How could we accommodate the students who would come forward if tuition fees were reduced.

And as the editorial very properly points out Mr. Thatcher admits here that more students would seek higher education if fees were reduced and that, therefore, finances are a barrier. His attitude is in strange contradiction, Mr. Speaker, to the words of a document which must have been on his desk at the same time he made that statement, a statement included by the Canadian Association of University Teacher in a brief to the governments of Canada and to the provinces. They said – hear this:

Higher education in Canada must be a matter of public responsibility not of private privilege.

On behalf of this group, Mr. Speaker, I endorse that statement today.

Mr. Speaker, I want to go back just for a moment to develop in a little bit more detail my suggestions about the Saskatchewan Development Corporation. I have indicated some sources of Saskatchewan generated capital. We suggest it be directed by representatives of Saskatchewan people responsible to our entire population to the practices and principles of parliamentary government. We have given terms of reference based on the needs of our coun-

try and the rights of Saskatchewan people so that the corporations will own and develop wherever this can be done in the name of Saskatchewan people. Let's encourage and assist development of ownership in the hands of co-operative institutions. Let's us it where it seems wise and possible to do so, to take partnership in ownership and responsibility with other enterprises, which for a proper reward will participate in Saskatchewan growth. Let's base our decisions on an adequate inventory of our resources on the statistics and research of a competent bureau of statistics, in research on studies of manpower we have and the skills they need, on more scientific research to discover new ways of using our resources. May I submit that the present government, Mr. Speaker, has in the past year lost some excellent opportunities to own, to retain ownership in the hands of Saskatchewan and Canadian people.

I would like to talk about heavy water, Mr. Speaker, for a while, but I think the story is well enough known that it needs no more repetition or emphasis. The government could have done something here if it believed in that plant, as it said it did. Look at two other examples. One of them has to do with the Wizewood plant and, incidentally, Mr. Speaker, we are still waiting for a return which was ordered by this legislature last year dealing with the conditions under which the sale of this plant was forced or handled by the government of Saskatchewan. It was a plant owned by Saskatchewan people, with substantial support from the government, financial and otherwise. One year ago, Saskatchewan Federated Co-op had its annual meeting and there the delegates passed this motion:

Whereas it is reported that the Wizewood plant at Hudson Bay is for sale; whereas this plant is producing an acceptable product from poplar; whereas this plant is reported to be working on a paying basis and has more orders than they can fill, be it resolved that Federated be requested to investigate the possibilities of this plant with a view to purchasing it if it is found to be a sound venture.

Before the Co-operative had a chance to make an offer this government forced and the government negotiated the sale of Wizewood to a large West coast corporation. The Saskatchewan investors got about sixty cents on the dollar, co-operative ownership was ruled out, Saskatchewan ownership was sold out. Mr. Speaker, it would have been good for Saskatchewan, and for Canada, if the ownership of this plant had been kept in the hands of this prairie-owned co-operative organization.

One last question, Mr. Speaker, which I don't think the Premier can answer, but I must ask it. Can he, on behalf of the federal Liberals, tell us when the vacancy in the federal Senate is going to be filled? I am most curious to know who is leading in the race.

Mr. Gardiner: — Are you applying?

Mr. Lloyd: — Me? Oh, goodness no. I haven't got those qualifications. Thank goodness. Who is leading in the race? The story from Ottawa is that it is Hazen Argue, 99 per cent there. The story is another story that says a contender is one Dr. McCannel, who, I believe, is the Saskatchewan Liberal bag man, I think they are called. You know, the boy who goes around fixing up. Well, I hope that the Premier might be able to enlighten us because it is a matter of great interest.

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Mr. R. A. Walker (Hanley) — Bengough . . .

Mr. Lloyd: — One last question. Since grazing leases were increased in 1965, sometimes even more than doubled, I wonder when the grazing lease rates going to be announced for 1966. Mr. Speaker, as I indicated earlier, we wanted to ask an amendment with respect to what is going on in Education. I have in the last two afternoons recommended policies with regard to action which the government should take to protect our rail transportation. I have recommended policies with regard to economic developments and agriculture. I have recommended fair measures of tax relief. I have recommended measures which give us the necessary educational expansion. Mr. Speaker, I beg leave of the assembly to move, seconded by the hon. Member from Hanley (Mr. Walker) that the following words be added to the address:

But this legislature regrets that the government has failed to give the necessary priorities to the needs of Saskatchewan people, especially our youth, for expanded educational opportunities, and has failed to recognize the need for substantially reducing property taxes for education.

