

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session - Sixteenth Legislature
31st Day

Thursday, March 28, 1968

The Assembly met at 10 o'clock a.m.
On the Orders of the Day

STATEMENT IN PRESS ON ALCOHOLIC BEVERAGES

Hon. W.S. Lloyd (Leader of the Opposition): Mr. Speaker, before the Orders of the Day, I want to draw attention to a statement in the press to which my attention has been drawn. It is the statement of the Premier when he was commenting on the Bill which the Government had planned to introduce with respect to advertising of certain alcoholic beverages. In this statement the Premier is quoted as saying that some Members of his side wouldn't support it and that was his privilege and right. He went on however to say that only three or four Members of the Opposition would support it. I want to draw to the Premier's attention that that statement was made without any knowledge of the facts. He had no way whatsoever of knowing what the position of Members of the Opposition was and it is more than a little presumptuous, I think, for him to say to the press what the Opposition's stand on a particular Bill might be.

Some Hon. Members: Hear, hear!

Hon. W.R. Thatcher (Premier): I didn't wish to be presumptuous but I had talked to some Hon. Members in the Opposition and that is what they indicated. In this case perhaps I knew about as much about it as did the Hon. Leader.

Mr. Lloyd: Mr. Speaker, this of course is the usual kind of statement which comes from the Premier. He knew nothing except a little bit of rumor he picked up in the halls. It was presumptuous of him to make a statement on behalf of this group and it is resented.

Some Hon. Members: Hear, hear!

MOVER OF RESOLUTION NO. 2

Mr. F.A. Dewhurst (Wadena): Mr. Speaker, I would draw to you attention that Resolution No. 2 was moved by Mr. Meakes and not Mr. Messer because, if this Motion is continued with today, Mr. Meakes may wish to close the debate. It was Mr. Meakes' Motion, not Mr. Messer's, as shown on page 5, item 9, Resolution No. 2 of the Order Paper.

March 28, 1968

Mr. Speaker: According to my records the original Motion was moved by the Member from Touchwood (Mr. Meakes). This must be a misprint on the Order Paper. The original Motion according to my records was moved by the Member from Touchwood. I'll see that it is amended. This would make a difference of course to whoever closes the debate. I can assure you that, if this agrees with everybody else's records, this is what I have here, the Member for Touchwood. I think the other Votes and Proceedings will bear this out. I thank the Member for drawing it to my attention.

ADJOURNED DEBATES

RESOLUTIONS

RESOLUTION NO. 8 CLOSURE OF COMMUNITY HOSPITALS

The Assembly resumed the adjourned debate on the proposed Resolution by Mr. J. Kowalchuk (Melville):

That this Assembly recommends to the Government that no community hospitals be closed,

- (a) until it has been conclusively established that alternate services will be available on a year-round basis;
- (b) without prior consultation with hospital boards and communities affected;
- (c) without a minimum of 12 months notice;
- (d) until alternate use has been found for hospitals which are structurally sound and in a good state of repair;
- (e) until a thorough study has been conducted into the needs of affected communities, including the concentration of senior citizens in the area, travel conditions and distance from alternate hospital services, and other pertinent factors.

Hon. G.B. Grant (Minister of Public Health): Mr. Speaker, the Hon. Member from Melville (Mr. Kowalchuk) when speaking to this Motion, I think, must have had his remarks written sometime earlier because the points he touched on were not only inaccurate but were certainly not up-to-date. I thought surely that he would up-date them or have the author up-date them. He plowed so much old ground, I'm sure that he hadn't read my news release of late February when I indicated many of the answers to the questions in the Motion and in particular that the date of April 1, 1968 would not be insisted on in connection with the closure of some of these hospitals. I also indicated at that time, Mr. Speaker, that no hospital would be closed without full consultation and I repeat that again. I stated that alternative services would be assured. In spite of

this he harped back to the fact that I had stated when meeting the delegation from Neudorf that the building was a converted army hut. This was a typographical error in one of the memos supplied to me. I corrected it on the occasion of the visit of the delegation and it seemed to me a pretty weak argument to use in pointing out that I hadn't adequately dealt with this problem. I strongly question the answers that he attributed to me, to the inquiries by the members of the delegation. I have minutes kept of that meeting and the minutes do not disclose these questions or the answers and I deny in no uncertain terms that I said that I put dollars before people. I defy anyone to produce evidence that I made that statement.

I can advise that I am meeting with some considerable success and I publicly thank the people of the various hospital boards on the responsible attitude they are taking to a major problem that we have in this province. Mr. Speaker, I certainly cannot support the Motion in its present form. I think we must work toward a better distribution of our hospital beds and use of our hospital beds, otherwise we are guilty of burying our heads in the sand and ignoring a problem that is on our laps.

Mr. Speaker, I would like to move an amendment, seconded by the Hon. Attorney General (Mr. Heald):

That the words after the word "Assembly" in the first line be deleted and the following substituted therefor:

"commends the Government for,

- (a) not closing small community hospitals until alternate service is available on a year-round basis;
- (b) rebuilding several of those community hospitals;
- (c) consulting with hospital boards and considering community interests in any proposal for closing community hospitals;
- (d) making provision for a large additional hospital in Regina to serve southern Saskatchewan;
- (e) providing for an extension of the University Hospital in Saskatoon, and
- (f) instituting the new and centralized teaching program for nurses' training.

Hon. W.R. Thatcher (Premier): I beg leave to move adjournment of the debate.

Debate adjourned.

RESOLUTION NO. 1 HOUSING PROGRAM

The Assembly resumed the adjourned debate on the proposed Resolution

March 28, 1968

by Mr. E. Whelan (Regina North West):

That this Assembly urges the Provincial Government to enlist the support of the Government of Canada in developing a housing program particularly for low and medium income families which would include:

- (1) the establishment of a provincial housing authority;
- (2) the provision of funds at a low interest rate for home building;
- (3) the establishment of research facilities to develop new and less costly techniques for the construction of homes; and
- (4) the development of a program which will guarantee the construction of a minimum yearly quota of housing for each province in Canada.

Hon. C.L.B. Estey (Minister of Municipal Affairs): Mr. Speaker, I want to say a few words concerning Resolution No. 1 and particularly sub-paragraph (1) of this Resolution which deals with the establishment of a provincial housing authority. The concept of a provincial housing authority arose in the Province of Ontario and has been used in that province for some years. It arose for the reason that land costs in that province rose to an extent where in many cases, especially in urban centres, a person would build a \$17,000 home on an \$8,000, \$9,000 or \$10,000 lot. The housing authority in Ontario devised a method by which they could lease a lot to an individual and that individual would then go under the NHA and obtain a loan through CMHC. Now my point, Mr. Speaker, is simply this: that in the Province of Saskatchewan we have not yet reached a situation comparable to the Province of Ontario. We are developing lots in large towns in Saskatchewan, selling at approximately \$1,750, and when you get to the larger urban centres the price would be somewhere around \$2,300. Insofar as the other powers of the Ontario housing authority are concerned, they simply deal with providing low-rental housing, assembling land and leasing lots. As I have said and the Government's submission is simply this: that we can do as much without establishing a housing authority under the present CMHC co-operation with the Province as we could at this time by establishing such an authority. I feel that to establish a housing authority in Saskatchewan today would not provide us with any more housing. Indeed it might just be another example of Parkinson's law. Insofar as the Province of Alberta is concerned, they established a housing authority and limited its purpose to land assembly, low-rental housing, and building houses for employees. And we are doing at least as much if not more than the Province of Alberta. The Province of Alberta as I said has a housing authority. Insofar as the Province of Manitoba is concerned, while they have something comparable to a housing authority, I think it is generally acknowledged that we in Saskatchewan are doing considerably more in the field of

housing and assembling land than is the Province of Manitoba. Therefore, Mr. Speaker, I move, seconded by the Hon. Minister of Education (Mr. McIsaac) the following amendment to Resolution No. 1:

That the words "the establishment of a provincial housing authority" be deleted and that items (2), (3), and (4) be renumbered as (1), (2), and (3).

Mr. W.G. Davies (Moose Jaw South): Mr. Speaker, I have only a very few brief words to say with respect to the amendment that has now been proposed by the Minister for Municipal Affairs (Mr. Estey). I begin by saying that I regret very much that he has introduced an amendment which will to my mind delete from the Resolution one of its most important component parts. I point out to the Minister and to the Government that in deleting this part of the Resolution they are passing pre-judgment on one of the recommendations of the Batten Royal Commission with respect to this very point. I think it an extremely cavalier treatment of a Commission which has labored long and very hard to produce the Report that was tabled in this House on March 1. This is yet another indication of the manner in which the Government intends to proceed with important matters affecting consumers, including of course, in this case, the matter of a housing authority. It's pointless in my view for the Minister to say, well, they have a housing authority in Ontario, and they created that housing authority because they had some difficulties in getting cheap land or relatively cheap land for the erection of houses. That's what they did in Ontario and therefore there is no need for an authority in the Province of Saskatchewan. I want to say that the whole concept of a housing authority is by no means embodied in the simple question of attending to serviced land and that housing authorities all over the world have attempted to bring together all of the myriad complexities and requirements that attend upon housing needs and bring them under one system, one authority that will facilitate the production of all the things that are necessary to quicken the movement for new housing, to provide for such things as land assembly, to attend to the most important question of research and all of the other segments that are part of the housing philosophy.

I point out that the Batten Commission has emphasized the great need for detailed and concentrated research in the field of housing construction and in housing itself for that matter. This is certainly one of the questions that a housing authority in Saskatchewan should proceed with at the earliest possible moment. I spoke of the innumerable matters that have to be bound together in the production of new homes as the prime justification for a provincial housing authority. To my mind this is why this part of the Resolution proposed is so important. I think, Mr. Speaker, that we have been presented with the weakest possible argument from the Minister as a defence for the deletion of part (1) of the Resolution that has been proposed.

I report what I started with initially, that the Batten

March 28, 1968

Commission after almost a year of intensive work has made a recommendation to this Government and really to the people of the Province of Saskatchewan. One of these proposals is for a housing authority; and there are many recommendations that are part of this main recommendation with respect to a housing authority. But the Government by bringing in this amendment has simply brushed aside and brushed off the proposal that has been made by the Commission and is not prepared to apparently consider this most vital part of the Commission's Report. If for no other reason, Mr. Speaker, it seems to me that the amendment that we have before us here this morning stands completely condemned and I shall not support it.

Mr. W.E. Smishek (Regina North East): Mr. Speaker, I rise to oppose the amendment which has been proposed by the Hon. Minister of Municipal Affairs (Mr. Estey). I do that for these reasons, Sir. The Economic Council of Canada estimates that one million Canadian families live in substandard housing in this nation. Saskatchewan represents about 4.8 per cent of Canada's total population. Recognizing the Saskatchewan housing problems of our Indian population, the pathetic housing conditions in many of our villages and towns, largely unmodern, the number of inadequate and unmodern homes in the countryside that still lack modern conveniences, it is reasonable to assume, Mr. Speaker, that at least 48,000 Saskatchewan families live in substandard housing and perhaps more. Mr. Speaker, in 1966 this Legislature passed or adopted The Housing and Urban Renewal Act. In that Act is a provision authorizing the Provincial Government to establish a housing authority. Really the amendment proposed by the Minister is a negation of its own legislation it introduced in 1966. I regret very much that the Minister saw fit to bring that amendment to this Resolution. The Hon. Premier told us earlier that in the fiscal year this Government will be constructing 178 low-rental housing units in the province. We then heard later the Minister of Municipal Affairs tell us that the Province has entered into agreements with CMHC for construction of 34 low-rental housing units in Prince Albert and 78 in the city of Saskatoon. That is 66 units less or 59 per cent less low-rental housing units. The Hon. Minister of Municipal Affairs also told us that the present Budget calls for an expenditure in the current fiscal year of \$1,450,000 on low-rental housing. Now, Mr. Speaker, I have checked the Estimates that have been presented to us during this session. I refer to the Department of Municipal Affairs' estimates on page 33. Here is what the Estimates say: administration of housing and urban renewal \$40,000; expenses of maintaining housing construction for re-sale or rental by the Minister of Municipal Affairs, \$14,000; grants to municipalities under The Housing and Urban Renewal Act \$93,610; subsidies pursuant to Section 5 of The Housing and Urban Renewal Act in respect of low rental housing projects \$43,720. I looked at the Department of Natural Resources under Northern Affairs Branch and under the Indian and Metis Branch to see whether an allotment was made for housing there, Mr. Speaker, but not a cent has been appropriated at this time in these

branches. It appears that the Government has no intention under the Department of Natural Resources' estimates to spend anything on housing. This Government proposes, Mr. Speaker, to spend only \$43,720 for low-rental housing, not \$1,450,000 as the Minister advised this House earlier.

Mr. Speaker, if I was to give the Junior Member from Saskatoon some advice I would suggest the he should not copy the bad habits of gross exaggeration of some of his colleagues, if he wants to gain the respect of this Legislature and the people of Saskatchewan. There is no better rule to follow than to be honest. He shouldn't be announcing projects of \$1½ million, when in fact the expenditures of this Government for low-cost rental housing will only be \$43,000 in the coming year as provided for in the Estimates.

Mr. Speaker, Canada including the Province of Saskatchewan has a critical housing situation. Governments at every level, Federal, Provincial and municipal, in smug voices pronounce that the problem is either not serious as we have just heard the Minister say and claim for that the reason he moved the amendment or they say that someone else is to blame. They pass legislation: we hold meetings and conferences; but nothing is happening. Day by day, Mr. Speaker, the housing situation in this country is getting worse. In the last 10 years the purchase price of an average home has gone up by 40 per cent and payments have doubled. The cost of the average residential housing lot has at least doubled in price in the cities over the last 10-year period, and in some cities it has increased by as much as 500 per cent. For the Minister to say that in our cities we can easily buy lots for \$2,300. I challenge his figures, I know that in this city there are lots in some areas that are costing as much as \$6,000 and more.

