

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session – Sixteenth Legislature
4th Day

Tuesday, February 20, 1968.

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

WELCOME TO STUDENTS

Mr. E. Whelan (Regina North West): — Mr. Speaker, through you and on behalf of all Hon. Members, I would like to welcome to the Legislature this afternoon 50 grade eight Social Study students from Al Pickard school in northwest Regina. They are located in the east gallery. With them is John Newton, their principal who is also the principal of Sherwood school close by. Mr. Newton is a native of New Zealand and highly regarded for his team-teaching work. With the group also is Orest Warnyca, their Social Study's teacher. I am sure all Members join me in welcoming these young citizens here today. We hope their stay with us will be educational and memorable.

Some Hon. Members: Hear, hear!

Mr. D.A. McPherson (Regina South West): — Mr. Speaker, it gives me great pleasure to introduce to this Assembly the grade eight students from Argyle school. They are here with their teacher, Mrs. Hagen. You can recognize them in the first two rows. They are the good-looking students up there. It gives me great pleasure to introduce these students to this Legislature and I hope they enjoy their stay in the Legislature today.

Some Hon. Members: Hear, hear!

Mr. W.A. Forsyth (Nutana South): — Mr. Speaker, I would like to take this opportunity to welcome students from Queen Elizabeth school in Saskatoon. The Queen Elizabeth school is located in the constituency of Saskatoon Nutana South. We are very pleased to have them here today. I am sure we all hope that Mr. Flury and his students have a very profitable and enjoyable stay and that they learn and remember the events of this day for many years.

Some Hon. Members: Hear, hear!

Mr. H.H.P. Baker (Regina South East): — Mr. Speaker, I don't want to infringe upon another constituency but I want to support Mr. McPherson, the Member for Regina South West, in greeting the Argyle school students because in that group there is my nephew. I want to greet them

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and to wish them a pleasant stay and to welcome their teacher, and at the same time those from the school in Mr. Whelan's area.

Some Hon. Members: Hear, hear!

Mr. G.F. Loken (Rosetown): — Before the Orders of the Day I wish to introduce a fine group of students from the Rosetown composite high school under the direction of their teacher, Mr. Clauson. I am sure that the House would wish to join with me in extending them a very warm and friendly welcome, together with the wish that this visit will be pleasant and informative, and their return journey a safe one.

Some Hon. Members: Hear, hear!

QUESTIONS

MAPLE LEAF MILLING COMPANY

Mr. J.E. Brockelbank (Saskatoon Mayfair): — Before the Orders of the Day I would like to direct a question to the Minister of Industry and Commerce, the Premier (Mr. Thatcher). I was wondering if the Premier was aware that the Maple Leaf Milling Company had purchased The Quaker Oats Company of Canada? It has come to my attention that they have not purchased the feed mill in Saskatoon, but it does state in this bit of information that I have that the Saskatoon Feed Mill will be phased out. I would like to know if the Premier is aware of this situation and the time period that is involved in the phasing out?

Hon. W. Ross Thatcher (Premier): — I have no knowledge of the statement of the Hon. Member.

ADJOURNED DEBATES

ADDRESS-IN-REPLY

The Assembly resumed the adjourned debate on the proposed motion of Mr. D.A. McPherson (Regina South West) for an Address-in-Reply.

Hon. W.S. Lloyd (Leader of the Opposition): — Mr. Speaker, may I first of all join in the welcome which has already been extended to our visitors from school around Saskatchewan who are here with us in the Legislature today. It has been one of the happier developments of recent years that we get more and more of our young people from the schools coming in to spend a little time in the Legislature and other points of interest in our capital city.

I welcome very much the act of the Minister of Health (Mr.

Grant) in tabling for the House the Frazier Committee Report or the Report of Dr. Frazier. You know it used to be, Mr. Speaker, when the Liberals wanted to get most advantage of news space they used to announce a new industry. Having run out of any new industries to announce I take it they are now announcing the Report of Dr. Frazier.

Hon. W. Ross Thatcher (Premier): — Sour grapes.

Mr. Lloyd: — As the Minister said we will be looking forward to seeing it and reading it and hopefully benefiting from it in our Province. Both Dr. Frazier and myself probably run into some very heavy competition from other sources. Having in mind the confusion in Ottawa caused to some extent by the ineptness of another Liberal Government there, the temptation of news people to write about other things must be very great indeed.

Mr. Speaker, I want to turn today to some additional remarks about what is in the Speech from the Throne and what isn't in it. The Speech from the Throne begins with some comments on economic growth. It attempts to assure us that our industrial growth has continued at a high rate in the province. Now it is quite true that economic growth has continued. It is also true that the economic growth in Saskatchewan is retarded both by comparison with other parts of Canada and by comparison with Liberal propaganda about our economic growth. As a matter of fact the Liberal slip is showing so much that a lot of people are pointing at it and drawing attention to it. For example in the year-end review in the Leader Post one can read this:

Most of the important economic yardsticks fail to produce the healthy increases predicted at the start of the year.

The Toronto Globe and Mail in a column by Ronald Anderson on January 11th said:

In Saskatchewan the climate of optimism has cooled markedly in the past 12 years.

As has been noted by previous speakers we are still very much dependent on agriculture in our province. The Speech from the Throne properly comments that the production in agriculture was better than was anticipated. This indeed was a tribute to agricultural science and for some of this at least we are indebted to the work at our own University. It is especially a tribute to the industry and the management of farm families throughout the Province of Saskatchewan. But our agricultural industry does have at least a triple handicap, Mr. Speaker. It carries this year and during the last 12 months a triple handicap of lower production, of lower prices, and of lower wheat sales. When you add to these the handicap of a Liberal Government in Regina and in Ottawa it is a pretty big burden for an industry to carry.

Some Hon. Members: Hear, hear!

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Mr. Lloyd: — However, any examination of statistics will show that Saskatchewan's falling behind in 1967 was by no means all due to the problems of agriculture.

Let's for a few minutes look at what has happened in our non-agricultural sector during 1967, particularly at the statement of the Speech from the Throne which says that industrial growth has continued at a high rate. Our total non-agricultural production in Saskatchewan showed an increase of 5.3 per cent. I'm not belittling that. But let me point out that only in four years since 1950 has the rate of increase been lower than in 1967. During a period of 17 years only four times was the rate of increase lower than in 1967. Away back in 1954 (the days of so-called stagnation) the rate of increase at that time was 29 per cent. If, according to the Speech from the Throne, 5.3 per cent is a high rate in 1967, it is a little difficult to understand why greater increase in all except four years weren't also high rates of increase during those years.

Let's look at some of the indicators within this total non-agricultural sector. Oil production as was pointed out yesterday dropped by one million barrels in 1967. That is the first year in which there has been a decrease in oil production since 1949, the first year since 1949 that we have produced less oil in one year than we did in Saskatchewan the year previous. Back in 1963 our oil production amounted to some 28 per cent of total Canadian production. By 1967 it had dropped to 26 per cent of Canadian production. I noticed that the Member for Regina South West (Mr. McPherson), in his capacity of salesman of the new Saskatchewan Liberal philosophy, had stretched that 26 per cent somewhat – more likely he had it stretched for him – but the fact remains that it was stretched.

Let's look, secondly, at manufacturing in Saskatchewan and here the value, in spite of increased prices, dropped by 1.4 per cent. Again, only twice in the last 20 years has there been any decline in our manufacturing production as compared to the previous year. In Canada in 1967 the value of manufacturing production went up by some 2.1 per cent; in Saskatchewan it went down by 1.4 per cent. Liberal Saskatchewan shared with Liberal Newfoundland the distinction of being the only provinces in which there was a drop in value of manufacturing production.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Let's look at retail trade. It was up in Saskatchewan but again up less than in the rest of Canada. Saskatchewan increase in retail trade in 1967 was the lowest rate of increase in any Canadian province. Liberal Saskatchewan shared with Liberal Prince Edward Island and Liberal New Brunswick the lowest rates of increase in all of Canada.

Let's look at our provincial personal income. In 1966 when

we had the benefit of a record-smashing wheat crop our personal income per capita was above the Canadian average. But 1966 was the only year in which we had been above the Canadian average since the “stagnation” year of 1963. In 1967 we are again going to be below the Canadian average. We will probably be in fifth or sixth place with regard to provincial personal income per capita, whereas in 1963 we were in third place as compared to the rest of the provinces of Canada.