Mr. Speaker: — I would like to draw to the attention of the house Citation 165, subsection 2.

Having moved the adjournment of the debate a member spoken on the question cannot make a second motion during the same debate.

I have here a motion and an amendment moved by the member from Biggar, the Leader of the Opposition (Mr. Lloyd), seconded by the member from Hanley (Mr. Walker). With consent is leave given?

Agreed.

Hon. W. Ross Thatcher (Premier): — Mr. Speaker, my initial remarks this afternoon must be, of course, to congratulate the mover and seconder of the Throne Speech motion.

I think one of the strengths of the Liberal party over the last few years has been that it has been able to attract young men and women to its ranks. Yesterday we heard two very powerful speeches by one young man in his twenties and one in his thirties. As long as we can keep attracting men of that kind to this party I think we will have no fear of the future. As you know, Mr. Speaker, twenty months ago the Liberals in Saskatchewan turned off Socialism and turned on prosperity.

Some Hon. Members: — Hear, Hear!

Mr. Thatcher: — Despite anything that the Leader of the Opposition (Mr. Lloyd) has said the last two days, at long last exciting things are beginning to happen in Saskatchewan. I thought it was ironic that just before he began his remarks this afternoon, telling us that industries really weren't coming to Saskatchewan, the Minister of Industry (Mr. Grant) a few minutes earlier had announced a new major \$5,500,000 plant. That is how it has been in Saskatchewan recently. Tomorrow I am going to make my main remarks, of course, but I would like to spend a few minutes this afternoon, going over some of the arguments put forward yesterday and today

by the Leader of the Opposition. As I listened to him yesterday, I was reminded again of the words of that famous Englishman, Sir Winston Churchill. He said "Socialism is the philosophy of failure and the gospel of envy". If the beginning of this session means anything, how true those words are. Yesterday we listened to the MLA for Biggar (Mr. Lloyd) tear into the Canadian Pacific Railroad for twenty minutes. He was up to the old Socialist tactic of disparaging, harassing, criticizing, ridiculing a successful business. Thirty years ago the Socialists adopted a motto in their so-called Regina manifesto, and I remind you of those words today: "no CCFR government will rest content until it has eradicated capitalism". Small wonder so many industries steered clear of Saskatchewan when we had a Socialist government. Small wonder that for twenty years the rest of Canada boomed and expanded, while Saskatchewan stood still. The speech from the Leader of the Opposition (Mr. Lloyd) yesterday and today was filled with bitterness, with frustration, and above all with a lack of economic knowledge. Like the old French Bourbon kings, "he forgets nothing and he learns nothing". Yesterday he spent about twenty minutes complaining about wheat deliveries. He argued that delivery quotas were low because the railroads had fallen down on the job. It may be that the railroads have not been moving wheat as rapidly as some people would like. Though I think on the whole, in view of the booming economy, they are not doing such a bad job. But I would suggest to you, Sir, and to the Leader of the Opposition, that there have been other reasons why grain movements have not been as rapid as we would like. One of the reasons is that time and again strikes are called by the political allies of our friends opposite, just around harvest time. Either it's the Maritime union, or the grain handlers, or the railroad workers who go out.

Year after year, every time the farmers are getting ready to get rid of their wheat crop, some unions go out on strike at Vancouver, or at Fort William, or in Montreal or somewhere else. In the last crop year that the Hon. Leader of the Opposition is talking about, grain handlers at Vancouver went out on strike June 2nd and they stayed out for more than ten weeks. For much of that time there were sympathy strikes that tied up the whole Vancouver harbor. Small wonder that the railroads couldn't move the wheat out, while that strike was taking place. And who was the strike against? The Alberta wheatpools. The Socialists always claim to be the friends of the co-ops. They are always crying tears for the co-ops. But I didn't hear them say one word, while that strike was on, on behalf of the wheatpools, not one word. The Leader of the Opposition tries to tell the people of this province that the interests of the farmer and the laborman are the same. Here is what the Canadian Cattlemen had to say last October and I quote:

The upshot of the final settlement of that strike was that the prairie farmers and their co-operatives lost out, and the boys who pushed the boys who push the brooms around at most elevators can go whistling merrily on their way at \$8,000 a year.