Let us, Mr. Speaker, examine a few facts about why Canada faces a housing crisis. More than half of our dwellings predate 1945. Some 20 per cent of Canada's homes lack adequate toilet and bath facilities. Saskatchewan's percentage is I submit a good deal greater. Since 1957 interest rates under NHA have gone up from 5½ per cent to 8 5/8 per cent, an increase of almost 57 per cent within a 10-year period. Total monthly payments for principle, interest and taxes on the average home in a 10-year period went up from \$90 a month to \$180 a month, an increase of 100 per cent. In order to carry an NHA mortgage payment under The National Housing Act you need an income of \$8,000 a year. We find that 80 per cent of Canadians who are married earn much less than this. The latest available average family income shows that average Canadian's earnings were only \$5,939. The Economic Council of Canada report tell us that to keep up with the pace of housing demands, we should have been building as of last year 190,000 homes until the year 1970 then have increased the figure to 200,000. However, last year Canada only built 150,000 homes. We fell further behind.

The Canadian Welfare Council tells us that 50 per cent of Canadians need some public assistance to obtain decent shelter.

March 28, 1968

Yet in Canada in total there are only 50,000 publicly owned low-rental units, less than one per cent of the Canadian dwellings. The Minister of Municipal Affairs tells us that at present there are 600 odd low-rental units in the province. Mr. Speaker, 575 of these were built, planned, or on the verge of completion under the CCF Administration. These facts are substantiated by the Departmental Annual Reports submitted by this Government. I ask the Minister to be also honest with these figures. I am not going to say that more should not have been done by the former Government in the area of low-cost housing and in subsidized housing.

There is, however, one important thing to remember: it was not until 1964 that the Federal Government passed legislation making it possible for provincial and municipal governments to approach the housing problem with new vigor, since more money was made available and larger responsibility was assumed by the Federal Government as of June, 1964. I ask the Minister in charge of housing to stop telling us tall stories that are out of school. The truth is that since 1964 this Government has done virtually nothing in the field of housing. It passed an Act which provided for the establishment of a Housing Authority. Up until now we have not seen the establishment of a Housing Authority and from what the Minister is proposing in his present amendment it is obvious that this Government, despite the legislation it passed in 1966, intends to do nothing in acting on the legislation it passed for the establishment of a Housing Authority.

The brutal truth is that neither the Liberal Government in Ottawa nor the Liberal Government in Saskatchewan has any meaningful policy, any meaningful approach or has any intention to deal with the housing problems that the people of this province and throughout the nation are facing. Canada prized itself on being the second or third richest nation in the world, but it stands twelfth among the western nations in the ratio of housing starts to population growth. We are far behind Britain and Sweden these Socialist countries

we are behind West Germany, we are not even up to Italy and France. This country and this Province has all the resources needed to provide our people with the best housing that may exist anywhere in the world. We have the labor force; thousands of construction workers are presently unemployed, yes, right here in the Province of Saskatchewan. We have the land, millions of acres of land, we have the lumber, cement, bricks, steel, glass, each and every product needed to build houses. Not a single item needs to be imported for housing construction because we produce or manufacture right here in the Dominion of Canada every item that is needed. House building is a great job creator as I believe everybody knows. It has been estimated by the Federal Government that every home built provides two and one-half full-time jobs for one year. Now the politician's answer or the Liberal Politician's answer to this is: while it is true that we have the resources and that jobs are created through housing construction, the big problem is money. Who is going to pay for this? Well, Mr. Speaker, one of the Ottawa bureaucrats put it this way: "The

trouble with you people who are so quick to criticize is that you don't understand the beautiful complexities of the situation." Now, Mr. Speaker, perhaps I don't understand the beautiful complexities, but I do understand the ugliness of slums. I understand that it is not healthy to live in a shack, it is immoral for a nation with all its resources to have one million of its families living in substandard housing. Mr. Speaker, it has been proven ten times over that slums breed crime, juvenile delinquency, premature school dropouts and other social problems. I understand that as a nation socially economically and morally, we cannot afford to sit on our hands any longer and hope that the problem will disappear, because it will not disappear.

What about this question of money, Mr. Speaker? Well, you know when the Premier of Saskatchewan decided that we must have a pulp mill in Saskatchewan he did not hesitate to give \$3 million of Government funds to his American corporation private enterprise friends to start the pulp mill. Nor did he hesitate in persuading the Liberals in Ottawa to donate another \$5 million of Government funds. He did not even bat an eye in guaranteeing a \$50 million loan to his New York Wall Street pals. Then he gave them millions of acres of forest and agreed that the Government will subsidize the wood cutting operation. This he tells us is good for the people of Saskatchewan. When he made the pulp mill announcement in this Legislature he said, "We are very proud of the fact that 1,500 men will be employed in the construction phase of the plant. Once it is operating there will be 500 men in the plant and about 3,000 out in the woods." In the July and August issue of the Government's publication, "Saskatchewan Today", the report states that the pulp plant when completed will employ 350 men in the mill and another 650 in the woodlands operation. Informed sources tell us that perhaps half the number of the revised figures would be more accurate. Mr. Speaker, if it is good business for the Federal Government and for the Provincial Government collectively to give \$8 million for the construction of a pulp mill I say, Mr. Speaker, that we should be looking for that kind of money for housing construction. If it is good for the people of Saskatchewan to back up a \$50 million loan for the pulp mill, I say, Mr. Speaker, it would be a good thing for the Provincial Government to guarantee loans equal to that amount for housing construction.

Some Hon. Members: Hear, hear!

Mr. Smishek: Mr. Speaker, I have said that in Saskatchewan we need approximately 48,000 homes to overcome the substandard housing conditions in the province. If \$58 million, an amount equal to the grants by the Federal and Provincial Governments and loans as in respect to the pulp mill, were granted for housing, it would provide \$12,000 for each unit. It would create, Mr. Speaker, 12,000 full-time jobs over a 10-year period, and that's a lot of work. If Parsons and Whitmore are a good and desirable financial risk, I believe the people of Saskatchewan are equally as good a risk.

March 28, 1968

It's all a matter of value and where we want to place our priority. There is never a shortage of money for highways, for new plants and for things, or funds for research in those fields, but there is never money for housing and for people. Perhaps this is what the man meant when he said, "You don't understand the beautiful complexities of the situation." Walter Steuart of the Star Weekly answered it this way, "I don't, but I do understand that the one of richest countries in the world is unable to shelter its citizens in a decent fashion, that despite our wealth, our resources, our advanced technology, we have failed in the basic function of civilization. I understand that and I am angry about it."

I also understand that this Saskatchewan Liberal Government has refused to take advantage of reducing rental rates announced by the Government of Canada as of February, 1967. On the average it represents \$16 per month reduction to each renter. I understand, Mr. Speaker, that other Provinces have taken advantage of the reduction and have passed this on to the people. I know that the people of Greer Court and Regent Park in Regina understand that this Government has no intention of reducing their rent even though the Federal Government is prepared to pick up 75 per cent of any subsidy. Mr. Speaker, I want this House to understand that on September 13, 1967, I wrote to the Minister of Municipal Affairs, then Mr. McIsaac, asking the Government to reduce rental rates. Here is part of his answer. He said, "The question of the adoption of the new rental rates is being considered at this time." Mr. Speaker, I would like you to take note of Sessional Paper No. 41, given to me by the present Minister responsible for housing and take note of this: seven months later than I wrote to the former Minister, or 13 months later after the Federal Government announced and introduced a reduction in low-cost rental rates. The answer given in this House, "The Government of Saskatchewan has this matter under consideration." They were considering the matter on September 13: it is still considering the matter on February 29.

I ask this Legislature, Mr. Speaker, to reject the amendment that has been proposed by the Minister. I urge the Minister to also reconsider his position, I urge him to establish a Housing Authority provided in The Housing and Urban Renewal Act enacted in 1966. The housing situation in Saskatchewan is urgent. We should be taking action. We should be adopting the Resolution originally proposed by the Hon. Member North West (Mr. Whelan). I urge this Government to get going on the important question of housing.

Some Hon. Members: Hear, hear!

Hon. J.C. McIsaac (Minister of Education): Mr. Speaker, I would just like to say a few words in this debate at this time, I hadn't intended to get involved particularly. However, after listening to my Hon. Friend from Regina North East in his remarks, I should like to point out some of the things that this Government has been doing in the field

of housing. I should refer him back to the remarks made in the Budget debate by the Hon. Provincial Treasurer, (Mr. Steuart). I think possibly I should read some of them to him and some of the figures in the Estimates, because either he misunderstood or didn't read all of the Estimates to gather the full information as to the money that is being devoted to housing this year. Advances for subsidized rental housing projects 1968-69 are to be \$1.4 million and the advances for land assembly projects \$625,000. The Government program for assistance to housing for Indian people and people of Indian ancestry is to be continued again in this coming year. We certainly on this side of the House recognize the need for more housing in this province, in this whole country, for cheaper housing, if possible, Mr. Speaker. We recognize that interest rates are too high for many people. This we are in complete agreement with. I suggest that my friends in the Opposition are misinterpreting the object of the amendment here. All we are saying in the amendment is that we do not believe that the creation of another Crown Corporation is necessarily the answer to the housing problem in this province or in any other province. I would like to just refer to the Resolution that we are debating, "That the Assembly urge the Provincial Government to enlist the support of the Government of Canada in developing a housing program particularly for low and medium income families." This we are in support of, which would not include the establishment of a Provincial Housing Authority. I include the establishment of a Provincial Housing Authority. I say again, Mr. Speaker, we have in years past established a Provincial Housing Branch, which in my opinion can do more effectively all of the work than is possible by the establishment of another great Crown Corporation for the sake of building houses. All we are asking here is that the first part of the present Motion be deleted. Now secondly, the provision of funds at a low-interest rate for home building is something that I am sure most Members on this side are very sympathetic to. As I say we recognize that the interest rates for many people having to borrow for building houses today are certainly too high. I think we recognize also the great difficulties of the Federal Government and of this Government in trying to do something effective about this particular problem at this time. Now the establishment of research facilities to develop new and less costly techniques for the construction of homes is something that we have been urging. We have urged the CMHC, we have urged the construction people something again that we are in complete support of. Thirdly, the development of a program which will guarantee the construction of a minimum yearly quota of housing for each province in Canada. This again is something I am sure would have the support of almost all the Members on this side of the House. Here again I would remind Hon. Friends opposite and the Members of the House that this year starts in housing construction in this Province were above those of last year. The increase was greater than in most other provinces. As I say we do not see that the establishment of another Crown corporation, a Provincial Housing Authority as such, is necessarily the answer to the housing problems faced by this province. The mover of the Motion, the Member from Regina North West (Mr. Whelan) when he moved this Motion earlier in this House, referred to a survey

March 28, 1968

that this Government initiated earlier last year. And he rather made light of the survey. I want to refer back. I can't recollect at the moment all of the results of that survey particularly, but we had been hearing a lot about housing at that time. It was very pertinent of course, it was the political thing to be doing

newspapers, everybody was talking about housing and the tremendous need for housing, so we initiated a survey with the towns, the villages, the cities of the province to find out first of all if there was a housing shortage or a severe need for any particular type of housing in each of these various communities. I think Members will be interested to know that we got replies to almost all of the questionnaires that we sent out. Generally speaking, many of the municipal councils affected felt that they had no particular problem insofar as housing was concerned, especially in the towns of the province. Now the cities had different problems and of course here you are looking at a picture that is more comparable to the national picture in housing. But I want to say that I will take the word of the municipal officials of this province a good deal more quickly than I will the word of Members opposite, when they start talking about the tremendous needs of housing in many of the places in this province. Housing starts are up in many of the towns that we surveyed. Many of the towns that sent replies to that survey said that they would like to see Department officials out to discuss low-rental housing, to discuss the construction of housing for sale and various other programs. All of these requests were followed up. The Department officials did go out and contact them and in many cases today there are programs either underway for land assembly or other such programs as a result of that particular survey. I want to suggest again, Mr. Speaker, that since we've taken office, the municipalities of this province have become much more aware and much more conversant with and much more active in housing programs, and in Federal regulations respecting housing programs than they were ever afforded the opportunity when Members opposite were in the Government.

Friends opposite made reference to the Batten Commission Report. I would just like to refer to a page or two of this Report now. This Report has been under preparation for a long period of time, and I think most of that time I was the Minister of Municipal Affairs and in charge of the Housing Branch. Despite the reference to the Report to the advisability of establishing a Housing Authority in the Province, to my knowledge and to the knowledge of my officials or my former officials, I should say nobody from the Batten Commission ever approached the Department of Municipal Affairs and the Housing Branch to see what this Government was doing in the field of housing. So in this respect (incidentally, as well as in a number of other respects) I very much question the validity of this particular statement. The Report itself states that "The Commission could not, within the limits set by time, money and other obligations carry out an adequately detailed study of local conditions." This referring to housing . . . "As with so many studies of housing before this one, the results of the Commission's inquiries were not highly productive of specific insights into how to improve the operations of the housing market." My friends opposite, despite

all of their comments and their remarks on this debate, haven't really put forward any concrete answers to the housing problem in this country today.

Mr. Speaker, I support the amendment to this Resolution.