Let’s look particularly, Mr. Speaker, at population increases and recall the bold and boisterous statements so frequently made by my friends opposite with respect to population. It is in this example that we find the most dramatic contradictions of Liberal claims. In this above all, Mr. Speaker, the Liberals don’t produce. They have boasted but have not been able to perform. The longer they try the worse their achievement gets.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Total increase in population reads this way. In the year ending June, 1964, the increase was 10,000; in 1964-65, it was 9,000; in 1965-66, it was 4,000; in 1966-67, it was 3,000. We are beginning to run very close to the end of the page. Those are total figures, Mr. Speaker. If we look at the net figures for population change the picture is even more distressing. From June, 1964 to June, 1967, there was a natural increase in Saskatchewan’s population of 38,000. That is we had 38,000 more births than we had deaths in the province during that period. But our total population increase during that period wasn’t 38,000, it was only 16,000. In other words during those three years of Liberal benevolence some 22,000 people left the Province of Saskatchewan. That’s more than lived in the city of Swift Current, represented by my Hon. friend (Mr. Wood) just to the right. Moreover, since the end of June another 5,000 people have left the province, so that brings us to a total of 27,000. That’s a figure as large as the total population of the city of Prince Albert, that have left the province since the Liberal Government was elected in 1964. Now it is true that after October 12th the incentive to leave the province probably increased, which may account for the accelerated rate.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Since that time according to the Government we can’t afford enough schools, we can’t afford enough hospitals, we can’t afford enough places in our University. Since that time, according to the Government, our most hopefully industry, potash, is evidently in bad shape. Since that time, according to Government action, we can’t allow some pensions to receive \$1.50 more per month which the Federal Government has made available to them because the cost of living has gone up. Regardless of the reasons, between June and December of last year, 900 more families left the Province of Saskatchewan than came into it,

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according to Family Allowance statistics.

Let's look at one other indicator. I find the Member from Regina South West (Mr. McPherson) had something to say about this yesterday. That indicator is the growth in the labor force in the Province of Saskatchewan. According to the Dominion Bureau of Statistics our labor force grew by some 3,000 in 1967. According to the same source, the 1967 figure with respect to labor force is still below the figure in 1964, three years before.

One central conclusion emerges from an honest look at these statistics. That conclusion is that the great acceleration in production, in population and employment promised by the Liberals before the election, and claimed by them during the election, is not proven by the facts, after the election. Moreover, Mr. Speaker, since October 11th they have been admitting those facts, and if not admitting them they have certainly been denying such gains by their actions as a Government of this province.

I want to say something in particular about the problems of agriculture which are very real, and which are very important to those of us in this House and those of us in this province. This is the industry you may recall, Mr. Speaker, whose problems, according to the Member for Regina South West (Mr. McPherson) could best be left to the "independent sector" to solve. There is no case I gather according to him, to have public action in this field. You may remember he reminded us that after all the independent sector, among other things, has built opera houses and consequently should certainly be able to solve the problems of agriculture. So went his reasoning at that time. There may have been some facts he overlooked, Mr. Speaker, because if you look at the price situation and the price movement with respect to major agricultural products, one has to be worried. The price of wheat from May, 1967 to January, 1968, went down by 21 7/8 cents. Now as soon as governments were out of the way because of the lapsing of the International Wheat Agreement the price of wheat, left presumably to the independent play of the market place went down. The Member for Regina South West (Mr. McPherson) in his words yesterday suggested that this was a good way to have set the prices of Canadian commodities. The price of hogs – on this he felt happy – has dropped from February, 1966 to January, 1968 by \$15 to \$18 per hundred weight for dressed hog. In addition to this the Federal Government used to pay a \$1 premium on grade A hogs and this is being dropped. The price of choice steers, which he found reason to be happy about, has dropped from September, 1967 to January, 1968 by about \$4 per hundred weight. On the other hand the farm costs of machinery, chemicals, fertilizer, labor, money, all of these have gone up.

The most worrisome aspect of all, the greatest threat of all to farm living and to the economy of Saskatchewan and Canada is what has happened with respect to wheat deliveries. There are approximately 1,000 delivery points in the province.

The Saskatchewan Wheat Pool has elevators at some 955 of these. They tell in their reports that last year about 870 of these 955 delivery points had quotas of four or five bushels per acre. They also tell that this year only 47 of the 955 have quotas of four or five bushels per acre. The drop in the delivery for Saskatchewan farmers is represented by the fact that there are more than 800 fewer delivery points with a quota of at least four or five bushels this year than at the corresponding time last year.

What's been the Saskatchewan Liberal Government contribution to these problems? Well it's instructive to look at some of them. What, for example, has it done or had to say about the dropping prices of wheat? Some of us raised this problem of the drop in the price of wheat during the election campaign. After some goading the Premier (Mr. Thatcher) was heard to murmur in some corner of the province that he had said something or other about it to somebody or other in Ottawa. Well, here is a quote from Hansard, October 18th, 1967, page 3222:

Requested by motion: a copy of all correspondence or other communications between the Premier of Saskatchewan and the Prime Minister, the Minister of Trade and Commerce and the Minister of Agriculture since July 31st concerning the International Wheat Agreement and the wheat prices.

The answer by the Hon. Judy LaMarsh, Secretary of State:

I've checked with all departments concerned and I have been informed that there is no correspondence in any of the departments relating to this matter or any communications on file.

I leave the country to draw its own conclusions.

There was silence at home, there was also silence abroad. As I mentioned a minute ago the International Wheat Agreement expires on July 31st, 1967. Hopefully it will be replaced by an International Grains Agreement to take effect on July 1st, 1968. But first of all this new Arrangement must be ratified by the participating nations. If I take seriously the advice of the Member from Regina South West (Mr. McPherson) yesterday, he was saying that this Agreement should not be ratified, that public government should keep their hands off such things as this. United States ratification is essential if this Agreement is to be effective. Now there are some powerful voices in the United States which oppose ratification. Included among these powerful voices is one farm organization, The United States Farm Bureau. I think it's significant that it was this farm organization, which opposes the ratification of this Arrangement, that invited the Premier of Saskatchewan to speak to it a few months ago. Now according to a press report, and that's all I have got to go on, the Premier repeated his San Francisco, Denver, Montana, etc., speech about Socialism, which he has memorized so well and which comes up every time a meal in the United States goes down. This is a speech, as you know, about

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the alleged evils of Socialism and how he, almost single-handed, rescued the Saskatchewan people from a fate far worse than death.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — He found time to make that speech, but again according to press reports found no time to urge their support of the International Grains Arrangement. He might well have influenced his audience, he might well have enhanced the chance of the United States approving this Arrangement had he taken a little time to talk about it. According to press reports he saw no need to explain the need for this Arrangement to protect Saskatchewan grain growers and Government and Canadian economy. He saw no need to explain the loss which would be suffered if this Arrangement wasn't signed, a loss measured in millions of dollars for Saskatchewan farmers. He found no time to mention world problems which could accrue, if we didn't have some arrangement for the orderly transfer of wheat from farmers, who can produce it to those who are hungry for it. He chose instead to elaborate on the closing of a shoe factory some 20 years ago in Saskatchewan and on the costs of public health services and the danger to people of that. It was all seasoned by a word or two about free trade. But he lost an opportunity to speak for Saskatchewan. One wonders why. But one's wonder is decreased when we listen to the mover of the Address-in-Reply yesterday. He explained why it's not good public business to be interested in such matters as that.

It is not only on this item that there has been silence on the part of the Government. There has been silence with regard to other agricultural matters. Because of the decreased sales of wheat this fall, there was a need considered by some for increased cash advances on stored grain. Our Government in Saskatchewan was silent in speaking for Saskatchewan people. Certainly there is a continued need for statements about increased farm costs. And again there is silence. All this is a completely predictable position for a political party that dislikes and distrusts public influence in the marketplace. The non-government sector, said the Member for Regina South West (Mr. McPherson), can solve all the problems of agriculture.

There was a lot said about diversification in the Speech from the Throne and in the words that flowed over this Chamber yesterday from the mover and the seconder of the Address-in-Reply. It is interesting to note some of the actions of the Government here. For example, it called a conference last year on beef production and it called it right slap, bang, in the middle of harvest – the worst time possible for farmers. It had a policy of assisting hog production. It has, that is, if you happen to live in the right part of the province. If you live in the other part of the province you can find the money to produce your own pigs.

We need to note the promise of the Liberals in 1964 in this respect also. The promise was “to promote the expansion of the

livestock industry”, especially it said, “cattle, hogs, sheep and poultry.” I have been wondering what it left out, Mr. Speaker, but we will settle with its efforts to increase production of cattle, hogs, sheep and poultry. Let’s note again the performance and its performance isn’t any better here than it was in increasing the population of Saskatchewan. May I again make use of the statistics of the Dominion Bureau of Statistics: Cattle – December 1, 1964 to December 1, 1966, down 9.2 per cent. The latest estimates are in June of 1967 and they are still dropping. Milk production – dropped 27 per cent from 1963 to 1967. Hogs – the numbers dropped sharply in 1965 and 1966. The prices are up in 1966 and the numbers are now up, but the prices are now going down. The usual pattern is there will be a drop in production afterwards. Sheep – in spite of the valiant efforts and support of the Premier, down 27 per cent in three years. Poultry – down 12 per cent in two years. Egg production down 25 per cent from 1963 to 1967.