That sum is about three times the income of the average farmer in Saskatchewan. So, I say to the Leader of the Opposition and to the Socialists, if you fellows are really interested in getting wheat moving, why don't you speak to some of your labor friends? Why don't you stop them striking at crucial times against the farmer?

Some Hon. Members: — Hear, Hear!

Mr. Thatcher: — As I said a moment ago, hon. Members opposite always claim to be a farm party. It isn't that way down in Ontario though. As

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a matter of fact the CCF-NDP isn't remotely interested in the farmer. I have an issue of the Toronto Star, last January 8th. What does Walter Young, the Toronto CCF-NDP, MP, have to say about the farmer? I quote:

The NDP is going to be a labor party and to hell with the farmers. They are a declining force anyway.

I say that it will not go unnoticed by the farmers of Saskatchewan and of Bengough that during all these strikes in recent years, rather than antagonize labor votes, the CCF politicians have maintained, for the most part, a profound silence. Mr. Speaker, since the day that the NDP took over in Canada from the old CCF, the Socialist party has become little more than a labor party dominated by trade union bosses. The Liberals aren't anti-labor. We have not and will not condone anti-labor policies, even though we feel very strongly that the interests of our province, the interests of our country, will be best served by a party which does not make an appeal to class prejudice. We think the CCF have been making such an appeal.

The next subject the Leader of the Opposition talked about yesterday was branch lines. He said the government has not protested vigorously enough in connection with the abandonment of branch railway lines. Mr. Speaker, I will admit that perhaps we have not made as many noisy speeches as the Socialists about this subject. But we have taken action. Our Minister of Highways presented the province's case before the federal government when bill C-120 was before parliament. I want to tell the Leader of the Opposition and the Socialists that since this government took office not one single line of railroad has been abandoned.

Some Hon. Members: — Hear, Hear!

Mr. Thatcher: — The only mileage that has been abandoned was when the Diefenbaker government was in power in Ottawa and the Socialists in Regina.

Some Hon. Members: — Hear, Hear!

Mr. Thatcher: — In 1961, 136 miles were abandoned. As a matter of fact, since this government took office, the railroads have actually added a few miles to the railroads. A number of lines which formerly were considered to be uneconomical, because of the oil development, potash development, the timber developed, are today actually profitable. In five years, Mr. Speaker, there will be more potash moving over our railroad lines than there is wheat. I am quite certain that this provincial government, working with our federal colleagues, will be able to protect the interests of the farmer a lot better than any long-haired socialist will be able to do. I don't think that there will be very many lines that will be abandoned in the near future.

Then the hon. Leader of the Opposition began talking about industries. The CCF generally across this province have been making a lot of disparaging remarks about the new Prince Albert pulp mill. I would remind you that the Socialists tried for 20 years to get a pulp mill. I've got a few of the clippings pertaining to that effort if I can find them here.

Mr. I. C. Nollet (Cut Knife): — Look for the heavy water plant.

Mr. Thatcher: — I'll come to that one too. Here is an announcement they made in the Prince Albert Herald in 1956: "Pulp Mill for Prince Albert". They went on to tell how there would be 5,000 people working in it. Who made it? Mr. Brockelbank, Mr. MacIntosh, Mr. Clarence Fines. Incidentally I found out where Clarence Fines is this winter.

Some Hon. Members: — Hear, Hear!