Mr. W.J. Berezowsky (Prince Albert East-Cumberland): Mr. Speaker, I oppose the amendment simply because it indicates that this Government is not very much concerned with housing. I grant that you have the Department of Natural Resources and other departments that have been doing a little bit of work in that direction and some research. They have given some assistance in grants, but if you look at the picture of housing across the Province of Saskatchewan, I think it could be said that it is tragic. When there's reference being made to the Batten Commission, then surely the Batten Commission who made the studies was able to assemble this information and put it on the records. Now I do not need to repeat what I've said over the years. There has been an ARDA report for my part of the province which indicated that some 80 per cent of the homes in the rural areas weren't fit for people. The Minister gets up to tell this House that the programs of this Government have been satisfactory. I'd like to point out as I pointed out previously that in the city of Prince Albert, part of which I represent, particularly the north part and certainly some of the east part of the city are a disgrace to Canada. It can only be said without any insult to the people there, because they can't help themselves, that it is a city of shacks. That's what it is, and you can find these kind of communities across Saskatchewan. On one hand we have a Government that's been talking about the tremendous growth of industry and all the money everyone is making, and yet we find such tragic housing in the Province of Saskatchewan. Granted the Government has done a few things, but the Motion was moved in order that we get some organization that's going to start doing something about housing. When we asked how many houses have been built for the needy people in the far north, the answer has been one or two. We find for example in Lac LaRonge in the constituency of my Hon. Friend from Athabasca, certain teachers needed accommodation and the Government had to go ahead and subsidize housing, paying about \$150 for a suite and only receiving \$60 from the teacher. Wouldn't it be better if we had a setup whereby a study could be made and something could be done to provide houses for these teachers? Wherever you look you find that there is a tremendous need for housing whether under this Government or former Governments. To this extent we have failed in the Province of Saskatchewan. I can only refer you, with all sincerity to what the Batten Commission said, the Commission appointed by this Government. If you look at the bottom of page 230 in the middle of the last paragraph, you'll see it says this:

Solution to the problems presented by housing requires the continued study and action of some body capable of taking a large, but specifically regional view and of stimulating the necessary actions and reactions, often

March 28, 1968

in advance of the emergence of the problem as an overt concern.

In June, 1967, the Government of Manitoba created the Manitoba Housing and Renewal Corporation with wide statutory powers. A similar authority, called the Alberta Housing and Urban Renewal Corporation, was established in Alberta in the spring of 1967. To date both of these have concerned themselves mainly with the financial arrangements for projects initiated by others. This is much too narrow a view to take of the responsibility of a provincial agency in the field of housing. It goes on, and I'm not going to read more; Hon. Members have the Report. I refer them to the Report and to read those two pages and you'll come to the conclusion, as I have come that the program of housing is not satisfactory in this province and that the Government isn't doing what it should be doing. Therefore I would hope that you would vote against this amendment and pass the Motion in the original form, so that maybe we can get a body, whether it's a Crown corporation or whatever it may be, that would interest itself sufficiently enough that we can get some kind of program going in this Province of Saskatchewan.

I certainly am against the amendment.

Hon. W.R. Thatcher (Premier): Mr. Speaker, I beg leave to adjourn the debate.

Motion to adjourn agreed to on the following recorded division:

YEAS

30

Thatcher	Coderre	Weatherald
Howes	Bjarnason	Mitchell
McFarlane	MacDonald	Larochelle
Cameron	Estey	Gardner
Steuart	Hooker	Coupland
Heald	Gallagher	McPherson
McIsaac	MacLennan	Charlebois
Guy	Breker	Forsyth
Loken	Leith	McIvor
MacDougall	Radloff	Schmeiser

NAYS

23

Lloyd	Meakes	Brockelbank
Wooff	Berezowsky	Pepper
Kramer	Romanow	Bowerman
Willis	Smishek	Matsalla
Wood	Thibault	Messer
Blakeney	Whelan	Kwasnica
Davies	Snyder	Kowalchuk
Dewhurst	Michayluk	

**POINT OF PRIVILEGE
LOUDSPEAKERS**

Mr. C.G. Willis (Melfort-Tisdale): Mr. Speaker, on a point of privilege before we proceed with the next Motion, I understand and I may be mistaken in this, Mr. Speaker, because again I have no direct knowledge, but I understand that in the Government Members' lounge there is a loudspeaker broadcasting proceedings of this House. Now if this is so, Mr. Speaker, we certainly haven't the same privilege on our side. If they are entitled to it, if they can have a loudspeaker there, I'm just raising this as a matter of privilege that we should have the same facilities on our side.

Mr. Speaker: Well I'll have the matter under investigation and I thank the Member for bringing it to my attention.

ADJOURNED DEBATES

**RESOLUTION NO. 5
INTER-SESSIONAL COMMITTEE
ELECTION ACT**

The Assembly resumed the adjourned debate on the proposed Resolution by Mr. R. Romanow (Saskatoon Riversdale):

That this Legislature recommend to the consideration of the Government the immediate establishment of an Inter-sessional Committee of this Legislature, with such powers and authority as may be necessary, to review and recommend to this Legislature amendments to The Election Act.

Mr. R.H. Wooff (Turtleford): Mr. Speaker, I'll admit to the House before I start my address that it is with some trepidation that I enter this debate. I have never had any legal training and I've never considered that I have a really legally oriented mind. However, I feel I do qualify from the standpoint of the school of hard knocks for the last 28 years in the political arena. I'm sorry but I have to say that during those turbulent years, statesmanship has not been the quality uppermost in the political forces that I have had to deal with. But be that as it may, Mr. Speaker, I do have some very decided criticisms of The Election Act as it is presently written. I happen to be one of those people, and I am speaking absolutely for myself who were sorry to see the former Attorney General's Election Act terminated. I feel it could have been improved rather than destroyed. The great cry that election results were delayed is not necessarily a valid one. To me it is not necessarily just speed that counts, but that justice, fair play and all-around opportunity should be given for full and complete expression of the electorate. I feel that with all its shortcomings that Act did just this. I'm sure that the future will see a return of some of the cardinal principles of that Election Act. That be as it may, I wish to confine myself to the present Act which to me is as flagrant in its shortcomings as the former Act.

March 28, 1968

May I start with Section 80. Any of you who have The Elections Act may look up the section I refer to. I am not intending to delay the House by reading them. Section 80 reads quite simple and straightforward, yet of all the sections in this Act, Mr. Speaker, that were broken and disregarded and openly defied in the last election

this one was the worst. Candidate's representatives objected to a voter on the strength of this section only to have a DRO simply say to the voter, "Are you prepared to sign a declaration?", and the objection was immediately overruled. It is no use talking about suing officials or voters. If those breaking this section, knowingly or otherwise in the October election, had been prosecuted, the courts would be running for a full year, Mr. Speaker, if they undertook to fine every voter who broke this particular section and every DRO also who made some doubtful interpretation of it, the position would be impossible. In one case when my own representative objected to a voter on Section 80, the DRO simply said that she

that is the DRO

had been told to let everything through. I ask the question: told by who

the Liberal organizer, returning officer, Liberal constituency executive or Liberal candidate? I defy even the Attorney General to ferret out a problem like this and bring down justice. Mr. Speaker, the fact of eligible voters voting in a poll other than their own poll does not affect the outcome of the total votes, if, of course they only vote once. But I submit, Mr. Speaker, that the only simple honest answer to this problem is that all declared ballots be put in envelopes. I say again, Mr. Speaker, this section in the October 11, 1967 election was a pure farce.

Again in Section 86, subsection (2) we have a reference to the privilege of a candidate or his representative to require a vote to sign the declaration. And you're back at the self-same place. The DRO must do this on the threat of a penalty which is, I think, as it ought to be. But again this guarantees a candidate nothing; the ballot is irretrievable. Suing a voter or a DRO means little except to those who get a great deal of enjoyment out of vengeance. Let me repeat. There is only one answer and that is, if we are going to have declared ballots, they must go into envelopes. Let me illustrate. The Liberal application for a recount following the 1967 October election was based by and large on unopened hospital ballots by people who had no right to vote, votes, Mr. Speaker, which when the Liberals finally got to the recount, they dare not open. Had these votes not been in envelopes they would have been counted and all the expensive painful procedures of the courts would not have altered the vote one jot or one tittle. What I am saying, Mr. Speaker, is that all the penalties and the possibilities of court proceedings don't change what has been done so far as the candidate is concerned. This is what I object to and I reiterate once more that, unless declared ballots are going to go into envelopes, there is always going to be a great source of injustice and annoyance and difficulty.

Again, to me, Mr. Speaker, as a layman, there appears to be a certain amount of woolly thinking and fuzzy writing in the

sections pertaining to when or when not I or someone else may be a candidate. First let me point out that in Section 49, the nominating of a candidate does not state that the signers of a nomination paper must be electors. It only states that the witness must be. It is only in the nomination paper, the form itself, that this is suggested. It is not a statement, it is a suggestion. However, Section 165, dealing with what a candidate may or may not do for the purpose of promoting the election, specific periods before or after the issuance of writs or between official nomination and polling day. Just imagine my own position in 1940 when I was a candidate for four years according to my party, four years that I waited for a frightened Liberal Government to call an election. Again in Section 168, covering wagers or bets, it says before or during election without any qualifications of the particular time whatever, be it from two months before the writs are issued, be it between the writs and official nomination, or be it between official nomination on polling day. Yet by Section 166, one would be left with the impression that, if he had barely looked in at the door of a nominating convention, he would be tied by all the Don'ts of that section even should an election be four years away.

In Section 65, does a hotel room constitute a residence? If so, when? In Section 66, does contribution to a religious society mean my weekly offering to my church? If it doesn't, why doesn't it state so? If it does, how ridiculous can we get? Section 170 says a person is not allowed to give meat, drink or refreshments on nomination day. Mr. Speaker, I want to know, what nomination day? The day I was nominated by my party or the official nominating day following the issuance of the writs? I would say official nomination day, but when I read Section 166, I don't know what it means to be sure. To me the rational and logical approach is that legally one is not a candidate, at least until after the writs for an election are issued, and maybe not until after official nomination day. I don't know.

In Section 170, I get further confused regarding the intent on nomination day. Not so much in the section itself but when taken together with other sections, some of which I referred to, it is confusing to a layman. I say this knowing full well that our legal minds may think otherwise. All I am asking, Mr. Speaker, is that many of these sections be clarified so that the laymen, that we are putting into official positions on election day, are able to read this thing and understand it and know what it means.

In Section 135, there are two days allowed following a recount for an appeal. I'm not sure that this is sufficient. As I looked at it this year when I was the one that was waiting for those two days to lapse, it seemed enough, but when I turn around and look at it from the other person's position I'm not sure that it is. The question arises then; is two days a long enough period to consider the question for an appeal following a recount? On the other hand it seems to me that following a recount and the gathering of information by the elected Members and the gazetting

March 28, 1968

of the elected Members, that a month's time as set out in The Controverted Elections Act before even a notice of intent to apply for an application, is far too long a period.

I have one other serious quarrel with The Controverted Elections Act. I see no reason why the candidate holding the election by a narrow margin should be made responsible for the votes that are considered to have been illegal or the voters who had no right to vote. If I am holding election, we'll say by a majority of 15, and the Judge says there are 15 or there are 16 people who were not qualified to vote, I don't consider it justice that the election should be thrown out. How can anyone tell for whom the 15 votes were cast. In all probability half of them were for the winning candidate. I submit, Mr. Speaker, unless there is some better idea, that in close election the unopened votes should be divided on the same percentage by which the candidate won the election. I say that, whether I am the winning candidate, or whether my opponent is. I feel very strongly, Mr. Speaker, about the amendments to The Election Act. As I said at the opening, over the years I have had to deal with and fight against, many of the sections of the Act which seemed very confusing and unfair, not just to me but to many, many of our laymen, some of them much more able than I am to deal with legal matters.

There is one other thing that I am concerned with. I consider that the group responsible for the mechanics and the operation of elections should have to take more responsibility for the irregularities and the things that their own officers and their own appointees do or fail to do. It is not good enough. What happened on October 11, 1968? The gate was opened for all kinds of irregularities and as soon as it was over, the people who lost started gathering all the irregularities together that they themselves were responsible for, in an endeavor to carry the election into a controverted position. I say, Mr. Speaker, it is time, be it our side, or the other side, that the party responsible for operating the mechanics of election should have to take more responsibility for what has happened during that election.

I am not going to take anymore time of the House as I am sure that there are others who are going to speak on this question, maybe with more clarity and a better understanding of all that is involved. But these are some of the problems that have troubled us especially in elections that are close. In fact, if an election isn't close there is no difficulty about it. As one, Mr. Speaker, who has lost a great deal of perspiration and worry over the years, I maintain that it is high time that there is some clarification on some of these sections and some of them should be rewritten. Mr. Speaker, I shall support the Motion.

Some Hon. Members: Hear, hear!

Mr. D.W. Michayluk (Redberry): Mr. Speaker, in rising to support the Resolution proposed by the Hon. Member for Saskatoon Riversdale (Mr. Romanow),

I do so with full knowledge and conviction that the present Act has its inadequacies and legal loopholes, if one looks for them as has been evident during the elections of 1964 and 1967, under a Liberal Government.

An Election Act, Mr. Speaker, that had served adequately the electors of Saskatchewan for some 16 or 20 years and in five consecutive elections under the CCF collapsed totally in 1964 with the election of the present Liberal Government.

Hon. D.V. Heald (Attorney General): It was your Act.

Mr. Michayluk: Now, Mr. Speaker, in the legal and technical involvement in the Hanley constituency after the 1964 election, the Premier gave his reasons for the undue delays of electing a candidate. His reasons were reported in the Saskatoon Star Phoenix of November 6, 1964, and may I quote:

Thatcher blames election setup for delay in Hanley.

Premier Ross Thatcher charged here Thursday night that the long delay in settling results of the disputed Hanley constituency is due to the "inefficient, clumsy, cumbersome" election machinery set up by R.A. Walker, former CCF-NDP Attorney General.

Mr. Speaker, Hon. Members are aware that it was this Attorney General who was involved in this election. To quote further from the same press release, I want to quote in part:

Mr. Thatcher noted that Mr. Walker and W.S. Lloyd, leader of the opposition were 'now clamoring for changes in the Election Act.

'Yet year after year when they were the government they refused to take action to remedy its defects. And year after year, when we were the official opposition we asked them to do so.'