Mr. Speaker, it is as if one cow out of every four had stopped giving milk since the Liberals were elected; as if one sheep out of every four had refused to lamb during that period of time; as if one hen out of every four had stopped laying eggs.

Let’s look at farm costs. On the one hand prices are down, on the other hand costs continue to rise. Maybe the Member from Regina South West (Mr. McPherson) before the session is over, will instruct us on how the independent sector would take care of this particular problem. The overall index of farm costs in Western Canada is up 46 points in the last three years. I am sure that the spokesman will have reference to labor costs and I am sure that this is one of the things that the Member for Regina South West has in mind when he volunteers to explain it to us.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — I hope before he does, he takes the opportunity to read a recent brief of the Canadian Labour of Congress, presented to the Royal Commission on Farm Machinery. This brief demonstrates with clarify that the wage component of farm machinery cost is going down, not up. It is true that the total wage bill is going up, but the part of that bill which is represented by cost of labor is going down. Wages accounted for only 17.2 cents of the sales dollar in the Canadian farm implement industry in 1965. That compares with 21.6 in 1962, a drop of something over four cents per sales dollar. However, in the three years from 1962 to 1965, profits and other non-labor costs rose from 12.5 to 18.2 cents. I submit that it is time, Mr. Speaker, that this Government did a series of things about agriculture. Let this Government, to begin with, put itself on record along with the farm movements and to the Federal Government and the people of Canada, in favor of necessary market support and adjustment. Industry of Eastern Canada needs purchasing power of western agriculture as well as does the Saskatchewan farmer. Let this

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Government urge the Federal Government to establish a Prices Review Board to restrict unjustified production costs. Let it make at least some studies so that we can understand and that the public may know of increases in the prices of farm fertilizer and chemicals.

Let this Government put itself on record, along with all the major farm organizations, in favor of an agricultural machinery-testing program. Let it do this even though it destroyed the one we had in Saskatchewan.

Let this Government put The Agricultural Development and Adjustment Act, passed in 1964, to work in a serious way. This is an Act which, if used, could provide for the planning of increased and improved production aided by Provincial resources of staff and credit. This is an Act which would give farmers a chance to take part in making independent economic decisions rather than just be pushed around by raw, harsh economics over which they have lost control. This Act would provide some rehabilitation and retaining for some farm people.

And let this Government do as it suggests admittedly it will in the Throne Speech, make crop insurance available to the entire province. Let it do this immediately this year.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — As I said yesterday, with Federal reinsurance, with the increasing Federal share of premium, with the experience of the last seven years, there is no reason why this couldn't be done.

In summary, let this Government treat the problems of agriculture as problems of people, not just as problems of production. This, however, according to the gospel of the Saskatchewan Liberal party, as expounded by the Member for Regina South West (Mr. McPherson) would be bad. But it would be good for Saskatchewan and for Canada.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Now these are the days of instant preparations. We can have instant porridge for breakfast, instant pudding for lunch, instant pie for supper and instant coffee to drink after supper if we like. But nothing in this total experience of instant preparations prepared for the instant change of Saskatchewan after October 11, 1967. One day this was the land of milk and honey, according to Government spokesmen. It was a land in which the taxes were getting lower and the services higher. It was a land in which industry was clamoring at the border. But the next day came the change. We read in the paper that the Premier had met with the Cabinet and had explained the pressing financial problems which the Government had to face. Among these were the Saskatchewan doctors' request for a major increase in

fee schedules. The Government hustled around and found the money to meet some of this anyway. Added to this was what he called the demand of nurses. He reminded his Cabinet that the money had to be found, "either in a head tax or some kind of deterrent", he said. He went on to say:

We also discussed ways of curbing the tremendous annual increase in the cost of education and we are no longer prepared to write blank cheques for school boards.

The Member from Saskatoon Nutana South (Mr. Forsyth) who spoke yesterday was a member of a school board, I believe, at that time and perhaps still is. I have to wonder if he felt that all these years he has been getting a blank cheque from the Government.

But it was instructive that the Government put most of the blame for the financial problem on others, even to suggesting that the school boards were wasting money.

Then on November 2, it had a further announcement saying that the Government had launched an austerity drive to cut back Provincial spending. There you have the instant change from affluent affluence to austere austerity in a matter of a few weeks time. The pre-election milk and honey situation was gone. The milk had soured and the honey was tainted. The pre-election words about lower taxes and higher level of services began to come out differently. Now it was higher taxes and lower levels of service. Before the election we were told about industry at the border, but we weren't told which way the industry was heading at the border.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Was it clamoring to get in, or was it clamoring to get out? Let's look at some of the happenings: in June, Burns of Regina — 80 people laid off; in July, British American Company transferred 22 people to Calgary; in August, Robin Hood Oak Mill in Moose Jaw — 35 laid off; in September, Prairie Bag Company of Moose Jaw closed up; in October, Western Decalta Petroleum of Regina closed office here. In addition to this the cement plant for sometimes was working on short orders and indeed it was shut down, an unheard of thing, for four weeks in October. The steel mill was working for a period of time for only three days a week. There are some other things we know about industries. The Primrose Forest Products up in the north western part of the province — this was announced in this House on April Fool's Day . . .

Some Hon. Members: Hear, hear!

Mr. Lloyd: — . . . most appropriately. The Government proceeded to spend some \$2 million on what my friend from The Battlefords calls the primrose path. Two years and \$2 million after that April Fool's Day, both the highway built and the industry never built, are lost somewhere in the bush of north western

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Saskatchewan. There was a lot of talk about a steel wire plant for Moose Jaw. It was announced, I don't know how many times. It, too, is lost somewhere in the Japanese Sea. Now even the regional office for ARDA, which was originally located appropriately in Regina, moved out of Saskatchewan and moved to where the action was – in Manitoba.

Well the Government's restrictions seem to be more on others than on itself. What was it on its own programs? The restrictions were on those programs giving people service in the most sensitive and personal way. The Government told school boards that they had to restrict and hold back and cut back. It told hospital boards they had to restrict and hold back and cut back. It told the University it had to restrict and hold back and cut back. Interestingly enough, there is nothing in the Speech from the Throne to suggest that the Government proposes to examine some of the waste and useless expenditure in its own highway program.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — I hope, for example, that it will tell us something about the bridge between North Battleford and Old Battleford, before this session is over. Here is a bridge which was opened in June or July and closed in January. We would like to know what happened and what went wrong. I hope that it might tell us about the highway out near Dundurn, Mr. Speaker. The grade was built some three years ago and some of the grade is still there. Some of it has blown away. Some of it has washed away. It grew this year the best crop of Russian thistles to be found any place in Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — The Department of Highways is supposed to be building highways for people and not seed beds for Russian thistles . . .

Some Hon. Members: Hear, hear!

Mr. Lloyd: — . . . and I hope we can hear something about it.

Last year, perfectly good marble floors in this Legislative Building were torn up. Not only that, but the work of replacing them was never really finished. This year we have seen a lot of what is apparently good plaster being torn off the walls. Strangest things happen about doors around here, Mr. Speaker. We had some very attractive doors on the entrance of the stairway going down from this floor to the next floor. One day these doors disappeared.

An Hon. Member: — Somebody kicked them.

Mr. Lloyd: — A few days afterwards they

appear in a new place, in the hallway going along the main corridor. They appear complete with padlocks. They had to be locked up certain hours and wouldn't be unlocked until another time. They then disappeared from off there. Where they are now nobody knows. There has been a picture of confusion confounded with respect to the work going on in the Legislative Building. And when I say that, Mr. Speaker, I want to pay tribute to the Government for the fine job that was done in the floors and the galleries in the lower part of this building. That was very good, indeed.

Austerity in regard to purchases? You know we had tea the other day, in the very delightful new Legislative Committee Room. It is really, I understand, a committee room for Liberal MLAs, but that's all right. Take a look in there sometime when the furnishings are there. Complete with teakwood tables and comfortable chairs and so on – hardly austerity. I admit the amounts of money aren't large, but I submit there is something symbolic about them.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Now there was one program cut which the people of Saskatchewan will indeed welcome. Members will recall that during last spring, summer and fall, Monday through Saturday, morning till night, on every radio station in the province, we were exposed to something that was called advertising programs – advertising of Government programs. It was said that these were necessary in order that the people might know how to make use of Government programs. Oddly enough, since the election, there hasn't been a word, any hour, any day, on any radio station about these programs. One comes to the conclusion that perhaps the Government doesn't want the people to know about using these programs now. Surely if people needed information to guide them to these services before the election, they need information after the election. More than likely, Mr. Speaker, the reason is this – that the Liberal party needed the propaganda before the election. The program is cut – at least until the next election.