Mr. Thatcher: — Here's another mirage announcement. They announced this mill up in Meadow Lake. This one was a year later: "Start work this year on \$40,000,000 pulp mill in Meadow Lake". The story was carried in Star Phoenix on April 3rd, 1957. They went on and on talking about the various pulp mills that they were going to get. The Liberals finally got one; in a few short months we were able to do what the Socialists failed to do for 20 years. Now what do the Socialists say? Does my old friend from Cumberland (Mr. Berezowsky) welcome this mill that is going to employ so many of his constituents? Not at all. "Oh, (he says) the bond guarantee is too risky, a terrible thing, those Liberals are guaranteeing \$50,000,000 in bonds, 78 ½ per cent of the investment, a terrible thing". Well, it is true that the Liberals are doing this. We are guaranteeing those bonds, because if we hadn't done so, we wouldn't have had a pulp mill. Incidentally, we are getting a \$1,500,000 fee for so doing. When the Socialists were looking for a pulp mill, what kind of incentives did they offer? I happen to have a letter in my hand, or a copy of a letter, written by our old friend, Clarence Fines. He was looking for a pulp mill, and he sent this letter to Mr. Thomas Block of the company, A.E. Patterson and Associates, Studio City, California. I am going to quote one paragraph from this letter, and if my hon. friends want this letter, they can come and look at it when I have concluded:

Our government is prepared to guarantee a loan or bond issue for the sum of not more than 75 per cent of the cost of the fixed assets for the pulp wood operation of your company.

In other words, they offered Patterson and Associates back in 1958 exactly what this government gave Parsons and Whittemore. Now, I have a second letter here. This one had to do with the Green Bay Packing Company of Wisconsin. I quote a letter May 31st, 1962, written from Mr. Black, the Deputy Minister of Industry to the Hon. Russ Brown. Again I am only going to quote a couple of lines, but my hon. Friend can have the letter after if he would like.

Mr. Lloyd: — On a point of order. The Premier will, of course, be willing to table the correspondence.

Mr. Thatcher: — Yes, I said I would, I will let you see it.

Mr. Lloyd: — That's not the question.

Mr. Thatcher: — All right, I'll table it. You can't squirm out of it that way.

Mr. Lloyd: — I'm not . . .

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Mr. Thatcher: — I have had an opportunity of discussing all the points . . .

Mr. Lloyd: — Mr. Speaker, just on a point of order, I think I was quite in order to get up and ask the letter to be tabled. No call for the Premier to suggest . . .

Mr. Thatcher: — You're stealing my radio time. I agree.

Mr. Lloyd: — You're squirming.

Mr. Thatcher: — I have had an opportunity of . . .

An Hon. Member: — You're supposed to be off the radio at this time . . .

Mr. Speaker: — The member has asked for the letter to be tabled, I think it is agreed that the letters will be tabled, and that is the end of the argument.

Mr. Thatcher: — Well, this is what Mr. Black wrote to the hon. Russ Brown.

I have had an opportunity of discussing all of the points raised with Mr. Blakeney, and his views and instructions were as follows:

Mr. Blakeney agreed that it was in order for the government, at this stage, to guarantee \$14,000,000 worth of bonds or 78 1/2 per cent of the presently indicated capital investments.

Seventy eight and one half per cent. Apparently it is bad for the Liberals to make that kind of a guarantee. Yet the Socialists tried very hard to get a pulp mill by making similar guarantees when they were in power. On numerous occasions, they tried to get American companies into this province by similar bond guarantees. The only difference, Mr. Speaker, was that we succeeded where they failed. That is why their views today are sour grapes.

Then the Leader of the Opposition, yesterday, criticized this government for giving large tracts of land to the Simpson Lumber Company. In his remarks today, and there have been similar remarks made by other Socialist members, there have been criticisms of this government for selling out our interests to the Americans. For example, I was reading a letter from my hon. friend from Cumberland (Mr. Berezowsky) the other day, in the Prince Albert paper, one of the silliest letters I ever read. He said this:

The Saskatchewan government was compelled to extend grants from our treasury, and give \$50,000,000 of guarantees, at the taxpayers' expense, to a foreign country.

Anti-Americanism is a common trait among Socialists all over the world. It is the same in this province.

But what was their attitude to the Americans when they were in power? As I say, they were out to try and get such a company to invest here. They approached Green Bay Packaging Company, Green Bay, Wisconsin. They approached Ellis-Patterson and Associates. From an announcement that was made in the 1956 Prince Albert

paper, I read a quote:

Financing for the nearly \$60,000,000 project is underway with participation by interests from New York.