I will come to the point where the present Government and the present Premier did have a hand in changing and amending The Election Act which was according to his words, "cumbersome, clumsy and inefficient."

Mr. Heald: We improved it and you voted for it.

Mr. Michayluk: Need I mention, Sir, that numerous other worthwhile and beneficial social achievements, not only The Election Act, have completely or partially collapsed as props were being knocked out. Their future under the Liberal Government in the new Saskatchewan is somewhat clouded with uncertainty and not only The Election Act. The Hon. Minister of Mineral Resources (Mr. Cameron) the other day appeared to be concerned that, if this

March 28, 1968

Legislature recommends to the Government the establishment of an Inter-sessional Committee, with powers and authority as may be necessary to review and to recommend to this Legislature amendments to The Election Act, it is something out of the ordinary. What are his misgivings, Mr. Speaker? Why and over what is the Member so concerned? Is the Minister concerned because an Inter-sessional Committee may, as it should, come up with recommendations for amendments that will make it possible for our democratic elections and the results to be achieved without prolonged litigations, court procedures, and the use, as the Hon. Provincial Treasurer (Mr. Steuart) mentioned the other day, of some smart lawyers or legal advice? My area of concern, Mr. Speaker, is not whether or not a political party can obtain a good legal talent. And, of course, most of them are I must admit. My area of concern is that the wishes and the will of the majority be bowed to and assented to by all political parties concerned.

Some Hon. Members: Hear, hear!

Mr. Michayluk: In the words of some of the Hon. Members opposite, "We put people before politics." To me, Sir, the expressed will of the electorate by a majority vote is the basis of our democratic system. It is only too evident, Mr. Speaker, that serious breakdowns in The Election Act appeared after the 1964 election. Hon. Members will recall that the Canora constituency after the 1964 election had several hundred ballots cast by duly qualified voters and remain uncounted until this day. Canora constituency was represented in this Legislature by a Member during four sessions whose election in the minds of many people was in doubt. There were several other constituencies where the vote was so close that Members who were elected were left with uncertainties as to their position as Members.

Mr. Speaker, in the first session of the 15th Legislature, in the spring of 1964, the Hon. Premier speaking in this Legislature made reference to The Election Act changes as proposed in the Throne Speech. May I quote:

The Throne Speech refers to proposed changes in The Election Act. It has been evident for some years, Mr. Speaker, that there are deficiencies in our Election Act. We protested this, time and time again, in the House when we were in the Opposition. But the election last year made a shambles of our electoral machinery. For one month, nobody apparently knew who was the government. For weeks after, perhaps there were eight members who were not sure if they had been elected or not. As a matter of fact, here today, nine months after the election, there are three members who are still not sure whether they will be here next year or not. The unbelievable experiences of the voters in this election surely emphasize the need to streamline voting procedures, and bring them into line with practices elsewhere in Canada. So the Government will ask the legislature to introduce changes in our Saskatchewan Election Act this year.

Mr. Speaker, these were strong words. In a press release after the 1964 election in the constituency of Hanley and in the Premier's remarks in the session of 1965 in respect to the then existing Election Act, there were words of condemnation of The Election Act as it existed. At long last, Mr. Speaker, the Premier and the Members to your right, Sir, were determined that they would so amend the inadequacies of the Act so as to make it possible to have or obtain complete results by winning candidates on the completion of polling or shortly thereafter. Changes to delete sections and amendments were introduced and I presume with the advice of the Member for Maple Creek (Mr. Cameron) and the Attorney General (Mr. Heald). What is the state of affairs because of these changes this very day, Mr. Speaker? Are there not several Members sitting on the side of the Government who are not sure whether they will be here next year? Neither are they sure that they have been elected.

Mr. Speaker, the Hon. Member for Saskatoon Riversdale (Mr. Romanow) in moving the Resolution was aware of the fact that the Government has had a chance of amending The Election Act and had created similar conditions which it claimed existed up to the 1964 election. Hon. Members recognize that no improvements were made by this Government action. It is therefore my humble opinion, Mr. Speaker, that if an Inter-sessional Committee of this Legislature, consisting of Members from both sides, divorce the political stripes, was to be set up, it should and could come up with recommendations for amendments to The Election Act to take out certain areas of doubt which now exist due to the fact that the Act is somewhat vague and because of legal personnel or as my Hon. Friend the Provincial Treasurer says, "Because smart lawyers create blocks to impede final election results."

Mr. Heald: You suggest amendments . . .

Mr. Michayluk: I might, Mr. Speaker, state without any fear of contradiction by any Hon. Member in this Legislature, that I may be the only Member who as Returning Officer in the 1952 election, went through a recount following that election and again in 1967 went through another recount as the candidate in a Provincial election. I want to concede to the Hon. Member for Turtleford (Mr. Wooff) that he has top score or marks for recounts. But I consider myself as the Member who has had experience in official recounts as Returning Officer and as a candidate.

Mr. Speaker, it is my considered opinion that the recount of 1952 set a stage, although regrettably not followed in the same pattern by many recounts that have followed since. Prior to the 1952 recount there had been no recount in Saskatchewan for a good many years.

I will place on the records some of the facts surrounding the 1952 recount. The results of the final count wherein all the absentee ballots of eligible voters were counted gave the CCF candidate a majority of 40 votes, if I recall the correct number, Mr. Speaker. The Liberal candidate made application

March 28, 1968

for the recount and as Returning Officer I was summoned to the Court House. Within a short period of two and a half days the count was concluded and the CCF candidate was declared elected by a majority of some 24 votes. There were no disputes, no legal technicalities, no search for legal loopholes. As a matter of fact both parties had legal advice. However, the proceedings went on smoothly and there was no effort to stall the recount or the proceedings. Mr. Speaker, in the election of October 11th last fall, and after the amendments were introduced by the Liberal Government in 1965, the counting of the hospital ballots in final count was a complete and a total disregard for the democratic obligations, the rights and privileges of duly qualified electors in the Redberry constituency.

Some Hon. Members: Hear, hear!

Mr. Michayluk: The agent for my Liberal opponent, with total disregard for the eligibility as I have mentioned for voters, challenged and raised objections to the counting of ballots cast by eligible voters on the grounds which he himself as a candidate, could not substantiate or his agent. The Returning Officer under these circumstances did not and could not count the ballots. Mr. Speaker, what were some of the objections raised? One voter in hospital and 91 years old, an eligible and a duly qualified voter was challenged by the agent of the Liberal candidate because of his age. This gentleman should be well known to the Hon. Minister of Public Works (Mr. Guy) as he is the grandfather to his first wife.

Some Hon. Members: Hear, hear!

Mr. Michayluk: The lady who resides in the same community as I do, and has resided in the village since 1942, had her ballot challenged on the grounds that she did not have residence qualifications on October 11. Ballots of two other young voters, whom I had the privilege to teach in 1952 and 1948, were challenged on the basis that they were not naturalized Canadians. Both of these gentlemen were born and grew up in Saskatchewan. As a matter of fact their fathers were born in Canada and in Saskatchewan. Mr. Speaker, 22 ballots were challenged on this basis and refused to be counted by the Returning Officer during the final count. Here I do not lay the blame on the Returning Officer. Mr. Speaker, a ballot cast by a patient who was in the Saskatoon Sanitorium, who is and was a duly qualified elector in my constituency, was refused to be accepted, even though a sworn affidavit was produced to the Returning Officer, but objected to by the agent for the Liberal candidate. I maintain, Mr. Speaker, that this situation would not have arisen had goodwill been displayed and adhered to by the participants in this particular final count. The Act allows or provides for these loopholes, Mr. Attorney General (Mr. Heald). The Liberal candidate and his agent were aware that some of these people were eligible voters. However, they were also aware that if these ballots were counted my majority would be increased. Therefore, they objected.

Therefore, to prevent the counting of these eligible ballots cast by eligible voters, they objected to 22 of these ballots. It is here, Mr. Speaker, that I want to turn to the Attorney General in respect to the weakness of The Election Act.

Mr. Heald: I'm listening.

Mr. Michayluk: The Election Act, that allows such inconsiderate and indiscriminate objections to overrule and prevent the counting of ballots cast by duly qualified electors from making basic democratic majority decisions does, I contend, require amendments and change. Mr. Speaker, the Hon. Member for Riversdale (Mr. Romanow) made a specific mention to Kelvington constituency, and I want to be frank and ask the Hon. Members opposite in Government if the situation which I have just mentioned does not exist in both Kelvington and Nipawin constituencies. I am sure that both Hon. gentlemen know people whose votes were not counted and who are eligible voters in both Kelvington and in Nipawin.

Mr. Heald: On a point of order. I know that the Hon. Member wouldn't want to be out of order, but I would simply remind him that when he gets talking about Kelvington, and I think Nipawin, there are some court proceedings going underway here. I know that you wouldn't want to be discussing something that is sub judice and I just point that out to you.

Mr. Michayluk: Thank you, Mr. Attorney General. I realize that these proceedings are going on because of the changes that were made by the Liberal Government in 1965. This is the way The Election Act was improved, yet still permits this to go on.

Mr. Heald: On a point of privilege, Mr. Speaker. I am raising a point of privilege now because he made the statement about some changes in the Act and he is not correct. He is talking now about The Controverted Elections Act. There have been no changes in this Act and I wouldn't want him to be inaccurate in that respect.

Mr. Speaker: Order, order! Now let's consider just what we are debating. We are not debating The Controverted Elections Act, although it has been brought into the argument. What we are debating is whether or not this Legislature should agree to the setting up of an Inter-sessional Committee to study The Election Act. Now that is the debate before the House.

Mr. Michayluk: I want to thank you for your decision, Sir. I want to mention to the Attorney General that an Election Act that allows situations of this nature to exist and leaves indecision some six or seven months after the election, an Election Act that leaves two constituencies or more

March 28, 1968

undecided after the Premier and the present Liberal Government had amended the Act in 1965 does, I contend, require amendments and these amendments should be brought in by an Inter-sessional Committee. And it is in respect of this committee that I am speaking. An Act that permits or allows these situations to exist that I have just mentioned in my humble opinion needs amendments and change. A Government and a Legislature that allows the situation to exist, Mr. Speaker, makes a farce of our democratic system of voting. An Act and officials who permit any candidate or any agent to disallow the counting of ballots of voters, who are duly qualified, even though it is known by all parties concerned and the Returning Officer that they are qualified. I contend, Mr. Speaker, an Election Act will only serve the democratic process when it embodies provisions that will make it impossible to disregard the will of the majority of our people.

Mr. Speaker, the Members of the Government claim that The Election Act as it existed under the CCF is unworkable and had its faults and defects. We maintain that the Liberal Government had had a hand at making amendments to the Act which they claimed was unworkable. Most Hon. Members will agree that the Act today is unworkable, as Hon. Members of the Government have said it was prior to 1964. It is for this reason, Mr. Speaker, that I want to agree with the Hon. Member for Saskatoon Riversdale (Mr. Romanow) that an Inter-sessional Committee be appointed to recommend to the Government changes in The Election Act that would make the Act more realistic, more workable and will ultimately enhance our democratic process of government for the election of a government.

I will support the Resolution.

Some Hon. Members: Hear, hear!

Hon. W.R. Thatcher (Premier): Make it short, boy!

Mr. R. Romanow (Saskatoon Riversdale): I'll try to, Mr. Premier. Mr. Speaker, I would have preferred to have made the remarks after dinner but perhaps while we are digesting some food, we might have some food for thought with respect to The Election Act and hopefully that some Hon. Members opposite may be able to digest some brief comments that I will make in closing the debate in this Resolution.

I was reluctant to enter the debate again, Mr. Speaker, on the Inter-sessional Committee. I want to say at the outset though, that I concur with what I consider to be some very salient and worthwhile observations made by my colleagues from Redberry (Mr. Michayluk) and Turtleford (Mr. Wooff). It doesn't take a lawyer long to take a look very briefly and determine that The Election Act as it is presently constituted is a source of great aggravation for most of the Members of the Legislature and for the people of the Province of Saskatchewan. However, Mr. Speaker, a deep sense of disappointment and frustration has

prompted me to enter into the debate at the close and to make the remarks that I am now going to. I could find no better words than disappointed and frustration, after having heard the Government spokesman who officially rose to speak and those like the Hon. Treasurer (Mr. Steuart) who didn't officially rise to speak, taking part in the debate on this Resolution.

If I might, the Minister of Mineral Resources (Mr. Cameron), regrettably, Mr. Speaker, is to my mind the prime example of the type of conduct when he entered this debate that causes public dislike and disillusionment with politicians. We have here, Mr. Speaker, a Resolution that simply asks the Members of this House to say if they feel that a revision of The Election Act is a good thing, and if so, does an Inter-sessional Committee of this House meet the requirements. That's the simple question. All one had to do was to announce the reasons for or the reasons against the Resolution as put before this House. And notwithstanding my pleadings, the Minister of Mineral Resources (Mr. Cameron) waded into the debate with yet another review of the past. His answer to this Resolution was to dredge up things that the CCF did or didn't do when they were the Government. Again, Mr. Minister, the young Members on this side of the House are not further interested in the events before 1964. It may come as a shock to the Hon. Minister of Mineral Resources and to the Front Bench, but some of us entered politics because we wanted a chance to discuss and debate the problems of 1968 not 1964.

Some Hon. Members: Hear, hear!

Mr. Romanow: It may surprise the Hon. Minister and his Government that the world has changed since 1964 and before and rather rapidly too, Mr. Minister. I am afraid that you and your Front Bench colleagues have been left behind by the change of times.

Some Hon. Members: Hear, hear!