I think we have to examine the economics along with the human values which are involved in the approach of this Government to public spending. And I submit that its approach is short-sighted, measured by any measure. I submit that its approach is wasteful, both of dollars and of people. Recently the Canadian Welfare Council, which is a highly respected organization in Canada, directed a statement to both Federal and Provincial Governments. I would like to read some of that statement:

Regrettably when the government tightens its belt, it is the lean people of the land who feel the pinch. We are concerned that there be no delay in urgently needed public housing. Full plans for community development and rehabilitation among the Indian and Eskimo are only

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beginning to take shape. The poverty programs are scarcely off the ground. Something our belt tighteners might ponder is that welfare and economic development are no longer sharply separated. Spending on one is not a clear alternative to investment in the other that increasingly our economic progress depends on skilled man power. The redistribution of income which is the core of welfare activity also happens to be a vital consideration in the economic growth. To play off one against the other is to take an unsophisticated view of government enterprise.

This same article by the Canadian Welfare Council reminds us that the latest reports of the Economic Council of Canada, that group of socialist planners, according to the speaker yesterday, states this:

Improved social welfare programs and economic growth are not really alternatives.

Mr. Speaker, this Government has chosen to ignore such statements as those of the Canadian Welfare Council. "Welfare and economic developments are no longer sharply separated." But Saskatchewan Liberals claim that they are not only separated, but indeed they are opposed.

"Increasingly our economic progress depends on skilled man power." Saskatchewan Liberals put the brakes on education at the level of the university, the technical school and pre-university and pre-technical levels as well. Not only does it put the brakes on technical training facilities, it never has got around really to opening up the throttle.

This Government has chosen to ignore statements such as that of the Economic Council of Canada. "Improved social welfare programs and economic growth are not really alternatives." To Saskatchewan Liberals they are not alternatives, they are opposites.

But this Government, on the other hand, has succeeded in demonstrating one fact of the Canadian Welfare Council's statement. It has succeeded in demonstrating the fact that "when the government tightens its belt, it is the lean people of the land who will feel the pinch." To illustrate that let's remind ourselves that January 1, 1968, saw a new innovation of the Federal Government. Because of the cost of living increase, the Federal Government had agreed that the basic Old Age Security Pensions would be increased by \$1.50 a month. Most people would agree that this is a good and desirable principle. The Member for Regina South West (Mr. McPherson) who spoke yesterday would feel that this interferes with those people's freedom. He would feel that the independent sector ought to take care of whatever added cost of living there was. But for many of these people, this is some help in meeting some of the higher cost of food, rent, clothing, drugs, and so on.

Now among this group of old age pensioners, there are many

for whom the pension wasn't enough to make ends meet. It wasn't enough judged by the means test applied by the Saskatchewan Government. Members will know that the scale there is that, if the needs are not matched by the income, then the Saskatchewan Assistance Plan comes in to make up the deficit. And that is a good idea. But there is a rub. The rub is that this added \$1.50 per month paid to the pensioners by the Federal Government is considered as income by the Saskatchewan Government and as a result the income increases. As a result the difference between income and needs decreases, and as a result the Saskatchewan Government takes back \$1.50 per month which it had previously paid. Now that's the rub, that's the catch.

Mr. Speaker, the revised 1968 balance sheet for pensioners in this group reads this way: \$1.50 more from the Federal Government. \$1.50 less from the Provincial Government. Increased income zero.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — In the meantime, however, the cost of living has gone up 6.6 points. This increase in the cost of living has to come out of the already low standards of living of these people. This has to come off the lean of the already lean. True it is that when this Government tightens its belt, it is not only the lean people who feel the pinch, it's the leanest of the lean people who feel it. One can complete something of this story by going back to what happened one year ago. At that time the Federal Government made some money available to many of these people on the basis of a means test. They could get up to \$30 more a month. This became income. So the Provincial Government again stepped in to decrease its support for many of these people. I suggest that the Provincial Government saved in that operation something like \$1 million. One of the reasons why the Government could balance its Budget last year — an achievement which the Member from Regina South West (Mr. McPherson) boasted so much about yesterday — was that it took this money out of assistance previously paid to these leanest of the lean people of Saskatchewan. Not only that . . .

Hon. C.P. MacDonald (Milestone): — Nonsense!

Mr. Lloyd: — . . . I'll say it was nonsense and the Minister ought to know it. I am surprised that he admits it. Not only that, but it said some of the payments that were made to you by the Federal Government for January and February and March, was an overpayment. So we have to collect this back again from money that you might get in the future. So there was a further reduction for several months in the future. This, the Government claims, is the application of sound business principles to public administration by government.

Mr. Speaker, I want you to recall some of the words that floated around this Chamber yesterday afternoon, words such as,

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courage of the Government, words such as the independence of people and how necessary and important it was. Then I want you to note some of the pictures which have flashed before the eyes of the people of Saskatchewan in recent months. The Government attacked the University and proposed some repressive and even some reprehensible action. There were a lot of people involved in this, a lot of them in a position of strength. There was an organized public protest and as a result the Government changed its course, backed down here and veered away there.

The Government proposed the closing of some eight small hospitals in small towns and serving rural districts. All one can say here is, as they say in advertising sometimes, watch this space for further information. It will be interesting to see what happens.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — But at least it has called a temporary halt.

In those three cases where there was an aroused public opposition, where there was a possibility of people speaking out as a group for themselves, the Government backed down. Contrast this with the position of the pensioners, the older people and the poor people. They are not organized. They are divided by great stretches of Saskatchewan geography. They are not very articulate. Their voices don't get heard. And as a result this Government stands with great courage, pat on its position and encourages their independence by removing \$1.50 a month for them.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — If this is the treatment which the leanest of the land can get in times of affluence, what is going to be the situation if times ever get tough in the province? I want, Mr. Speaker, to ask this Government to listen to the case for these people and to act on it during this Legislature. It's probably too much to expect any correction of what was done last year. But this year's confiscation of \$1.50 a month paid by the Federal Government should be eliminated before this session finishes. And if the Government can't do that, then let it admit that its much boasted of, so-called private enterprise development, has failed to meet the needs of the neediest of the Saskatchewan people. Let it admit to callously deceiving the people about the benefits of growth in Saskatchewan. Let it admit to its own unwillingness or incompetency to fairly distribute the benefits on which the Saskatchewan economy can provide.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Mr. Speaker, there is one particular field which has been causing a great deal of concern to Saskatchewan people. That is what has been going on with respect to education. The Saskatchewan Liberals claimed this as first priority before the election; after the election it became first in priority to be attacked. Now we do have to measure costs, but we should also measure the returns both human and economic and in particular we should measure quality. I submit that the proposals the Government has made will not in the long run save money. I submit it is more likely that these proposals will add to costs. They have already added to the cost for some individuals, as for example, university students who will be paying more fees next year. I submit that they will add to the cost for the local governments and Provincial Government, because they are creating a back-log of building and consequently the need for an eventual rush program.

The Government has created the impression that it can and will and wants to save money on teachers' salaries. Indeed, that was part of the impact of what was said yesterday by the Member for Saskatoon Nutana South (Mr. Forsyth). There is no evidence in anything that the Government has proposed that this would save the taxpayer with respect to teachers' salaries, a dollar, or a franc, or centime, a penny, or a farthing, or anything else. I'd like the Government to say, frankly and fairly, whether it thinks it should be saving money on teachers' salaries. I hope somebody will answer that question.

But this much is sure. The proposals have already affected the quality of education from kindergarten to the university. School board planning has been interrupted both by lack of Government decision and by Government decision. I'm sure my friend from Nutana South can give instances of how his school board's planning has been interrupted by Government decision or lack of decision. Teachers at every level have felt their freedom to make educational decisions threatened by words and actions of the Provincial Cabinet. This Government could hardly have made a worse contribution to the beginning of the second one-hundred years of the Canadian nation than it has done with respect to education.

Let's look for awhile at what our University means and has meant in the Province of Saskatchewan. It is necessary to look at what it has meant because the possible extent of losses in the future is measured to some extent by the gains in the past.

The contributions of the University have benefited people in addition to those who have studied in the classrooms or the laboratories. University influence doesn't stop at the Memorial Gates in Saskatoon or at the highway bypass in Regina. I hope that Members of the Legislature will take an opportunity to read the book called "Extending the Boundaries" just recently published. It was written by Dr. Carlyle King of the University.