When we took office, we found that we had to hold up developments in Prince Albert for from four to six months, because there was an individual called “Kress” whom they had given the timber rights in the Prince Albert area. Mr. Speaker, for 20 years when they were in office, the Socialists did their best to get the Americans in here, but the Yanks didn’t like Socialists, so they didn’t come.

Reading an editorial in the Prince Albert Herald, January 26, they had this to say:

Mr. W. J. Berezowsky (Cumberland) — Did we write it?

Mr. Thatcher: — Well, my hon. friend from North Battleford says “Did we write it?” or my hon. friend from Cumberland (Mr. Berezowsky) said it. You know, another statement that was in the Toronto Star – the article was written by Stanley Knowles, Socialist MP for Winnipeg – I rather sympathize with what he said. As I say, he was speaking as the MP for Winnipeg, the Socialist MP for Winnipeg. I quote Mr. Knowles: “We seem to have an idiot for every occasion”. When I hear the hon. member for Cumberland (Mr. Berezowsky) I am inclined to agree with the member for Winnipeg.

Some Hon. Members: — Hear, Hear!

Mr. Thatcher: — Mr. Speaker, here is what the Prince Albert Herald had to say:

As for giving away our birthright, this is utter nonsense. Had the CCF government been able to negotiate a mill here while in power, surely their supporters would not have considered this a selling-out of our birthright. Let’s face it, for years our birthright has been rotting in the north.

The Socialists now say it is a crime to let the Americans invest in a pulp mill. What do they suggest as an alternative? I was reading the Commonwealth last issue of February 9th. I always like to keep up on it, there is a column in there by B.B. – whoever that is. I guess he is somebody up in the Press Gallery. He was telling how I made a few trips to New York to get this company, I quote:

But why did he limit his search to the U.S.? You would think a shrewd businessman would do a bit of shopping around among other countries. Why he might even have approached the U.S.S.R. I believe the U.S.S.R. have built a few pulp mills already for other countries, and paper mills for itself. It would have been interesting to see what sort of deal they would have had to offer. But one thing is sure if they had built a pulp mill for us and we had paid for it, the enterprise would have been ours.

Some Hon. Members: — Hear, Hear!

Mr. Thatcher: — What the Socialists are saying, in effect, Mr. Speaker, is “the heck with the Americans, bring in the Communists”.

There is one other thing about this pulp mill that the Leader of the Opposition and the member for Battleford (Mr. Kramer), I

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am sorry he is not in his seat, have been saying. He was speaking in Bengough. Actually when we saw that he was the key speaker, we knew were in no trouble. The hon. member for Battlefords (Mr. Kramer) was speaking to Mossbank. He accused the Liberals of making an agreement to sell pulp wood to the new company at \$18 a cord, which he said was far too low. "Why, (he said) the taxpayers are going to lose hundreds of thousands of dollars as a result". What are the facts? Actually, the contract price is \$18.50 a cord. Not only that, we have an acceleration clause under which if the cost is higher, we go up 10 per cent per year.

An Hon. Member: — A total of 10 per cent a year?

Mr. Thatcher: — Yes, a total of 10 per cent a year; five per cent a year, I am sorry. Moreover, if there are losses, the government and the company share those losses. What did the Socialists offer when they were in power?

Mr. R. A. Walker (Hanley): — Point of Order, Mr. Speaker. The hon. Premier is quoting from what he says is an agreement which he has between the province and some private company, and I think it is one of the rules of the house if he is going to quote from a document he must table it.

Mr. Thatcher: — Well . . .

Mr. Walker: — It is a public document, Mr. Speaker.

Mr. Thatcher: — Mr. Speaker, I am not going to table the agreement at this moment, but I assure you it will be tabled, and what I am telling you is the price was \$18.50, not \$18.00.

Mr. Walker: — Mr. Speaker, on a point of order. Surely all members of this house have access to the same information, and if the Premier is going to quote from a document which is a public document, every member of this house is entitled to have access to that document . . .