Mr. Romanow: Now because of these changes, not only technological and social, it is only logical that from time to time Legislators are going to have to review the questions as they relate to the determination of an election. Thus the proposal put forward by this Resolution, and that is, unless we are so old of spirit that change can no longer be heard or felt, the people of Saskatchewan are asking this Legislature to make some positive, clear-cut stand on the question of clarifying The Election Act. What interest is it, Mr. Speaker, I ask the Hon. Members opposite, to tell us about 1944 and 1951, 1964, every year but 1968 and what are we going to do about the future? What enlightenment, Mr. Speaker, do the Members get who come here, believing that Parliament is a worthwhile institution where ideas and problems of today can be discussed, where can we exchange views honestly and freely without the continual harping and reminders to me and my colleagues of the action of the government of yesteryear. Again I say to the Minister and his Government that you are now the Government, so govern.

March 28, 1968

Some Hon. Members: Hear, hear!

Mr. Romanow: At the same time, Mr. Speaker, not only did the Minister of Mineral Resources (Mr. Cameron) fail to comment on the Resolution. He said something that I thought was particularly ominous. Throughout his comments he repeated the fact that when he was in Opposition his views weren't listened to. I have been sitting here now for some six weeks and I can tell why they weren't listened to. But, Mr. Speaker, I am not here to decide whether or not the Minister's statements were accepted or listened to when he was in Opposition. The important thing here, Mr. Speaker, is that the Minister's statement is an implication that Members on this side of this House, because we have something to offer in Opposition will not now be listened to because he wasn't listened to when he was in Opposition. Furthermore, Mr. Speaker, the Minister has enunciated what I interpret to be a policy of retribution, in addition to a policy that there is some sort of equity in partisanship, the gamesmanship of elections that this Government practises on the people of Saskatchewan.

Some Hon. Members: Hear, hear!

Mr. Romanow: If you want to put it in simple and plain language even for the Minister, what he is saying is this, because you didn't listen to me we're not going to listen or respect your views. It is a recurring theme that Members opposite are telling the young Members and those on this side of the House in this debate and other debates that crop up from time to time. Well, I am going to say this, Mr. Speaker, to the Treasurer and to the Minister and you may not like it

but we on this side are going to criticize you when we feel necessary. We'll continue to remind you that you're the Government despite the fact that you are trying to forget. We are also going to present resolutions such as the Election Reform Resolution before this House now for the honest consideration of Members who want to take part in honest and legitimate debate on the problems of today.

Mr. Speaker, I can only say that the back benchers and the newcomers opposite must be also frustrated and disappointed with their leaders who are continually refusing to come to grips with today's problems.

Mr. Speaker, I wonder if I may call it 12:30.

The Assembly recessed until 2:30 o'clock p.m.

WELCOME TO STUDENTS

Hon. W.S. Lloyd (Leader of the Opposition): Mr. Speaker, in rising, I haven't had a chance to see who the groups are but I want to assure them on behalf of the Legislature, through you, Sir, that they are very welcome. We hope they have a very fine day here, and that they have had a

fine number of hours before coming here and we wish them a good trip home.

Some Hon. Members: Hear, hear!

Hon. G.B. Grant (Regina South): In the east gallery we have a group of grade eight students from the Massey school in the Regina South constituency under the direction of Mr. Nichol. This is the second class from this school this week and I want to welcome them on your behalf and the Hon. Members'. I know they have enjoyed themselves so far, and I trust their visit to this portion of the session will be informative and educational.

Some Hon. Members: Hear, hear!

Hon. C.L.B. Estey (Saskatoon Nutana Centre): Mr. Deputy Speaker, we have with us today students from Brevoort Park school in Saskatoon, who are here with their teacher, Mr. Carlson. I am sure we all thank Mr. Carlson for giving these students the opportunity to be with us today. We wish these students well in their studies in the future.

Some Hon. Members: Hear, hear!

Mr. W. McIvor (Arm River): Mr. Speaker, I have a group of students here in the Speaker's gallery from Loreburn. There are 20 in all in the group and they are accompanied by their teacher, Mr. Anderson. He formerly brought a group of grade seven students in; this is a group of grade eights, I understand. I am sure all Members will join with me in extending them a very warm welcome to the Legislature of our Province and we wish them a safe journey home.

Some Hon. Members: Hear, hear!

The Assembly resumed the interrupted debate on the proposed motion by Mr. Romanow, Resolution No. 5.

Mr. Romanow: Mr. Speaker, before recess I was making a point that the Opposition will not relinquish its duty to the people of Saskatchewan to discuss the major issues of the day such as this one that is before the House on The Election Act.

I wanted to make some brief reference also to some of the remarks by my very good friend, the Hon. Treasurer (Mr. Steuart), whom I can only describe as one of the best silent arguers that the House has. That is to say, he speaks primarily from his favorite position, that is when he is seated. In this debate, his main contribution was repeatedly jabbing with the comment, "Get a good lawyer." Over and over again he jibed Members on this side when we discussed the merits of a Select Committee on The Election Act, that we should get a good lawyer. I feel that my colleague from Regina Centre (Mr. Blakeney) summed up the views

March 28, 1968

of the Government when he said, and I think it is exemplified by the Treasurer's (Mr. Steuart) comments, that they view elections as merely a matter of playing games. To them, Sir, as my colleague from Redberry (Mr. Michayluk) pointed out, you determine the true wishes of the people of Saskatchewan at election time in cases of crisis by 'getting a good lawyer.' Forget about the citizen's inherent democratic rights to be heard, simply get a lawyer. I say that view is disappointing and it seems to run against the basic grain of democracy.

Some Hon. Members: Hear, hear!

Mr. Romanow: Now, the Hon. Attorney General (Mr. Heald)

I am sorry he is not in his chair

receives our sympathy, because amidst all of the confusion that reigns on the Front Benches opposite, he did attempt to grapple with the merits of the Resolution. Firstly the Hon. Attorney General argued that it is not good to get too involved with inter-sessional committees. I feel, to be fair to him, that there is some merit to the argument that Government has the duty to bring in legislation and ultimately be judged on it by the people of Saskatchewan. However, Mr. Speaker, it is my contention that The Election Act is not an ordinary piece of legislation. It is very special legislation and a very special Act. Not only does it determine the rights of the individuals here, it also determines the rights, if you will, the rules of the game, for all of the people of Saskatchewan. Now, when I say all of the people of Saskatchewan, I am also referring to those men or women of the Province of Saskatchewan who belong to other political parties not here represented. For example what do you do with Mr. Martin Pederson, who is the Leader of the Conservative Party in Saskatchewan, and who represents legitimate views of hundreds of Conservative members of the Province of Saskatchewan? Members know there is a Social Credit party as well. Now these people represent legitimate views of many citizens. I disagree with their views. They're not represented here in the Saskatchewan Legislature. However, by virtue of the fact that they are taking part in positive deliberation, debate and participation in elections, by virtue of the fact that they are citizens, by virtue of the fact they have democratic rights, it's only proper that they, too, should be allowed to express their views in the present shaping of the new Election Act. Accordingly only an Inter-sessional Committee will incorporate, at least will listen to the Members of the Opposition parties' views, no matter how much we may differ with those views ideologically. However, on the Attorney General's (Mr. Heald) argument they will not now have a voice in the determination of the rules of the election game, I feel this is inequitous. It's unfair, and again, Mr. Speaker, undemocratic. They too must be heard.

Secondly, I would submit the contention of the Leader of the Opposition (Mr. Lloyd), is valid. Committee work is an important aspect of the Legislature. I feel that many back benchers on both sides of the House would be able to occupy their times profitably taking an active interest in the work of this,

and hopefully, in many other areas. Good committees. If a Select Committee is taken away from the impassioned tempers of Legislature debates, I feel that Members can work together in harmonious circumstances. I disagree with the Hon. Attorney General (Mr. Heald). This is not simply a housekeeping Act. It is an Act that deals with our most fundamental, basic, democratic rights and time through an Inter-sessional Committee is needed for the careful consideration of these basic democratic rights. Accordingly, only an Inter-sessional Committee on The Election Act can do the job.

Now, Mr. Speaker, thirdly, I am fearful that many of the public now hold cynical views about Saskatchewan's politicians, about politicians in general. I feel that there is a feeling in the country that only one side of the argument, that only one political party is going to determine the electoral future fate with respect to Members and the composition of the future Legislatures. And I say this that if the Liberal Government opposite votes against this Resolution, it then leaves itself open to the accusation that it wants to keep the operation of the electoral machinery in their private domain. The maxim is that not only must justice be done but be seen to be done. Sir, as much as I would want to accept the assurances of the Hon. Attorney General, it too must be done. I repeat again to all Members let's all pitch in together in a non-partisan way to show all Saskatchewan that democracy is above politics. I know some of the people opposite don't know the meaning of the word non-partisan, and its rules will no longer be determined in the back rooms.

May I summarize my arguments in support of this Resolution. We need an Inter-sessional Committee now to approach the revision of The Election Act in a non-partisan manner. I've talked about the specific areas of concern as being remedial, judicial review, and the fact that the Act must be gone over and examined with a fine-tooth comb. I feel that all parties and as many people as are interested should be given the opportunity to be heard. I have also presented the argument, Mr. Speaker, that a committee of this nature may very well be the very beginning of a permanent structure that will benefit the Legislature and the workings of democracy in Saskatchewan. And now, Mr. Speaker, I am going to rest on that and appeal to all the Members and their sense of fair play and to support this Resolution.

Some Hon. Members: Hear, hear!

Motion negatived on the following recorded division:

YEAS
24

Lloyd	Meakes	Brockelbank
Wooff	Berezowsky	Baker
Kramer	Romanow	Pepper
Willis	Smishek	Bowerman
Wood	Thibault	Matsalla
Blakeney	Whelan	Messer

Davies
Dewhurst

Snyder
Michayluk

Kwasnica
Kowalchuk

NAYS
31

Thatcher
Howes
McFarlane
Cameron
Steuart
Heald
McIsaac
Guy
Loken
MacDougall
Weatherald

Coderre
Bjarnason
MacDonald
Estey
Hooker
Gallagher
MacLennan
Breker
Leith
Radloff

Mitchell
Larochelle
Gardner
Coupland
McPherson
Charlebois
Forsyth
McIvor
Schmeiser
Grant

RESOLUTION NO. 7
CREATION OF A CONSUMERS' AGENCY

The Assembly resumed the adjourned debate on the proposed Resolution by Mr. W.G. Davies (Moose Jaw South):

That this Assembly, recognizing an urgent public need, recommend to the consideration of the Government of Saskatchewan, the creation of a consumers' agency that would vigorously undertake the development of a broad and effective program of consumer protection, education and information; an agency which would also make every effort to work closely with the appropriate branch or department of the Government of Canada.

Mr. R. Romanow (Saskatoon Riversdale): Mr. Speaker, there is another very important topic that I feel the residents of Saskatchewan have been looking to the Government for leadership on and that is the question of consumer protection. I rise in this debate only to sound what I feel may be a rather dangerous feeling emanating from the Government opposite and that is, that I believe that there is a legitimate fear that this Government might not be acting with the degree of precision and decisiveness that is being asked of it now, as a result of the Report on the Royal Commission on Consumer Problems and Inflation, and as a result of the very many legitimate demands of the citizens of Saskatchewan.

I am concerned about the Government's motives and intentions about consumer protection in this area for the following reasons. Firstly, Premier Thatcher was asked a question several days ago in this Legislature by my colleague from Moose Jaw South (Mr. Davies). In reply the Hon. Premier referred to the recommendations by Judge Batten as being, "nebulous." Now to me, this is a danger sign that the Government may be perhaps softening up on its approach, or at least being somewhat derelict in its concern

for the consumers and for the very serious recommendations that have been found and set out by Judge Batten in her report. I assume that the Hon. Premier (Mr. Thatcher), being the Leader of the Government of Saskatchewan, must necessarily pick and choose his words very carefully. It is after all the nature of government that Members of the Legislature and the people of Saskatchewan as well as Members of the press gallery will be looking very carefully to what Government spokesmen say on vital topics of the day. And more so, of course, in the case of the Hon. Premier. Now, when the Premier says that the recommendations are nebulous, what I am really asking and why I am speaking on this Resolution is: does this Government now issue a warning to the residents of Saskatchewan that the recommendations of Her Honour, Judge Batten are really not precise or clear enough and as a result the Royal Commission and its recommendations will be pigeon-holed. For my part, I feel the recommendations are clear and precise in a number of areas, and I regret very much the use of the word nebulous by the Hon. Premier. I would hope that at the earliest opportunity he will clarify whether or not his Government intends to take positive immediate action on the recommendations, or will he view these recommendations as being imprecise and imperfect?

Secondly, Mr. Speaker, I am concerned about the attitude and the motives of this Government on consumer protection, because when I look and I analyze the action that it has carried out to date, I find that there has been regrettably an almost total lack of immediate attention to getting the machinery instituted, so that the recommendations of the Batten Report may be implemented. Now those Members who have had the opportunity of perusing the recommendations will obviously come to the conclusion that there will be required a certain degree of machinery implemented and set up now by the Government. To some extent the recommendations of the Batten Report will need further study. Officials in the appropriate departments of Government will presumably have to be making reports from time to time, looking into such matters as labelling, packaging and the like and the numerous aspects that Judge Batten has talked about. Well, Mr. Speaker, it is going to take a considerable length of time for the Government to get this machinery instituted. It is going to take some considerable time for the machinery to set out its modus operandi, get the personnel it's going to have to obtain in order to look carefully and completely into this problem of the specific recommendations made by Her Honour. To date, regrettably, we do not have any such indication that the Government is either going to set up a consumer branch within one of the departments of Government, that it is going to set up a special committee of the Cabinet, or some such other agency with a view to getting this machinery implemented. I am going to say a word or two about the additional importance of getting this machinery set up now in order to deal with the consumer problems that are before the people of Saskatchewan at this time.