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It was commissioned by the University senate, governors and council and it summarizes something of scholarship and research at the University from 1909 to 1966. Nobody in Saskatchewan needs to be reminded of the value of rust-resistant wheat to our province. A good part of this comes as a result of work done by Dr. W.P. Thompson, former President of the University while he was in the field of biology at the University. From the University have come 10 new varieties of grains: Apex wheat for example, which four years after its release was seeded to a million acres in Western Canada; Royal flax which in 1964 is credited with saving the farmers in Saskatchewan some \$3 million. Valor oats, Antelope rye, Warrior barley are some of the other developments as a result of work at the University. Alkali resistant cement is a must in a province like Saskatchewan where we have corrosion from alkali soils. This has been made possible to a large extent by the earlier work of Dr. Thorvaldson at the University. The breeding and the feeding and the care of livestock, so necessary to diversification in agriculture, have had great help from studies at the University. One could go on to talk about other non-economic fields, such as the work of economists like Dr. Britnell and Dr. Fowke or historians like Dr. Simpson and Dr. Neatby. Everybody in this room knows somebody who has had treatment for cancer. The first cobalt bomb used in this came about as the result of the work of Dr. Johns and others at the University. One could go on and on. My point, Mr. Speaker, is this. These things happened because good people came to the University and because good people stayed there long enough to make this kind of contribution.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — If in any way we jeopardize our chance to get and to keep comparable people then we jeopardize the future of Saskatchewan.

But there are other boundaries in addition to those of which I've been speaking. Some of these are dependent on academic freedom. They are dependent on whether or not the staff at the University is convinced that they have academic freedom. They are convinced they are dependent or whether or not the staff feels they can make full public comments without any danger of retribution. I want to read, Mr. Speaker, a few comments with respect to academic freedom written by Dr. Robert Hutchins, a former president of the University of Chicago. Dr. Hutchins said:

Thought including criticism is the purpose of the University. Independent thought and criticism are indispensable to improvement and perhaps even to the survival of any society.

He went on to say that one of the universities' most characteristic functions is to help make public opinion more self-critical. And he concluded, "It is precisely these functions which

are not injured by any restriction upon academic freedom.” Mr. Speaker, may I add this. It is precisely these functions of independent thought and criticism and making public opinion more self-critical which this present Government dislikes. It is precisely this function which is in jeopardy as long as this Government stays in office.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — How else does one interpret, for example, the comments of the Premier which are reported in one of the world’s most highly respect journals, “The New Statesman and Nation” in December, I think, of 1967. One of their representatives was with a group of newspeople who had some discussions with the Premier and he reports this: “He told us exultantly that he was bringing the University to heel,” that he was going to do such things that would cause “the cutting out of all frills.” The reporter went on to say, “There are many who think this will include any activity he associates with dangerous ideas.”

How else can we interpret the Premier’s reference in his Potashville speech, I think, to “major changes in The University Act.” This reference which prompted the faculty association in Regina to say that “it’s regrettable that such a change in policy should have been adopted without consultation or notification of the University.” It prompted the faculty association in Saskatchewan to say:

It opposed almost to a man the Premier’s proposal to have direct control over University spending.

How else does one interpret these and other comments that caused Dr. Neatby in a letter to the Star Phoenix, November 14, 1967 to describe the situation in these words, “an issue which concerns the future of an institution that has in the past been a source of pride to the people of the province.”

How else do you interpret statements which caused a group of Saskatchewan graduates doing postgraduate work in England, to write to the public press in Saskatchewan in these words:

Some of us had hoped to return to the University of Saskatchewan. The Government’s proposed policy is forcing us to re-examine our plans. We expect our reaction is similar to that of many other prospective college teachers.

How else does one interpret action which caused Professor Roger Graham of the Department of History, Professor Graham, biographer of Arthur Meighen, to comment on that best-forgotten statement of the Minister of Public Works. He said this:

If they, (that is the faculty and the students) were not aroused by the present challenge to the financial economy of the University, they would in truth be derelict in their

duties. For Mr. Guy or anyone else, to tell the faculty to be quiet and mind their own business is an unwarranted denial of both their rights and their responsibilities. For a Minister of the Crown to complain because opinions with which he disagrees circulate in the University is reprehensible. This is a free society still and one of the chief safeguards of its liberties is the freedom of the universities.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Mr. Speaker, in all of this, one single central fact needs restating. That fact is this. In order to protect public expenditures there is no evidence that the Government needed any additional control whatsoever, none whatsoever. The right of the Government to make decisions about total amounts of money, even to make decisions about standards and costs of buildings has never been questioned. One has only to read The University Act to get confirmation of that or to study past practices. There is no question about that at all. But what must be questioned is the tendency of this Government to stick its DeGaulleist nose into corners where it shouldn't stick it.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — The result of this can be to hinder the University from doing its educational job for Saskatchewan. The result of this can be to prevent the people of the province from getting the returns we can from the good University. Mr. Speaker, the whole affair was unprovoked, unnecessary and unproductive. Unfortunately it has left an infectious wound and an ugly scar on the face of Saskatchewan. We can only hope that the Government has learned its lesson.

May I say something about University costs. The Premier and the Provincial Treasurer (Mr. Steuart) have been telling us that the Government must find \$28 million for the University this year. That's a lot of money, that's a very large amount of money in a province like Saskatchewan or any other place. It is going to be more next year. That much is certain. And because it's a lot of money, all the more important that the Government should give the people of the province all the facts about it. The Government's explanation about this money brings to my mind a statement which Premier Smallwood used, I think, at one of the recent conferences. He referred to the devil blindfolding us in the dark. That seems to be what the Government has been trying to do with respect to this. Of this \$28 million, \$9.3 million is a loan to be repaid out of future expenditures by the University. Another \$12 million is Federal money paid to the Province on behalf of the University. That's a total of \$21.3 million. That leaves \$6.7 million of Provincial money as grants to the University during the current year 1967-68. Now I know that the Provincial Treasurer has claimed that this money is not necessarily for

education. I can't help but wonder why he made that claim. I can't help but wonder whether or not the Government has intentions to divert even more of this money earned for the Province by the University for some other purposes. Let there be no doubt about it. That money is paid to the Province because the University has earned it for us. The recent Dominion Bureau of Statistics daily bulletin for February 9th confirms that. It says:

The financing of education in 1967 underwent a marked change brought about by the massive transfer of Federal financial resources to the Provincial Governments for the purpose of providing funds for post-secondary education.

I hope the Provincial Treasurer doesn't continue to try to blindfold people in the dark by suggesting this money is not for education.

I said, Mr. Speaker, that this year the amount of Provincial money involved in grants for the University is \$6.7 million. Interestingly enough the year before this year, the Government found \$14.9 million of its own money for the University. In other words we are paying substantially less in grants to the University, of Provincial money, this year than we paid last year. (In addition, the Federal grant last year of course went directly to the University). The Provincial money in the form of a grant was reduced this year from \$14.9 million to \$6.7 million. It was reduced by \$8.2 million. All of these statistics, with the exception of the \$28 million which comes from the Government, can be found in the University of Saskatchewan annual reports which have been tabled in the Legislature by this Government.

Let me, Mr. Speaker, say that in addition, of course, the Government has made loans to the University. These loans are going to have to be repaid. The interest and the sinking fund charges come out of capital in the future years. Next year it's going to amount to about \$2 million to take care of the loans of the last two years. That's two-thirds of the capital grant level of the Government this year to the University.

In 1967-68, money from Provincial sources as a grant to the University was \$6.7 million. Way back in 1964-64, the money from Provincial sources as a grant to the University was \$9.7 million, according to the University's annual reports. In addition, at that time, 1963-64, the comparable Provincial payment was about \$11 million or \$4.4 million more than in the current year.

One further look at Government assistance to the University, measured in terms of Provincial Government grants from Provincial sources as a percentage of the Provincial Budget; in 1943-44, Provincial grants to the University made up 2.2 per cent of the Provincial Budget. In 1944-54, they increased to 2.8 per cent;

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in 1954-65, increased to 3.3 per cent; in 1967-68 about 2 per cent only.

Mr. Speaker, there is one other problem I want to deal with of great importance to the people of Saskatchewan and that is the future of small hospitals in the Province of Saskatchewan, because in this as with the University proposal, as with the proposed legislation with regard to teachers, the Government has temporarily backed down. But it backed down only after great public protest and dissent. It's still instructive to look at the procedures which the Government has followed. These help to define the character of this Government. These help to predict in part the future of small communities and their hospitals.

On December 27 of this year, the Minister sent out a letter to eight small hospitals – he was good enough to send me a copy of it when I requested it from him. He pointed out the concern of the Provincial Government about large increases in spending, the Government's decision that it had to cut back on programs, and he said,

One of the ways in which the Department of Health will do this will be to stop payments to a number of small hospitals effective April 1, 1968. Your hospital will be one of the ones affected by this new policy.