Mr. Thatcher: — Mr. Speaker, I am quoting, not from an agreement, I am quoting from memory.

Mr. Walker: — Mr. Speaker, the hon. member said the agreement provided for so and so, and the rules are elementary, all members have the same rights. Mr. Speaker, some hon. members over there may think that this is the Reichstag . . .but it is not yet.

Mr. Speaker: — Order, Order! You withdraw that . . . I would ask the hon. member to withdraw that statement right now. Let's get this assembly in it proper place, and out of the gutter.

Mr. Walker: — Mr. Speaker, I say this is not the Reichstag, and that is a perfectly honorable statement to make.

Mr. Speaker: — That is a reflection on the Chair and I am asking you to withdraw it here and now.

Mr. Walker: — Mr. Speaker, is suggesting that it is, and I am saying it is not.

Mr. Speaker: — I am not suggesting anything of the kind . . .

Mr. Walker: — Well, if it offends, Mr. Speaker, I will withdraw it.

Mr. Speaker: — It is a reflection on this whole chamber and I ask that you withdraw it, withdraw the imputation, and then we will go ahead and settle the rest of the argument.

Mr. Walker: — If Mr. Speaker is unhappy about the statement, I will . . .

Mr. Speaker: — I am unhappy about it.

Mr. Walker: — I will withdraw it.

Mr. Speaker: — Thank you. I hope that is the last statement of this kind we will have in this legislature during this session. Now if you will take your seat we will settle the argument.

Some Hon. Members: — Hear, Hear!

Mr. Speaker: — Now, if the hon. member has quoting — an agreement between some person, or persons, and the government, then I will have to ask him to table the document. If he is quoting from memory, then he doesn't have to table it, because he would have no document. Now I ask the Premier, has he a document? Or has he not?

Mr. Thatcher: — Thank you, Mr. Speaker, it was quoted in the Prince Albert Herald, as a matter of fact, but I am quoting from memory. I haven't the document in front of me. All I did was suggest that the price was \$18.50 plus these accelerations.

The point I want to make is that when the Socialists were in power trying to persuade a pulp mill to come here, they offered a much lower price for cordwood through their timber board. I quote a letter from R. Brown to the Hon. Eiling Kramer. This had to do with the Green Bay Package Company again, Packaging Company. I quote one paragraph:

As you are probably aware the Saskatchewan Timber Board has quoted a price of \$17 per cord for pulp wood delivered to the proposed mill at Prince Albert, undertook to guarantee the delivery of up to 100,000 cords for a three year period.

If they had been fortunate enough to sign that agreement, they would today be delivering pulp cord wood at \$17 a ton, not \$18.50 as the Liberals are doing. So this is one more example of the Socialists talking one way in opposition, and trying to act some other way, when they were in the government.

Mr. Speaker, I think I have said enough about pulp mills this afternoon. I reiterate what I said earlier, that the Liberals have succeeded in doing something in two years, which the Socialists

failed to do in 20 years. It was not an easy task. We did contact about 30 companies in Canada and the United States, before we found one that was willing to go into northern Saskatchewan with a mill. We know that there are some geographical difficulties. We would get one problem solved when another would emerge. However, Parsons and Whittemore is a New York company that has built around the world about forty pulp mills. We think they are a good company, and we think they can do a job that is needed in Saskatchewan. We are very proud of the fact that 1,500 men will be employed in the construction phase of this mill. Once it is operating there will be 500 men in the plant and about 3,000 out in the woods. What is even more important, Mr. Speaker, a great many of those men in the woods will be Indians and Metis. Men who today are on social aid, men, who today lack employment. I say that if the Liberals have done one thing since taking office, surely this is one of which we can be proud. Socialists are criticizing the pulp mill agreement from the Alberta border to the Manitoba border. I challenge them to vote against it when the bill comes before this house.

Some Hon. Members: — Hear, Hear!

Mr. Lloyd: — Mr. Speaker, the Premier did say he would table some letters which he had not yet tabled . . .

Mr. Thatcher: — Well, wait, at least please wait until I get time. I . . .

Mr. Lloyd: — Plus one more that he has just recently referred to.