Thirdly, I am concerned about the Government's motivation and intentions with respect to the Report and this Resolution. It is an extension, Mr. Speaker, of the second observation I have

March 28, 1968

made, that is to say there has been no move or no action from Members opposite to start doing something on this Report. That third observation is that immediately after the Report was tabled I grant that for the Hon. Premier and the Members of the Front Bench, now that the Legislature is in session, it is difficult perhaps for them to take time off the person that went to Ottawa to discuss the matter of consumer problems with the Registrar General and the Minister in charge of Consumer Affairs, was the Commissioner, Judge Batten. I don't quarrel with the necessity or with the value of Judge Batten's communication there, but I feel that it would have been a positive show of strength and assurance for the consumers of Saskatchewan, if the Premier or the Hon. Attorney General (Mr. Heald) or some such other committee perhaps, as the extension of the second observation that I've made, had taken the time out to also go and to make their views clearly known to the Registrar and the Consumer Affairs Minister.

It's unfortunate that many of the electorates of Saskatchewan and many people throughout Canada perhaps don't really understand the sometimes very tremendous, positive value of Royal Commissions. The Royal Commission on Consumer Affairs by Judge Batten, I feel, is really a very good piece of work on consumer legislation and protection. In order to highlight and to emphasize the importance of Royal Commissions recommendations, it appeared to me that the logical step by the Hon. Premier and his Government would have been to fortify and to buttress the recommendations and the submissions contained therein by having made some very personal, positive representations in the form of a formal brief to the Federal Government.

Because of these three things and other comments from time to time, I am concerned about this Government's true motives in protecting the consumer. Now a committee of Government or a branch of the Government to work out the implementation of recommendations, I briefly alluded to, and as I have said would be important, because it would show to the people of Saskatchewan that the province's Government is taking immediate, positive steps. But I feel also that there would have been two additional values, two additional merits for some announcement by the Government that it was going to act immediately, and I mean more than just that announcement act by way of appointment of a committee, two other values if it had so chosen to act.

Now firstly, I feel that such a committee or a consumer agency of the department or any given department, perhaps even a special Corporate and Consumer Affairs Department of Saskatchewan, would have been the first step in taking a positive step for guaranteeing and protecting the inequities that the consumer has to face now. That is to say, that very shortly the Premier could have got his machinery into operation and I am sure he would have now without having to wait for the Prairie Economic Council, without having to wait for the actions of the Premier of Alberta, and the Premier of Manitoba, without have to wait for any of the actions and decisions of these Premiers, he could have now moved to remove some of the problems in the field as they present

themselves to Saskatchewan. After all what could happen and the Premier and his Government haven't made this very clear yet what would happen if one of the Premiers decided to balk, or decided to reject the recommendations of Judge Batten? What then? Where does this Government go on the path of consumer protection at that point? Will we then be faced with the argument, as Legislators, that now it is impossible to do anything because one or more of the Premiers of the Prairie Economic Council has balked on one or more of the recommendations of Judge Batten? This is the type again of positive action, Mr. Speaker, that would have alleviated the legitimate fears that I have and I know many of the people of Saskatchewan have in this area.

Secondly, I feel that some announcement of a committee or a corporate department would have been beneficial because it would have been the beginning of this liaison that the Hon. Premier has talked about. The Premier mentioned in reply to questions from my colleague from Moose Jaw South (Mr. Davies), that the Prairie Council would be meeting to discuss this matter. And I dare say that before you go and meet with a Prairie Economic Council this Government is going to have to make sure that it knows exactly what recommendations it's going to accept or reject. This Government is going to have to go to the Prairie Economic Council, whenever and if it does meet, with positive proposals as to how it views the recommendations should be dealt with and what areas they should be moving in. This requires this committee or this department to start now, and to start some planning now, so that there may be some formal liaison, some formal contact with the Prairie Provinces. I accept, and I want to say this quite personally, the Premier's assurances that there have been verbal communications made to the Premiers of the other Provinces. But I feel that it would have been a lot better to re-enforce public confidence in the Government of Saskatchewan of the day to show that this Government really has concern for the consumers, if the Premier had made some announcement that as an immediate step it was going to set up a department say of corporate affairs or consumer agency of department of Government to look into and approach the Prairie Provinces immediately and forthwith. He has at his disposal very many able civil servants. Right now there should be submissions being prepared and ready for the Prairie Council, submissions that Members on this side of the House and elsewhere should be reviewing with a view to giving a positive contribution and comments thereto.

Mr. Speaker, I want to say this again that the people of Saskatchewan want a show of action on behalf of this Government for the protection of the consumers of the Province of Saskatchewan. May I say that there are some very real specific recommendations that may be acted on right now by the Government and the Premier. I am not going to deal with these recommendations at length. They are set out for Hon. Members to read and peruse. I think the best example starts at page 431 and on, as one good example of the recommendations of Judge Batten. This is Chapter 14, Mr. Speaker, and it deals with labelling, packaging, promotions and innovations. I want to draw to the attention of the Premier and his Government two recommendations that I don't view

March 28, 1968

especially as being nebulous, that I view as being specific. Page 302, the recommendation is as follows, Mr. Speaker:

This Commission further recommends that the governments of the three Prairie provinces enact legislation to require that the grading standards of all products sold by grade be prominently displayed in the stores of all retail sellers of groceries and grocery products.

That to me is a specific recommendation, one that the Government could have indicated some action and some implementation thereof. Another one says this:

This Commission recommends that the governments of the three Prairie provinces legislate to require that cents-off deals be so marked as to show the average price of the previous month (except where the product is new) and the price from which the discount is being taken. Furthermore, it should be required in order to ensure that these are genuine discounts, that these deals would not be offered to the trade for more than two months and not reappear for at least three months after the preceding offer.

These are not nebulous recommendations; these are firm and precise recommendations, enunciated in a clear and forthright straight manner by the Commissioner. I think this is an area now that the Government could be moving to right now. Mr. Speaker, the Batten Commission Report documents well the need for a consumer agency of Government. To put it bluntly, although I don't do much of the shopping in my household, the world of the consumer is really a jungle in the supermarket. Discounts, packaging, grading, advertising, promotions, gimmicks, myriad of prices and deductions that confront the average housewife are something that is beyond comprehension. To me it is unfair, it is not giving the proper protection for the people when they have to be faced with a myriad of problems such as these, walking in to do what should be the everyday chore of buying essential goods. We've got to look into the question of packaging. We've got to make sure that really what the person is buying is contained in the product so purchased, that that person isn't being fooled or hoaxed by gimmicks or by such other advertising and promotional efforts.

Packaging is an obvious area of concern, Mr. Speaker. The Batten Commission Report talks about it being often misleading. The Report talks about labelling falling below the needs of the consumer. I have made some comments about advertising and I want to make it clear that I am not against advertising, but as it now exists in the consumer field, Mr. Speaker, Judge Batten says that very often it is not comprehensive and it is not fair. Grading, I have also read the specific recommendation to the Members of the House and to the Government on this particular area. These are specific recommendations. Mr. Speaker, may I say this, that the Batten Commission was about a year in assessing this information that is tabled before the House. It heard witnesses. It received briefs and submissions from hundreds of interested

citizens. It moved only after there was a considerable amount of agitation, a considerable amount of pleading by Members on this side of the House, that the Government of the Province of Saskatchewan move and move now for the solution of consumer problems. So that when we are discussing this Resolution for a consumer agency, when we are discussing the need for the Government to take positive action, we are not talking about something that has only cropped up by virtue of the tabling of the Report. We are talking about something that has existed for years and for months before the Report, and it existed all the time that we are debating this Resolution, and unless this Government acts now, it will be existing for quite some time to come. It is no longer good enough for the Province of Saskatchewan to have an indifferent attitude in this regard.

What does this Resolution say, Mr. Speaker? It is a straightforward, simple Resolution that says, as I interpret it, this: We the Government of Saskatchewan and the Legislators are giving you the people of Saskatchewan early assurance that we are going to do something with teeth and positive strength to enforce those recommendations that can be enforced now for the good of the people of Saskatchewan. All it says that we want to open up the educational aspects of consumer protection. All it says is that it may take a year to get the consumer agency set up, or more, but at least our intentions and our motives are in the best places in this regard and no longer can we wait.

Mr. Speaker, I took part in this debate because I feel that this Government has thus far, despite the pleadings of the Members of this side, been either indifferent or unable to come up with the type of decisive action that Mrs. Housewife of Saskatchewan wants. I don't want and I don't think the Members of this House want to have the matter rest, after we have adjourned in two or three weeks or whenever, to have the matter rest with simple assurances that it will be discussed before a Prairie Economic Council. I thank the Premier for those assurances. My plea is simply this, lest this Government not be accused that it is not acting in the best interest of the consumer, lest this Government not be accused that it is turning a deaf ear to the plight of the average consumer and the citizens of the Province of Saskatchewan, for whatever reasons that the Premier and his Government must act and accept a Resolution such as the one that has been tabled and submitted to this House by my colleague from Moose Jaw South (Mr. Davies). Needless to say, Mr. Speaker, I will be supporting this very important Resolution.

Hon. D.V. Heald (Attorney General): Mr. Speaker, there are a few comments that I would like to make in connection with this Resolution. First of all I should tell all Hon. Members that consumer protection is a field in which I have always taken a keen interest, and I think my record of legislation in this House over the past four years is evidence of that interest and evidence of concrete action as a result of that interest.

Mr. Speaker, I used words similar to the words that I have

March 28, 1968

just used two years ago, and I think that they have more relevance today than they had at that time. I am not going here to comment upon all the legislation which has been enacted in this House in the last four years that directly gives protection to the consuming public of Saskatchewan. Nor do I intend to comment respecting other programs that have been established in this area. The culmination of the concern of this Administration, Mr. Speaker, was shown in the establishment of the Batten Royal Commission or as its title properly reads, Prairie Province Cost Study Commission. The Report of that Commission has been tabled in this House and its contents are well known. I am sure that you will all agree that the Commission has thoroughly investigated the matters designated within the terms of reference.

I am particularly pleased that this Commission was struck by the three Prairie Provinces and not by a single Province alone, in that problems and concerns in this area of consumer affairs are not localized or isolated, but cross provincial and even national boundaries. Remedies, therefore, have to be effected in many areas on the same basis.

Mr. Speaker, two years ago I said in this House that the Budget and staff of the Department of the Provincial Secretary would be increased to make possible the carrying out of new programs in regard to consumer affairs that were established or were going to be established. That increase in staff and funds was forthcoming and I for one am proud of the programs that are now being carried out and the manner in which they are being carried out in that Department. Generally these programs are regulatory in nature, consisting of supervision and investigation into activities that fall within the purview of consumer protection legislation.

The changes in business practice and the increase in business activity in the last 10 years require changes in legislation to keep abreast with the times. This change of legislation has been notwithstanding what the Member for Saskatoon Riversdale (Mr. Romanow) said, that Saskatchewan is recognized as being in the forefront of all of the Provinces in Canada in this regard. And if he doesn't believe me I ask him or I suggest to him, that when he goes back to Saskatoon he talk to the ladies in the Saskatchewan section of the Canadian Association of Consumers and ask them who has done more for the consuming public in Saskatchewan this Government in four years or the party that he supports did in 20 years. Just ask them.

Some Hon. Members: Hear, hear!

Mr. Heald: Mr. Speaker, the necessity to provide protection to consumers is a continuing one, and it is the intention of this Government to treat it as such. This Government will continue to be receptive to representations and suggestions that will provide legitimate measures of protection to consumers and the Government will continue to formulate and implement programs in

this regard from within. The overall program of the Government in the area of consumer affairs has of necessity consisted of regulatory measures set out in legislation passed in this House. The Government now recognizes that other programs should be adopted to supplement the legislation in the Statute Books. I agree that programs aimed at providing information and the rendering of assistance to private organizations in the community should be undertaken and I assure the Members of this House that they will be undertaken.

Mr. Speaker, the Resolution under consideration recommends to the consideration of the Government the creation of a consumer agency, an agency that would vigorously undertake the development of a broad and effective program of consumer protection, education and information, an agency that would work closely with the appropriate branch or department of the Government of Canada.

Mr. Speaker, I am in agreement at this time with the Resolution under consideration, with the exception of that portion which suggests the creation of an agency to carry out the Government programs. As I have said, all of the present Government programs with respect to consumer affairs are the responsibility of the Department of the Provincial Secretary. The staff and other resources of that Department are geared for this activity. They have established procedures and processes and have knowledge of individuals and companies in the field which is under consideration here. The creation of a new agency or commission or department at this time would, I suggest, result in a dislocation of the programs of the Government. A new agency or commission at this time would involve cost in terms of dollars and time and effort, which would all temporarily disrupt the program as it is now being conducted. Mr. Speaker, the Royal Commission established to conduct the investigation into consumer affairs was a Three Province project. The areas inquired into and solutions recommended had common reference in the three Provinces and not to only one of the Provinces. One of the Commission's recommendations was in fact the establishment of a "Consumer-oriented Government Agency" to concern itself with problems of the consumers.

Mr. Speaker, I suggest that it would not be in keeping with our present approach in this area to embark upon the establishment of an agency for consumer affairs without consultation with the Governments of the provinces of Alberta and Manitoba, and determining upon the basis of mutual study whether existing departments might be better equipped or more suitable to carry on the program of consumer affairs. Discussions of this kind, I feel very strongly, will avoid hasty measures, may reveal more practical alternatives, or may lead to joint policies in which practical alternatives, or may lead to joint policies in which two or three of the Provinces may participate. In other words, Mr. Speaker, what I am saying is that the establishment of a department or agency or commission to undertake a program of consumer protection is premature at this time. I said premature, Mr. Speaker, not undesirable. Now I know that there will be some elements outside the province and perhaps in the province and perhaps even in this House, who may be opposed to establishment

March 28, 1968

of any type of governmental authority on the grounds of excessive government interference. To those I would say that government involvement where public opinion expects such participation, is not only legitimate, it is the duty of those administering the affairs of the Province to accept that responsibility and we do accept that responsibility.