Not a word in the letter, Mr. Speaker, about alternative places for hospital service. Not a word about better hospital service. Simply the Government has to save dollars and then, as if he were announcing a prize, your community has won a chance to contribute. My information is that the Government has claimed that it would make a saving of some \$500,000 by so doing. It is interesting to note that the gross expenditure for these eight hospitals in 1965 was about \$401,000 and in 1966 about \$400,000.

You get some of the feelings in these communities if one reads some of the briefs in newspaper articles. For example, the Leroy brief was somewhat typical. It said they heard about the news on December 31. Let me read from it:

The citizens of the Leroy Union Hospital District were shocked after hearing this announcement.

They immediately started contacting members of their local governments, most of them asking the same question, Why were the people not told of this sad situation before the news media? The answers they got were all the same. "The local hospital board nor the councils were not aware of what was to take place until just hours before the news broke on radio."

There is a comment in the January 27th Leader-Post of the chairman of the Neudorf Union Hospital Board. He says,

I object to the manner in which the announcement was made. There was no warning, no consultation with us. Some of the communities had not received written notice before it

was announced on radio and television.

The people of Neudorf even heard to their surprise that their hospital was a converted Army hut. In fact it had been opened as a new building in September, 1950.

Now, Mr. Speaker, the Government has tried to hide behind the shield of the Hospital Survey Committee report of some years ago. And if this is the Government's defence then there are people in 42 other small communities in Saskatchewan who had better watch their mail and their daily news, because they were put in a similar position in the report as the eight which were originally ordered to close on April 1 of this year.

Mr. Speaker, this session should not close until the Government clarifies its procedure with respect to the future of the hospitals in these communities. It should not close until we know it intends to proceed both with respect to the eight it was originally going to close and with respect to the 42 in a similar position.

Moreover, Mr. Speaker, the Government should read the whole report of the Survey Committee, not part of it. True, this Committee spoke of possible closing of some hospitals. It also spoke of the necessary building of new hospital beds and the replacements of others.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — Between 1966 and 1970, the Report said, 730 hospital beds should be replaced. It said 196 hospital beds should be replaced. The Committee also recommended that a Provincially-owned base hospital be constructed in Regina. And we should note — we'll see how much up-to-date it is in just a moment — we should not the speed of the present Government in slowing down the building of hospitals in the province in general and the South Saskatchewan Base Hospital in particular.

In the years 1961 to 1964, hospital construction grants amounted to \$9.5 million. In the three years since then under a Liberal Government they decreased to \$7.7 million, \$1.8 million less in hospital grants since 1964 than in the three years before, a decrease of approximately 20 per cent to meet the costs of hospitals and higher building costs. The Department of Health didn't wait until 1967 to begin restricting programs. It just admitted in 1967 that it was going to.

Let's look at the base hospital which is of great interest to people of South Saskatchewan generally. In June of 1965, one year after the 1964 election, the then Minister of Health said, "Regina is fast becoming a three-hospital city." Well that was pretty good for him. In the space of only one year he caught up with something which had been generally known for a couple of years. The present Minister of Health knew it was a

fact before that. He knew it was a fact necessary for his election in 1964 and promised it. The former Minister of Health went on in June, 1965 to say this: "A construction start will be made within the next two years." According to that statement, Mr. Speaker, there should have been dirt moving and steel rising within two years' time, that is before June 1967. June 1967 came and June, 1967 went, we heard nothing more about the fate of the base hospital for Southern Saskatchewan until October 6, 1967, just a few days before the election. We heard at that time that the Hospital Board intended to award the construction contract in May, 1969. Now, in 1965 we were told construction was going to start in 1967. In 1967 we're told construction is going to be awarded for construction in 1969. I can hardly wait to hear what we are going to be told in 1969. The only consistency in these statements is the number of years between announcements and the alleged start of construction. Each announcement pushes construction two years more away. This de-escalation of general hospital construction and of the movement to build a base hospital in Southern Saskatchewan is just not good enough, Mr. Speaker.

The Government should also read the policy which hospital boards were assured would be followed by the previous Government. Mr. Blakeney, then the Minister of Health, on April 11, 1963, said this:

Any current factor which might nullify present closure recommendation will have to be reviewed. Steps directed toward closure must be well planned and proceeded with in an orderly manner, after consultation with hospital boards and medical staffs as well as with hospitals in adjacent areas.

Some Hon. Members: Hear, hear!

Mr. Lloyd: — He added,

It will be necessary to consider special problems peculiar to a particular community which may be affected by closure.

All of these, I submit, Mr. Speaker, have been ignored by the present Government. They constituted desirable policy and I hope that the Government's backing down from its first proposal will mean that it intends to apply this policy.

The Government in applying it should read the statement made by Dr. McDonald, who was then chairman of the Hospital Survey Committee, speaking in 1963 to the Saskatchewan Hospital Association. Dr. McDonald was talking about that which is called the "master plan". He had this to say and I quote:

We trusted in the intelligence of those who will be entrusted with the implementation to interpret it as we meant it to be, simply a guide based on the best information available to us at that time.

Moreover I submit that people had a reason to believe the Government was going to disregard not only part, but all of the report. In five of the communities in recent years, new hospitals have been built. The Government should note some other assurances which these people had a right to believe. Take the Qu'Appelle hospital area, one in which the hospital is slated to be closed on April 1. Just one year ago the Government of Saskatchewan allowed the erection of a Union Hospital District there. One can find it in the Gazette of February 10, 1967. Surely, people were entitled to be comforted in thinking of the future of their hospital.

Let them look at some other assurances. The Maryfield brief in its appendix says,

The present druggist before purchasing the present drugstore in 1966 was told by officials in the Department of Health that the Maryfield hospital was not slated for closure in the foreseeable future.

Even more important, Mr. Speaker, the Government should read some of the commitments and assurances given by some of its own leading members. The Premier, then the Leader of the Opposition, is quoted in the Leader-Post, April 13, 1964 as saying this:

Despite the large number of hospital beds in major centres there are still long waiting lists of persons seeking treatment. It would not make sense to close small hospitals under those conditions.

The only change between then and now is that the waiting lists are longer.

The former Minister of Health (Mr. Steuart) February 23, 1965, said:

I don't think the Government has the moral right to use the power of the Saskatchewan Hospital Services Plan to force these hospitals to close.

Moral right or not, the Government announced in December that eight of them would close by cutting off SHSP benefits on April 1. The same person, speaking in June of 1965, "reiterated his Government's policy of not closing small hospitals." That one of course, Mr. Speaker, doesn't count. He was speaking in the Moosomin by-election and the Minister was more desperate than usual.

But even more important than all of these it seems to me is the statement made by the Minister of Agriculture (Mr. McFarlane). He was speaking in this Legislature just one year ago. He boasted to the Legislature and the people in these words:

We have preserved the hospitals in our rural areas. Some

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of these that come to mind are a few in my area of the province, such as, Qu'Appelle, Montmartre, Maryfield and Lampman.

Surely these people had a right to think that that was good enough.

Mr. Speaker, may I say this. Those of us in this group have never taken the position that there are no circumstances under which people can be served by a different distribution of hospital beds. In recent years, Sir, the hospital in the community of Saltcoats as you know was closed. This was drawn to our attention. We made some inquiries from responsible people in the area. We learned that the Department of Health had proceeded by local discussions and by discussions with neighboring hospitals. We made no protest whatsoever.

But with respect to the eight, to which our attention has been drawn in recent months, the Government has again been heavy-handed. The long hairy arm of the Provincial Government simply reached out from Regina and without any notice, clamped its oppressive hand on a number of small communities.

The Government hasn't demonstrated its claim of half a million dollar savings. The Government until forced to do so consulted neither locally nor with the hospital boards of neighboring areas. The Government hasn't kept hospital building up to schedule. The Government by its actions has denied and contradicted the comments which every one of its Members and its candidates made in every part of the province over the past five years.

Mr. Speaker, I doubt if on any other single issue has the Liberal party been so energetic in making political commitments before elections and in political betrayal afterwards. They have put themselves and the communities in a most difficult position. We hope that the present reconsideration of the case of these communities is not just a temporary freeze until such time as the Members of the Legislature have gone home from the session.

Mr. Speaker, there is much more that could be said that fortunately many of my fellow Member will be following on to say a great deal of it. I've tried to examine some of the activities of the Government since the election and some of the proposals in the Speech from the Throne. Such an examination of Saskatchewan Liberal action and proposals provides I think an amazing definition of this splinter party in Canadian politics. It is a party of tax the wrong people and attack the wrong programs. It withholds \$1.50 a month from some old age pensioners. This in fact is a tax on the old. University fees are going to go up by the average of \$85 per student per year. This in fact is a tax on some of our young people. It threatens deterrent fees on hospitalization and medicare. This in fact is a tax on the sick.