Mr. Thatcher: — I said these letters will be tabled. Before I table them I'm going back to my office and make a carbon copy of them. I'll tell you that.

Mr. Lloyd: — Now, that is not the rule. I'm sorry.

Mr. Speaker: — Order, one at a time.

Mr. Lloyd: — Mr. Speaker, I ask you, Sir, if that is the rule, that the Premier may take them out of this chamber and back to be copied.

Mr. Speaker: — The documents to be tabled have to be tabled with the Clerk and they remain in the Clerk's office and become the property of the province of Saskatchewan henceforth and forevermore.

Mr. Thatcher: — Perhaps the Clerk would give me a copy then. That will be fine. I will be very happy to table them. Once the Socialists read them, they will realize what a mess they really did make of things at that time.

I think I should say a few words today about education before I sit down. Certainly the hon. Leader of the Opposition (Mr. Lloyd) has been making quite a point about education in the last few months. I guess he hasn't any other issue so he is trying to manufacture one. The Leader of the Opposition cried copious tears about the plight of education under the Liberals. He had a six point program, I think, two or three of them anyway had to do with education. He called for a transfer of educational costs from

local to provincial government. He called for a massive increase in school grants. How different are the recommendations that the Socialists make today from the actions of the Socialists when they were in power?

In 1943 before they took office the Socialists claimed that if they could form a government they would pay the full cost of elementary and secondary education. I quote little Tommy Douglas, February 16, 1943:

The first thing a CCF government would do would be to recognize education as the responsibility of the provincial government. There has been a tendency on the part of the provincial government to pass the buck to the municipalities and school boards for maintaining our educational facilities. The time has come when we must recognize Canada's Constitution places the responsibility for teaching our children squarely upon the provincial government and it cannot be passed on to any other body.

The Socialists were in power for 20 years. Why did they carry out their promise in those 20 years?

Mr. F. K. Radloff (Nipawin): — They didn't have time.

Mr. Thatcher: — In office they left from 60 to 75 per cent of school costs as a burden on local government. For most of the 20 years, provincial school grants were 25 to 30 per cent of school operating costs. For the last two or three years, grants averaged about 40 per cent of operating costs. The other provinces which weren't afflicted with a Socialist government did a good deal better in most cases.

The Liberals spent more on school grants last year than the Socialists did the first eight and one-half years they were in power under the former Minister of Education (Mr. Lloyd). We spent more in over just one year than the Socialists did in the first eight and one-half years they were in office. The Liberal party, Mr. Speaker, spend \$11,000,000 more this past year than the Socialists ever spent in a single year on education. And this year we are going to at least double that and perhaps a little better.

In the field of education, like in so many other fields, the Liberals act while the Socialists talk.

The CCF-NDP had another election promise. This one was also made by the Rev. T. C. Douglas and I quote a radio broadcast:

The second step which a CCF government would take to provide a greater measure of equal educational opportunity for all would be to provide free text books and supplies through our school system.

Free text books. Twenty years they had to provide them. They didn't lift a finger. But today they are telling us that we should act immediately. This year we are providing free text books in grade nine. Before our term of office has expired I can assure you, Sir, we will have provided them in other collegiate grades.

The Leader of the Opposition (Mr. Lloyd) this afternoon was talking about technical schools. Do I have to remind him that while he was minister in this field, his government failed to do very much. Before the last election he and his Minister of

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Education (Mr. Turnbull) talked about ten or twelve additional regional vocational schools.

Hon. D. G. Stuart (Minister of Public Health): — Great talkers.

Mr. Thatcher: — When the CCF-NDP were defeated we found that not one arrangement had been made to provide for even a single school. No curriculum had been planned. No money was available. Now under the Liberal government, two additional vocational schools are already under construction. One in Yorkton — one in Regina. And in addition school boards and the Department of Education are presently planning either new buildings or additional wings in a number of existing vocational schools in Lloydminster, North Battleford, Swift Current if they ever want to vote for it, Melfort and in Saskatoon. Together these new schools will provide accommodation for an additional 8,500 students. Again the Socialists talk, the Liberals act.