I said that the establishment of an agency at this time is premature. The vehicle by which the Government program is carried out must not occupy time and attention at the expense of the program itself. Now that would be a grandstand effort, I suggest, Mr. Speaker. The Member for Saskatoon Riversdale (Mr. Romanow) said, "Why didn't the Premier go to Ottawa instead of Judge Batten? Why didn't the Attorney General go to Ottawa instead of Judge Batten?" That, Mr. Speaker, would have been a grandstand play. Consultations took place between the Registrar General and Members of this Government, and it was decided that at this point in time when the Report had just been tabled, that the logical person to discuss the details of the representation was Judge Batten. Now, of course, there are going to be consultations between the Registrar General and the various Ministers in the various provinces. There are going to be officials' discussions. As a matter of fact the Registrar General's Deputy Minister was in my office yesterday morning and we had a very wholesome discussion about this matter. But the fact remains that for the Premier or myself or any Member of the Government to jump on a plane and fly off to Ottawa right after the Report was tabled and was released to the public, would not have effectively enhanced any consumer protection program in the Province of Saskatchewan or anywhere else in this country.

My position is, Mr. Speaker, that the more important aspect of the matter of providing protection to consumers lies in the area of expanding our present program and establishing lines of communication with the other Provinces in this area. The vehicle or means by which this is done is not significant I suggest, if the desired results are forthcoming from the program. It's results that we want, not whether we have a consumer protection or a consumer affairs agency or whether it is handled in the Department of the Provincial Secretary. The means or the vehicle is not important. It is the results that are important.

Mr. Speaker, this Government has been in power for four years. As I have said, the program of consumer protection already established consists for the most part of the enactment of new and in some cases the revision of existing legislation. I say that it is now time, and I am about to have my officials do this, to determine the responsibility of government in all areas of consumer protection and I use the term consumer protection in its broadest sense. For example, would it be advisable to integrate areas now being separately administered such as securities, under The Securities Act, into the Consumer Affairs Program? That would be one example of some of the considerations that we have to look at. Now it is also the intention of the Government to maintain lines of communication with the other two Prairie Provinces

and the other Provinces of Canada with respect to developments in these Provinces. Co-operation and liaison with the Government of Canada will also be maintained and extended and improved I hope.

Mr. Speaker, I cannot support this Resolution as it now reads. The creation of an agency or a commission or department is not in my view as important as compared to the programs of consumer protection. The program is the thing, not the vehicle. The important aspect of the matter is policy with respect to a furtherance and expansion of the program that we presently have rather than creating a separate body to carry out that function.

Mr. Speaker, there are practical considerations involved as well. The legislation in force would require extensive change in order to transfer administrative organization to any new agency. The change in legislation required for this purpose alone could not possibly be presented to this House during the present session in view of the late date. Mr. Speaker, because I feel that an extension and furtherance of programs of consumers' protection takes precedence over a new separate vehicle for these programs, and because I feel that the present resources of the Department of the Provincial Secretary can adequately function in this regard, and because of the obvious practical difficulty which would present itself in the creation of a new agency for consumer affairs at this time, I would like to propose an amendment to the Resolution which I will now read:

That all the words after the word "Assembly" be deleted and the following be substituted therefor:

"commend the Government for the policies that it has formulated and carried out with respect to the matter of consumer protection in Saskatchewan, and recommend to the consideration of the Government an expansion to its program in this regard in cooperation with the Governments of other provinces in Canada and the Government of Canada."

Hon. W.S. Lloyd (Leader of the Opposition): Mr. Speaker, before we proceed with the general debate on the Motion, may I say a word about the amendment as such. I suppose that the amendment was rather predictable in a way, but it is necessary I think that attention be drawn to what the amendment does. It cancels out the important part of the main Resolution. The important part of the main Resolution was that what is needed in Saskatchewan in order that government may do the job on behalf of the consumers is an agency. This would be an agency which was specially designed and specially directed to work on behalf of the consumer. The problem has been well described as a very large one. It is the opinion of those on this side of the House that it merits an agency whose function is to work in that particular field. The Attorney General (Mr. Heald) has argued that the program is more important than the vehicle. One can't disagree with that, except if you don't have a vehicle you don't get any place very far these days.

March 28, 1968

This is a problem which is looming larger and larger and does require in our opinion a vehicle of its own, designed for this purpose. The amendment, unfortunately, makes it impossible for the people of the province to acquire such a vehicle. We will grant the Attorney General the right to glow in feelings of self-satisfaction with respect to a number of consumer problems. In a number of ways these have been most admirable indeed. The point is that we are sorry to see him stop quite so soon. We are sorry to see the limitations which even his rather acceptable speech, I think, will impose. I have heard really not enough to convince me that the proposal that he has outlined will recognize the conditions which are presented in the Resolution. There is, Mr. Speaker, an urgent public need for this vehicle which will undertake the development of a broad and effective program of consumer protection, education and information. I simply don't have confidence that this will be done under the terms which the Attorney General has outlined and therefore, I speak in opposition to the amendment in favor of the original motion.

Some Hon. Members: Hear, hear!

Amendment agreed to.

Debate continued on the motion as amended.

Mr. W.G. Davies (Moose Jaw South): Mr. Speaker, I will as far as I can in my closing remarks say something only about the remarks of the Attorney General (Mr. Heald). First of all may I say that while I disagree very much with much of what he had to say this afternoon, what he had to say about many matters was at least in a considerably more positive vein than what we heard from the Premier in this House and to that extent I think that some credit is coming to him.

He has made his main defence here in this way: that some programs are now in existence and that it would be premature to establish a vehicle for further consumer action in this province; that in any case there should be some further consultation with the Premiers of the three Prairie Provinces before any action is taken. Now, with respect first to the latter, Mr. Speaker. It is quite apparent from the content of the Resolution that I have moved that nothing whatsoever forbids the consultation of the Premiers of the three Prairie Provinces before action is taken. Indeed, the Resolution asks for consideration. It does not even ask that that consideration be immediate, so I suggest the objection that has been posed by the Attorney General rests upon a very shallow foundation. There is no reason why this consultation cannot take place, and following that the Government determine what it can do with respect to the consumer agency. I think, more to the point, though, is why there has not been something in the way of consultation during the past month since this Report has come down. I listened the other night to one of the Federal leadership candidates on television, Mr. MacEachen. He was being asked about this whole matter of consumer agencies and the

position of the Premiers of the three Prairie Provinces. He reiterated what we had already heard from Consumer Affairs Turner, that the Government had not heard from the Premiers. He indicated that he and the Federal Government were most anxious and willing to help and hear from the Premiers. He said that they must at least have some indication from the Governments as to whether they want to co-operate with them. Other Members of the Federal Government have indicated that they don't on a question of protocol want to walk into the Province of Saskatchewan or the legislative offices of the two neighboring Prairie Provinces and thrust their offers of assistance upon the Government.

Well, I think, it is very apparent, Mr. Speaker, that the last 28 days and the remarks of some of the Government leaders opposite are an indictment, and show the Government's lack of interest and perhaps hostility to proceeding with action to set up machinery that would really get something done in the field of consumer affairs.

All the evidence is that the Government has done absolutely nothing except to display apart from the remarks of the Attorney General this afternoon, a thinly disguised criticism and disregard to the Batten Report and the consumer himself. It shows also that the action of the Government, in setting up the Commission last year, was a device to escape the demands for action via the Royal Commission route until after the Provincial election was over in this province.

The Attorney General (Mr. Heald) has said that he and the Government have always had an interest. Well, we need more than an interest at this time. We need something that will provide that what he says is not necessary, and that is the vehicle or the machinery to do the job. I want to point out that this is made quite clear in the Report of the Batten Commission. On page 361, the Commission first of all points out that the existence of the Federal Department of Consumer and Corporate Affairs will not meet the needs of consumers which fall under Provincial jurisdiction or are provincial or local in the nature of the problem or the opportunity for solution. They go on to say that equally apparent to this Commission is the fact that the Federal Department will not sufficiently meet consumer problems to enable the Provinces to avoid paying direct attention to them on a much more extended scale than at present. It therefore seems now to be necessary to create a section within the Provincial Government whose sole responsibility is to advance the consumer interest. Later in the next paragraph the Commission goes on to say:

A separate section on consumer affairs in provincial governments is not a duplication of efforts for the same kind of reasons that the federal Department of Consumer and Corporate Affairs is not a duplication of other agencies. The extreme scatter of the consumer interest between departments at the federal level, shown in Chapter 16 . . .

March 28, 1968

I draw this to the attention of the Attorney General:

. . . is duplicated at provincial levels. This not only makes comprehensive approaches impossible but creates other problems as well. Consumer problems tend to become secondary to the main objectives of promoting the trade or industry with which the department is concerned.

I don't want to wear the House with a long recitation of other reasons given by the Batten Commission but the whole chapter is an elaboration of the idea that a single section or agency is absolutely indispensable in the carrying out of the recommendations that it makes.

The Attorney General (Mr. Heald) says that there is now some machinery that is coping with the rather limited framework of what he chooses to call consumer legislation. I won't argue with him on that, but he says that there would be a duplication and this is one of the reasons why a new agency would not be advisable. The Attorney General tells us that there would be a dislocation as a result of setting up consumer agencies and more costs and there would also be a disruption of the present program. Well, Mr. Speaker, I can only say that this is supreme nonsense. Why would there be a disruption? Why would there be a dislocation in existing programs should the Government proceed to consider the setting up of a single consumers' agency? As the agency is set up, the activities that the Attorney General has spoken about can easily be drawn into the framework of the consumer body, and there should be no need whatsoever for any dislocation or disconnection at any time at all.

I say again this is nothing but the kind of evasion that the House has seen in the setting up of a Commission and the disregard of the Government in carrying out its recommendations. Because remember again that we are not saying here this afternoon that the Government has to proceed next week to set up the agency that the Resolution calls for, I think we would like to see the earliest possible action at least to discuss these matters with the other Prairie Premiers and with the Federal Department of Consumer Affairs. But the Resolution does not call for that kind of summary and hasty action that would interfere with any existing program. The Attorney General (Mr. Heald) is well aware of that. Now, I have noted some other comments that he has made with respect to lauding the efforts of the present Liberal Government. I am prepared to give the Attorney General some degree of commendation for his own efforts particularly, but I don't think that he should say that more has been done in the last four years than in the previous 20, because again this is patently absurd. One has only to look at the legislation that consumers have benefited from in this province from 1944 to 1964; for health, for hospitalization, for labor and many other sections including the farming population of this province, to know that as I said before, it is simple nonsense.

The Attorney General says as another reason why nothing should be done is that costs are going to result. I have no

hesitation, Mr. Speaker, in saying certainly costs are going to have to be incurred to put a decent consumer program into being. I point this out; that the Batten Commission has told us that some \$20 million alone is being lost by this province yearly just in the amount that they are being overcharged in grocery items at supermarkets. That's just the overcharge and it only takes in a small range of items. We can afford to spend a fair amount of money, Mr. Speaker, to try and prevent this outright robbery and I think that's what it is of the citizens of Saskatchewan.

Mr. Thatcher: That's a lot of bunk.

Mr. Davies: Mr. Speaker, the Premier says this is a lot of bunk, and I suggest that in that comment resides his whole attitude to consumer legislation.

Some Hon. Members: Hear, hear!

Mr. Davies: Mr. Speaker, and Mr. Premier, it is not bunk, and I want to say this, that one of your colleagues that sat on your side of the House when you were in Opposition and who is now a judge is the chief author of the Report that you are now damning.

Mr. Thatcher: That's the silliest statement made this session.

Mr. Davies: I am prepared, Mr. Speaker, to discuss some of the reasonable comments that the Attorney General (Mr. Heald) has put before us this afternoon, but I again say that what the Premier has indicated now in his aside remarks and in the remarks that he has made on other occasions, shows his attitude to consumer legislation. And I am afraid that they indicate the kind of progress that we will expect to make on the recommendations of the Batten Commission. I say it is a shame.

The Attorney General said that some people are saying: why didn't the Premier or the Attorney General go to Ottawa? Well, my Resolution, Mr. Speaker, does not call for the Premier to go to Ottawa or the Attorney General to go to Ottawa, nor any other member of the Government to go to Ottawa to discuss matters with the Consumer Affairs Minister, nor for anyone else of his staff, because these people are ready and willing to come to Regina to discuss these questions. There was never any demand made on my part that the Premier go to Ottawa to see that a program be instantly launched. So there is no question about there being a need of any of the Ministers of the Government to go to Ottawa on this question.

Mr. Speaker, I regret the fact of the amendment that has been introduced by the Attorney General, it is as I have indicated, nothing more than an attempt to procrastinate and to sidestep the very reasonable and valid request that the Government

March 28, 1968

consider the establishment of an agency. I am afraid that the citizens of this province are also going to regret the introduction of that amendment when they come to read about it in the press and hear about it over other media.

Some Hon. Members: Hear, hear!

Motion as amended agreed to.

RESOLUTION NO. 10
AGRICULTURE MACHINERY TESTING PROGRAM

The Assembly resumed the adjourned debate on the proposed Resolution by Mr. J. Messer (Kelsey)

That this Assembly recommends to the consideration of the Government of Saskatchewan that the Agriculture Machinery Testing Program be reinstated and that the scope of the Agricultural Machinery Administration be extended so as to provide reports on all components of the agricultural production industry.