This is a Government that taxes the old people, the young

people and the sick people. This is a Government that has attacked education, welfare and hospital programs – the areas of greatest personal sensitivity. It's a Government of tax on wrong people and attacks on wrong programs.

It represents in this Legislature a minority of provincial voters. It represents I'm convinced an even smaller minority of provincial opinions. As a result, Mr. Speaker, I want to move, seconded by Mr. Blakeney (Regina Centre) the following Resolution.

That the following words be added to the motion:

but this Assembly deplures the way in which Your Honour's advisers have dealt with many small hospitals, the University and teacher-trustee relationships; regrets that Your Honour's advisers propose to increase family and personal costs of health care but have not advanced measures to deal with increased living costs; and further this Assembly is of the opinion that Your Honour's advisers do not merit the confidence of this Assembly or of the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Speaker: — I find the amendment in order and in accordance with the past practice of this Legislature, the debate will continue concurrently on the motion and the amendment.

I wish particularly to draw the attention of all of the new Members of the House to the fact that this is a special procedural practice established over the years by precedence in previous Throne Speech debates in this Legislature.

In other Legislatures, when an amendment is moved, the debate must then continue on the amendment alone until it is disposed of (unless the amendment be a distinct alternative to the motion), but it has been the practice of this House in the Throne Speech debate, and in that debate only, to debate the amendment and the motion concurrently, in order to allow Members the widest possible latitude of expression and the greatest possible freedom of speech, compatible with orderly procedure.

The debate, therefore, continues concurrently on the motion and the amendment.

Hon. W.R. Thatcher (Premier): — My first remarks at this session must be to congratulate you on your appointment once again as Speaker of this Legislature. I think Members on both sides of the House would agree that you have shown impartiality, fairness, yet firmness in the first three and one half years that you have had this particular job. I think you have won a good deal of respect on both sides.

I should like also to congratulate His Honour the Lieutenant

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Governor on the extension of office. He is another Saskatchewan citizen who is highly regarded. He is known for his good humor, his congenial nature, his integrity. I think he is one of the best Lieutenant Governors that Saskatchewan has had since 1905. Mr. Speaker, may I also congratulate the mover and seconder of the Address-in-Reply. All I can say is that, if the Liberal party can continue to attract men of the calibre and ability of these two gentlemen, then our future in Saskatchewan is indeed bright. Mr. Speaker, I want to welcome new Members on both sides of the House. I know they have a contribution to make. I am certain they will all try and do their best for the people of Saskatchewan. I would like you to note, Mr. Speaker, that not only have we some new Members in this House at this session, but we have a whole new party, the NDP.

Some Hon. Members: Hear, hear!

Mr. Thatcher: — The old Socialist party in Saskatchewan used to be known as the CCF. It was at least partly an agrarian party. They used to get some farm support, but today, Mr. Speaker, the CCF is buried and gone for all time.

All Hon. Members know that about six years ago there were sections of the Canadian Labor Movement, which decided that the old CCF on a national basis was ineffective. Why? Because they couldn't win any elections. So the Labor Movement took over and replaced the CCF with a party which they labelled the NDP. There were a lot of protests from farm delegates at that time. Despite what they did down east, the representatives of the Socialists' hierarchy here in Saskatchewan decided that it would be pretty difficult to sell the NDP to the farmers of this province. So they continued the masquerade until last fall. They continued to fight their elections using the label CCF. However, after they lost another election last fall, the executive decided that, with the next one four years away, maybe they could sneak in the new initials NDP. But they didn't do it without opposition. That old snooze-chewer, Toby Nollet, I'm glad to note, had the courage to object. So also did the Member for The Battlefords, Mr. Kramer. I have a quotation from the Regina Leader-Post and I quote:

One Member of the Legislature went so far as to say he would not run as an NDP candidate. I have never been happy about the initials NDP. I don't want to be an NDPer or try to justify the name NDP party. How foolish can you get!

Bully for Eiling! On this side of the House we agree with him. We are very sorry to note that he will not be a candidate again for the NDP. There was another Member that we have a good deal of respect for on this side, that old war horse, Mr. J.H. Brockelbank. According to reports he said the name didn't matter very much. "A rose," he said, "by any other name would smell as sweet." Well, Mr. Speaker, the old CCF had a smell alright, but it wasn't the aroma of sweet roses. The significance of the name change of course is very simple. The farmers of the rural

areas have lost control of the Socialist party in Saskatchewan. In this province, as in Canada, the NDP is completely controlled by the Labor bosses.

Although, Mr. Speaker, I listened to the speech today of the Leader of the Opposition (Mr. Lloyd) with a good deal of interest, I didn't hear any new ideas. For the most part he used the same old clichés, the same old platitudes, the same old gloom and doom, with which he has been able to lose so many elections. The speech of the Leader of the Opposition again today was one of bitterness, one of envy, one of sour grapes. In essence he continued tactics which he and the Socialists used throughout the last election. He implied that no other party except the NDP could possibly have any sincere motives. He indicated that no one but the NDP could have any compassion for the so-called little man. He suggested that the NDP is the only party that could possibly be interested in our University, in our teachers, in our old age pensioners, in the so-called little man, in the students and so on. The Liberals are only interested in the so-called big business. What self-righteous humbug! What pretentious poppycock! Let me tell the Leader of the Opposition that there is no Liberal Member in this Chamber, who takes a back seat to any Socialist in their interest in the people of Saskatchewan. Yet week after week, month after month, year after year, the Socialists in Saskatchewan preach the gospel of hate and the philosophy of envy. They forecast doom and gloom. I have a couple of clippings in my hand, Mr. Speaker, that they used in the last election. The first is from the Commonwealth issue of September 27th. The heading is, "This is Fascism". "Thatcher's Rule by Fear" is the next headline. I'd like to give you a couple of quotations.

The meat-axe tactics applied by Ross Thatcher's Liberal Government to individuals suspected of being unfriendly toward Liberal politics spread a canopy of fear and distrust over the whole Province of Saskatchewan. Employees of the Government and the Crown Corporations are afraid they will be fired.

Show me, Mr. Speaker, one in-scope civil servant who has been fired for political reasons these past four years. Show me one!

Then the article goes on:

Pensioners and people on social aid fear that their meagre sustenance may be cut off by the power of the Liberal machine.

Show me one individual, one pensioner who has been cut off for political reasons. The report proceeds:

Some fear that their elderly relatives will be kept out of nursing homes or geriatric centres, if members of the family are suspected of harboring political affiliations other than Liberal.

Again, Mr. Speaker, I challenge my Socialist friends to show us one person who has been kept out of old-age homes or geriatric centres for political reasons.

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Other aspects of the Liberal organization are being manifested by the activities of hoodlums who go around in the middle of the night.

Then they conclude, "Storm troopers are not yet here, but a more subtle form of Fascism is riding high in the saddle."

Mr. Speaker, this is the Socialist Commonwealth. These are the vicious smear tactics that the Socialists always use on the hustings, particularly when there is no newspaper around to report them. I say that whoever wrote that article had a warped mind.

An Hon. Member: — My Socialist friends should get rid of them. I suppose it's Mr. Hansen.

Mr. Thatcher: — Then there is another article from the last election that is rather interesting. This one comes from the Estevan Mercury of October 4th. They are talking about a former Socialist Cabinet Minister, and I quote:

Candidate Russ Brown predicted there wasn't much doubt that on October 11th we will win the seat of Estevan. It is my responsibility in this campaign as a candidate to call a spade a spade. If you elect a Liberal Government, you will have a police state four years from now.

Small wonder this little man was again defeated!

Some Hon. Members: Hear, hear!

Mr. Thatcher: — Mr. Speaker, what party is it that has made statements of this kind? The party which quietly professes to believe in humanity first, the party that sanctimoniously claimed to be "my brother's keeper", the party which the Leader of the Opposition said put "people ahead of dollars." I say, Mr. Speaker, that this kind of mud-slinging, name-calling, and character assassination is indulged in by the Socialists to hide the bankruptcy of their own program.

Socialism is slipping all over the world. They were defeated in Norway a year ago, they were defeated in Denmark several weeks ago. Most authorities say they will be defeated in Sweden in October, when the Swedish electors go to the polls. The Socialist Government of Great Britain has brought that great country to its knees. They have failed in Saskatchewan. That is why they are indulging in the kind of tactics that they are. I say, Mr. Speaker, that in the 1967 election, the Socialist party waged one of the most deceitful, hate-filled campaigns ever conducted in the Province of Saskatchewan or the Dominion of Canada.

Some Hon. Members: Hear, hear!

Mr. Thatcher: — Our people are fair-minded. They don't appreciate tactics of the kind I mentioned. Small wonder that the Socialists were defeated again. Do you know I've noticed something else, Mr. Speaker. I noticed in the last election campaign that facts don't seem to both the NDP.