I turn now to our University. The highest annual grant ever made while they were in power to the University was \$11,600,000 — that was an election year. The second largest grant ever made by the Socialists to our University was \$5,700,000. Last year this government gave almost \$20,000,000 to our University.

Mr. Walker: — They borrowed it.

Mr. Thatcher: — I want to tell you, Mr. Speaker, that this government gave more money to the University in the first year of their office than the Socialists did the first 12 years put together when they were in office. Liberals act. Socialists talk.

I was interested to note that the leader of the Opposition is suddenly getting very concerned about university fees. He made a speech, according to the Leader Post, a short time ago — I can't see who he was speaking to, I guess it must have been some Socialists.) He said:

Preparations to remove students fees at universities starting with the first year students should be included in the Speech from the Throne.

Today he didn't go quite that far. Today he said:

The government should begin decreasing university fees.

What did the Socialists do when they were in office? What did the Leader of the Opposition do when he was in office? Did he wipe the fees out? Did he decrease them? On the contrary in 1949 university fees were increased by this minister by 39 per cent. In 1949–50 they were increased by 40 per cent; in 1955-56 they were increased by six per cent; in 1958-59 they were increased by eight per cent. Two years ago, 1964, they were increased by 32 ½ per cent. This is a government which now tells us we should eliminate university fees. Yet when they were in office, they increased them five times. The Socialists talk one way out of one side of their mouth when they are the government, and out of the other side when they are in opposition.

Mr. Speaker, I should like to mention just one or two other matters, and then I am going to sit down. The Leader of the

Opposition and a lot of his friends have been running around Bengough constituency saying that, just as they did today:

Oh, there's a monster American company, the Kern Land Company of Denver, that owns hundreds of thousands of acres of land down in the U.S. Now they are coming up to the province of Saskatchewan to buy huge acreage in this province.

Mr. Speaker, that company to our knowledge has not bought one solitary acre of land in the province of Saskatchewan. The CCF has put up a straw man to try and knock him down. Kern Land Company is up here doing oil exploration work and we are mighty glad to have them here.

Then the Leader of the Opposition spent about 20 minutes trying to tell the people of Saskatchewan "Really there was a lot of industrial development while the Socialists were in office." He tried to point out that really the Socialists obtained more industries for the province than the Liberals. Any person in Saskatchewan, Mr. Speaker, who follows the newspapers, knows that we have had more industries come here in 20 months than they had in 20 years and they are still entering. Those 20 years of Socialist government were the wasted years.

Mr. E. Whelan (Regina North): — Heavy water . . .

Mr. Thatcher: — The years when we only had two exports – wheat and people – wheat and people.

An Hon. Member: — Louder, louder.

Mr. Thatcher: — Twelve thousand, thirteen thousand, fourteen thousand people every year under the Socialists had to leave Saskatchewan to find a job.

When I went to Ottawa as a member of parliament in 1945, we were the third province population-wise. Yet in the 20 years we had a Socialist government British Columbia went ahead by 85 per cent population. Alberta went ahead by 76 per cent. Manitoba went ahead by 34 per cent. We have the slowest growth rate in all Canada with a 12 per cent growth.

An Hon. Member: — Still have.

Mr. Thatcher: — Saskatchewan went ahead by 12 per cent. Now the Liberals are beginning to do something about the problem.

You know, Mr. Chairman, all over the world today, countries in Asia are worried about their booming population. Many of these countries, like Indonesia, China and India, wonder where they are going to get enough food to feed their people. They have called various conferences to study what they can do to control their birthrate, etc. Most of them have come up with a solution that advocates some kind of birth control. This country says you should use the pill. That country says you should use some other method. The third country has a different suggestion to make. Mr. Speaker, Liberals on this side of the house could tell those countries a far better way to control population growth. They ought to get a CCF-NDP government. Then they wouldn't have to worry about over-population.

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Some Hon. Members: — Hear, Hear!

Mr. Thatcher: — Mr. Speaker, these are exciting days. These are exciting days. Saskatchewan is a wonderful place to live in now that we have got rid of the Socialist blight.

May I move adjournment of the debate until tomorrow.

Debate adjourned.

The Assembly adjourned at 4.29 p.m. o'clock.