Mr. C.G. Willis (Melfort-Tisdale): — We don't distort them!

Mr. Thatcher: — For example in the September 17th edition of the Regina Leader-Post, two paid advertisements were carried. The first one concerned the Hon. Member for Regina South East (Mr. Baker). It said:

Re-elect Mayor Henry Baker! As Mayor and MLA, Henry Baker is the man who got the third hospital for Regina.

Such modesty!

Hon. A.R. Guy (Athabasca): — Ah, Henry!

Mr. Thatcher: — Then a few pages over, the Leader-Post for the Member for Regina North West (Mr. Whelan) carried an advertisement of the same date which implied that Regina was never going to get the hospital. As the Hon. Member for Prince Albert West (Mr. Steuart) says, "They can't even get together on their lies." Mr. Speaker, I want to say this. The base hospital will be built. The Hon. Leader of the Opposition (Mr. Lloyd) complained of the speed with which construction is taking place. Well if his Government had done anything to prepare plans, we might have construction now underway. This hospital will be built and it will be a good one, but with all respect, Mr. Speaker, I am sure you will agree with me when I say that the Mayor had about as much to do with that hospital, as he did with the auditorium! Precisely nothing!

Some Hon. Members: Hear, hear!

Mr. Thatcher: — The Leader of the Opposition (Mr. Lloyd) sometimes doesn't worry about his facts either. I have a clipping of his from the Commonwealth, October 23rd:

Saskatchewan Leader Woodrow Lloyd said the Thatcher Government is still under pressure, to sell the Saskatchewan Government Insurance Office to pay off election debts.

Mr. Speaker, we didn't have any election debts in 1964, and I don't think we've got any in 1968. He said the Liberals have never categorically denied that their plan is to sell the Saskatchewan Government Insurance Office. With respect I say that that is another statement which is not in accordance with

the facts. We have stated repeatedly that we do not contemplate selling the Saskatchewan Government Insurance Office, and I'll say it again for his benefit today. Then he went on to say, "Liberal policy is to make government insurance less of a competitive threat to corporate insurance companies." Let me tell you, Mr. Speaker, that with a private enterprise Minister, with management that knows what they are doing, and with agents that are real businessmen, Saskatchewan Government Insurance today is making money like it never made under the Socialists, for the taxpayers of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Thatcher: — Well, Mr. Speaker, I have been amused by the tears which the Socialists lately, and the Leader of the Opposition in his speech, have been waging for the poor university students of Saskatchewan. Why, they say tuition fees should be abolished. Let me remind you again today, Mr. Speaker, what the Socialists did about abolishing university fees during their 20-year term of office. In 1949 the Leader of the Opposition was the Minister of Education. That year he increased fees 39 per cent. In 1959 the CCF raised them again by 40 per cent. In 1955-56 by 6 per cent. In 1958-59 they raised them again by 8 per cent. In 1964 the last year before they left office did they abolish university fees? No, they raised them 32½ per cent. So, Mr. Speaker, these great humanitarians, these great friends of the students, who now advocate abolition of tuition fees, when they were in office, brought in five major increases.

It is one more case, Mr. Speaker, where the Socialists talk one way now that they are in Opposition, yet acted a completely different way when they were in the Government. We are not happy about the fact that the Board of Governors decided it was necessary to raise university fees. But we are very proud of the fact, Mr. Speaker, that we are still the third lowest university in the whole Dominion of Canada as far as fees are concerned. And we are also very proud of the fact that the taxpayer of this province still pays 77 per cent of the cost of educating a student.

Mr. C.G. Willis (Melfort-Tisdale): — Can you cut that down?

Mr. Thatcher: — You know we are rather proud of the fact also, Mr. Speaker, that almost half of all the students in the University at either Regina or Saskatoon are going there by virtue of student loans made by a Liberal Government either at Ottawa or at Regina.

Mr. E. Whelan (Regina North West): — Everybody gets one!

Mr. Thatcher: — You know the Leader of the Opposition today repeated his old refrain that that Government is not doing enough for education. Yet when you view the cold facts against his 20-

year record the Liberals look awfully good, Mr. Speaker. The NDP in Government or Opposition have always paid lip service to education. Lip service doesn't cost anything.

Mr. Willis: — I'll say it doesn't.

Mr. Thatcher: — The Liberals on the other hand have supplied our institutions with hard cash. Take for a moment school grants. The most the Socialists ever gave in a single year was \$37.6 million. Usually it was a lot less. This year our expenditure is \$70.6 million. The operating grant to the University — their highest figure — was \$5.1 million. This year under the Liberals \$16.4 million. Their largest grant to the University per capita was \$6.50. This year ours is \$11.30. As I say the solicitude of the Socialists for the University is rather touching. They always give free words, but seldom did they give hard cash. This party, Mr. Speaker, is the party that back in 1944 said that 100 per cent of the educational costs should be borne by the Province.

An Hon. Member: — So that's when he left!

Mr. Thatcher: — Yet in all the years my Hon. friend the Leader of the Opposition was the Minister, instead of giving 100 per cent in grants they gave 20 to 30 per cent. Compare that figure with Liberal grants today. I say that the field of education is one more example of Socialist talk, one more example of Liberal action.

Mr. Speaker, there is no field the Liberals are more proud of than the industrial development which has taken place in Saskatchewan these past three or four years. It is true that a poor crop may slow things up a bit this year. It is true that tight money and high interest rates across the nation may impede some major companies from coming in. Nevertheless, I remind you that since the dead hand of doctrinaire Socialism was removed from Saskatchewan there have been dozens and dozens of new mines and new industries come to Saskatchewan because there was a private enterprise atmosphere.

Some Hon. Members: Hear, hear!

Mr. Thatcher: — Today Saskatchewan is an exciting place to live in. Today without Socialism Saskatchewan is on the move. Mr. Speaker, do you know that of all the provinces in Canada, Saskatchewan has had the lowest unemployment rate this winter? The lowest! I have the official figures of the Dominion Bureau of Statistics. On December 9th, Newfoundland had unemployment of 9.1 per cent, Prince Edward Island 8.6, Nova Scotia 4.7, New Brunswick 6.8, Quebec 5.8, Ontario 3.2, Manitoba 3.9, Saskatchewan 3.0, Alberta 3.6, British Columbia 6.3. Substantially the lowest as at December 9th. Now this morning additional

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figures came to the Department of Labour's office. This unemployment as at January 13th was: Canadian rate 6.1, Newfoundland 13.4, Prince Edward Island 17.1, Nova Scotia 8.5, New Brunswick 11.0, Quebec 7.8, Ontario 4.3, Manitoba 4.8, British Columbia 7.8, Saskatchewan 4.0, Alberta 3.9, one point below Saskatchewan. But, Mr. Speaker, the point I want to make is that, because of the new industries this Government was able to attract, because of the prosperity in this province, these winter months we have had the least unemployment of any province in Canada.

Some Hon. Members: Hear, hear!

Mr. Thatcher: And that is why the people of Saskatchewan will likely never elect another Socialist Government.

Mr. Speaker, my Hon. friends opposite have been a bit critical this afternoon, the Leader of the Opposition particularly so. What has happened in the last six or seven years? Politically in Saskatchewan we had a by-election in Weyburn, the Socialists lost; a by-election in Prince Albert, the Socialists lost.

Mr. D.W. Michayluk (Redberry): — That's six times now.

Mr. Thatcher: — A general election in 1964, the Socialists lost. They had a by-election in Hanley and won it. The by-election in Bengough they lost, the by-election in Moosomin they lost, a general election in 1967, they lost. In other words the Leader of the Opposition has struck out six times out of seven at the polls. No wonder he is so bitter. Like other Socialists he sits around crying ruin, forecasting doom, hoping that another depression will come along. Meanwhile under the Liberals, Saskatchewan is going rapidly ahead. It is fast becoming one of the have provinces of this great nation.

Mr. Speaker, I move adjournment of this debate.

Debate adjourned.

APPOINTMENT OF FLAG COMMITTEE

Mr. Thatcher (Premier): — Mr. Speaker, I move, seconded by the Hon. Mr. Heald:

That a Special Committee be constituted to consider the matter of selecting a design for a distinctive flag for the Province of Saskatchewan and to report their recommendations thereon.

Hon. W.S. Lloyd (Leader of the Opposition): — It strikes me as being very strange that the Premier would put a motion like this before us and then say nothing

about it. It strikes me as not only being very strange but completely inadequate that we should be asked to accept the motion to set up a committee that is going to select the design for a distinctive flag for the Province of Saskatchewan. We don't know what he means really by a Special Committee. We don't know whether this committee is going to meet during the course of the Legislature. We don't know whether it's going to be an inter-sessional committee.

I think, Mr. Speaker, that I would like to ask leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 4:42 o'clock p.m.