Mr. B.D. Gallagher (Yorkton): Mr. Speaker, I am only going to make a few comments on this motion. First of all I want to say that I am not of the opinion, Mr. Speaker, that no good ever came out of the money that was spent in the Agricultural Machinery Administration, the testing of farm machinery, but I do believe that to do a job, comparative testing, and all the other work that would need to be carried on under the Agriculture Machinery Administration, we would need to be spending at least ten times as much money as what we are spending. I think that if we were prepared to spend ten times as much money as we were spending, probably we could get much better results out of the AMA as it existed, but if we were to do this, Mr. Speaker, I think that the other Prairie Provinces would have to come in with us. The other Prairie Provinces to my knowledge never indicated any willingness to take part or contribute anything to the Agriculture Machinery Administration when it was in operation. More than anything, Mr. Speaker, I believe that the testing of farm machines is not going to be effective unless we have legislation in this Province that made it compulsory for every manufacturer of farm equipment, every manufacturer that put an implement on the market in Western Canada to have their machines tested before they could be put on the market. Now I don't think that we have reached that day when we are prepared to pass that kind of legislation. But if we are going to do testing of machines, the only way that it is going to be effective, and the only way it is going to protect the farmers who buy the machines is to force all implement manufacturers to have all their machines tested before they were put on the market.

Something that I want to remind Members of the Opposition today is the fact that the bulk of the money spent by farmers on farm machinery is spent on tractors and on combines. Practically no testing was done either on tractors or on combines, but at least two-thirds of the money I would imagine that is

spent in the field of agricultural machinery would be spent on tractors and combines. While the AMA was in operation one of the major implement companies, one of the ones that sells either the most or second most machinery in dollars in Saskatchewan or in Western Canada never allowed one of its implements to be tested. The fact remains that it still sold either the largest or the second largest volume of machinery in the province and in Western Canada. May I say before I go on any further on this that when the AMA was disbanded, that most of the services that were carried on by the AMA were transferred to the University, but another service can still be had through the Family Farm Improvement Branch of the Government. Not too long ago one of the civil servants of the Government made a call on me in Yorkton, asking whether or not I had any complaints about a certain distributor. He was making a call out in my constituency and made this particular call. It was a case where a farmer who had purchased an implement from Canadian Co-operative Implements Limited outside of the Province of Saskatchewan in the town of Roblin had a complaint, because the CCIL had decided to sell a different particular machine. It was a swather. The swather that the complaint was registered about was no longer being handled by CCIL or by the CCIL agency in Roblin. This individual wrote to the Department of Agriculture and it was referred to the person who was working with the Family Farm Improvement Branch. He went out to visit this farmer and also the dealership in Roblin, and the problem was cleared up. So, Mr. Speaker, the services of this nature are still available to anybody who wants to do it. I think that the University of Saskatchewan is doing a good job in the College of Engineering in testing many farm machines. I want to read just some of its activities, Mr. Speaker. For example they are in their research activities, testing fertilizer equipment. I want to say at this point, Mr. Speaker, that many, many machines that farmers spend a lot of dollars on besides tractors and combines were never tested under AMA, for example, fertilizer equipment, the conveying of fertilizer equipment and the spreading of fertilizer equipment, synthetic baler twine, grain drying. I believe some testing of grain dryers was done while the AMA was in operation. Seed distribution, now this is something I think, Mr. Speaker, that is very important. For example I bought a disk
incidentally I read the report that AMA had published on this particular disk before I bought the disk, and it was a rather good report as compared to some of the other disks, a disk which costs in the neighborhood of \$2,500
and as far as the report was concerned it was probably right to some extent, but I bought the disk not just for a tillage machine but for a seeding machine. Something they didn't tell me was that this particular disk scattered the seed. If you were going five inches deep with the disk, it scattered the seed all the way from the surface of the soil to five inches deep. I found after two years of operating this disk that my germination was only about 75 per cent as good as it should have been. Now this is something that the University of Saskatchewan has done some testing on,

The measurements of the vertical distribution of seed

March 28, 1968

placed in the soil by various seeding machines were made in the field during 1964 and 1966.

I am reading from the Department of Agriculture Engineering Report of the College of Engineering Advisory Council, January 16, 1968.

The results indicated that the seed is not placed at a specific depth but is scattered over a considerable range of depths by many machines. In 1966 double disk drills which were studied seeded at an average depth of two inches, while diskers seeded at an average dept of three inches. Drills placed the seed more uniformly than diskers, but it was apparent that with either type of machine the depth of seed did not coincide with the depth of the furrows. A study was begun in the laboratory to determine the factors effecting placement of seed by a disker.

With regard to combines, this, Mr. Speaker, I think is a most valuable service. Probably the place where farmers can lose more money than any other is in the operating of a combine. This particular branch of the University is testing grain loss monitors, and I want to read from the report:

The grain loss monitor which monitors the amount of grain being lost over the straw walkers of a combine has been under development for the past three seasons. A meter on the operator's platform or on the tractor in the case of a full-type combine indicates the rate of bushels per hour of which grain is being lost. The rate of grain loss is dependent on the feed rate as well as crop conditions. The device enables the operator to maintain a forward speed or feed rate, so the loss of grain will be at whatever level of loss that he feels is justified by the circumstances of the harvest. The monitor has been successfully used in wheat, oats and barley on three different combines. The units operated without difficulty or attention during the entire 1967 season. The use of the device for detecting grain loss over the cleaning shoe of a combine remains to be investigated but it is thought it will also function for this purpose.

Mr. Speaker, here is an area I think that was very necessary. There is no way that a farmer could lose more of his profits than in throwing 2 or 3 or 5 bushels per acre out when he is operating his combine. By the testing of this grain loss monitor, it's going to show the operator of the combine quite accurately how much grain he is throwing over into the straw. They also tested grain and straw separation, and sprayer droplet winnowing.

Mr. Speaker, I have no more to say on this, only I believe that the Government would be ill advised to go back into the agriculture machinery testing business unless it was prepared

to spend in the neighborhood of \$3 to \$4 million. I don't think that it would be fair to the farmers of Saskatchewan or the people of this province that we should spend that kind of money to have an effective testing program if the Provinces of Manitoba and Alberta were not going to share part of the costs of this. The farmers of Alberta and the farmers of Manitoba would be getting part of the benefit of this expenditure.

I vote against the Resolution.

Some Hon. Members: Hear, hear!

Mr. A. Thibault (Kinistino): Mr. Speaker, I don't intend to take too much time on this Resolution, but I would like to bring to the attention of the House what such groups as the Farmers Union in their brief to the Government, dated January 25, 1968, state as follows. The Agriculture Machinery Testing Program on page 17:

Currently a Royal Commission on farm machinery conducted an exhaustive study into the farm machinery industry. The farmer is the only consumer of farm machinery and as such is vitally interested in the outcome of the Commission's findings. It is hoped that one of the recommendations of the Commission will call for the re-establishment of the Farm Machinery Testing similar to the program once conducted by the Agriculture Machinery Administration in this province. Now we would anticipate if such a recommendation were made it would call for such a program to be instituted at the Federal or regional basis. We would welcome at this time a public pronouncement by your Government that it would support such a program.

Now there is the Farmers Union brief to the Saskatchewan Government and I know that it speaks for a lot of farmers.

I also know that the United Grain Growers have passed a similar resolution and they also represent farmers. I know as a farmer that a lot of our money, the most of our money is spent on farm machinery, therefore, we get taken in every once in a while. We need to have investigations that are not now being carried out. One machinery agent has informed me that his company has deliberately fouled up the numbers on their ball bearings in order to confuse the buyers of bearings so that they will keep buying with their own company and not go anywhere else. Now if there was a change in the design of the bearing I could understand; but when they deliberately go out and foul up the numbers of bearings to confuse the issue then I think there should be something done at the legal level. Such things should not take place. There are many things that could be done in standardization such as rub bars, chains, conveyers, and so on. The AMA could push towards this and I think the Provincial Government will have to take some stand on that question. It is utterly ridiculous when you come to buy a guard for a combine and find the variation between one make and

March 28, 1968

another is just enough so that you cannot use this guard on another combine. Companies could get together and standardize these things; the material is all the same. But, the farmer is the one who has to chase from one town to another, from one agency to another in order to get one machine fixed up. But when the companies get to the point of confusing the bearing numbers, well this is a little bit ridiculous and something should be done and made compulsory about it.

Now I don't want to take too much time, I know that the House is being pressed, time is going by, but I certainly stand behind this Resolution, moved the Member for Kelsey (Mr. Messer), and I am sorry that I cannot accept the attitude of the Member for Yorkton (Mr. Gallagher). I am informed that Alberta did contribute towards the AMA, perhaps not a large sum. I think instead of scrapping like the present Government has done, it would have been much better if it had insisted that Manitoba and Alberta take part in this program. With this, Mr. Speaker, I can assure you that I will support this Resolution.

Some Hon. Members: Hear, hear!

Mr. D.W. Michayluk (Redberry): Mr. Speaker, I rise in support of the Resolution moved by the Hon. Member for Kelsey (Mr. Messer), a Resolution in respect of the reinstating of the Agriculture Machinery Testing program whose reports and findings were utilized by the farmers for a good number of years under a CCF Government. This program and its need were thoroughly outlined by the mover, and I want to congratulate the Member for Kelsey. He is a young farmer and his main concern is in respect of the subject which he brought in this Resolution into the House.

Mr. Speaker, I mentioned the fact that the mover outlined the purpose of this testing program was to appraise and test under actual working conditions implements sold or offered for sale in Saskatchewan and also to publish reports on the test conducted. Now this program was to provide a direct service to farm people by providing performance data on machinery that was tested. Farmers received information and counsel on all matters relating to the expenditure of the farm income on farm machinery. In addition to this, Mr. Speaker, and in direct service to farm people, it started out by assisting the manufacturers to improve farm machinery that was sold in the Province of Saskatchewan. Hon. Members will agree, Mr. Speaker, that in a province where an annual expenditure amounts to \$60 million in the purchase of machinery an amount which represents one-quarter of the farmer's net income information of this nature should be made available to farmers for the investment which they make in the purchasing of farm machinery.

The Hon. Member for Yorkton (Mr. Gallagher), Mr. Speaker, mentioned that a sum of \$3 or \$4 million would be necessary to carry to the full a program of this type. I certainly agree with him that, if \$4 million were spent, it would be the right investment to spend on the basic agricultural industry whereby

the farmers spend approximately \$60 million per annum in the purchase of this machinery. Contrary to the opinion of some Members, the submitting of machines for tests was voluntary on the part of the manufacturers. There was no compulsion, there was no restriction placed on the sales of machines, nor was there any particular machine recommended or approved in the sense that it had passed some accepted rating. What the AMA test reports did offer to the farmer was the comparative buying information, the use of which the testing program believed would be of enormous assistance to the farmer's chance in getting his money's worth. Mr. Speaker, the testing program did not decide for the user, the specific type, the size and the make of the machine that he should buy, but did provide the consumer with the field performance data on which he could base his decision for the selection of farm machinery.

Let me reiterate, Mr. Speaker, the services provided to the Saskatchewan farmers by the agriculture testing program may be summarized into four parts. First, the farmer was able to obtain professional and unbiased evaluation of a machine's performance in typical Saskatchewan conditions before he bought the implement. Second, he obtained information on adjustment and operator hints that would have aided him in obtaining better performance from a machine after he had purchased the machine. Third, he was able to gain information regarding modifications that the company has made or proposed to make in regard to the machine in question. Fourthly, he obtained the data on capacity of the unit that best suited his enterprise. Mr. Speaker, it is only fair to the farmers and the agricultural industry that a testing program considers both functional and durability categories of farm machinery. Farmers are really interested in how well the implements will work. Not only are they interested in how the implement will perform but they are also concerned how long the implement will perform its work. The mover in bringing down the Resolution, Mr. Speaker, mentioned various farm organizations' and manufacturers' interest in some form of testing program. Hon. Members will agree, Mr. Speaker, that a great many machines are placed on the market for sale in Saskatchewan and in Western Canada each year that do not measure up to the functional and durability standards the farmers would like. It is only through an independent machinery testing program that these machines could be placed on the market for sale in Saskatchewan each year and could be tested. Mr. Speaker, it seems to me that no other announcement made by the CCF Government did more than the announcement in 1958 in respect to the setting up of this agency for machinery testing. Not only was this program to test farm machines, but also to ensure adequate repair parts and service facilities for farm machines sold in the Province of Saskatchewan. After this, Mr. Speaker, the test reports were made available to farm people in the province at no cost and some 16,000 farmers were on the mailing list. Also on the mailing list were numerous farmers in the Province of Alberta, as my friend from Kinistino mentioned, whose Government contributed part of the cost of operating this testing program.

March 28, 1968

This is the reason why, Mr. Speaker, with the announcement of the discontinuing of the machinery testing program, as the farmers had known it under the previous Government, widespread concern was expressed by farm organizations: the Saskatchewan Wheat Pool, the Saskatchewan Farmers' Union and various groups interested in the agricultural industry.

The first concern, Mr. Speaker, shortly after the announcement by the Liberal Government of the discontinuance of the machinery testing program was expressed by the Saskatchewan Wheat Pool delegates at the concluding session of their fortieth annual meeting held on November 13, 1964 in Regina. The delegates agreed to ask the Provincial Government to continue testing machinery under the Agricultural Machinery Administration. The Saskatchewan Farmers' Union concern was reported in an article under the title of, I quote, "SFU head thinks farmers will question AMA move." May I quote further, "Mr. Roy Atkinson, President of the Saskatchewan Farmers' Union made this statement,

'A statement issued by the government and the university that the agricultural machinery administration was to be moved to the campus of the latter would be viewed with grave concern by farmers who have come to value the testing program of the former AMA,' SFU President, Roy Atkinson said today. The announcement leaves no doubt that the most valuable part of the program has been eliminated, he said.

The joint statement says that 'the net effect of the move is discontinue the comparative testing of farm machinery.' This was curious wording, Mr. Atkinson said, in view of the fact that the AMA reports had never compared one make of machinery with another. On the other hand it was certain that farmers had compared reports and would continue to do so if the university provided information of any value.

Then the article goes on further, Mr. Speaker, and may I quote again:

The only way the government and the university could prevent farmers from making comparisons was to give them no useful information about individual machines, the SFU Executive declared.

Quite apart from the wording of the statement, the fact of transfer to the university jurisdiction is a guarantee that the program will be emasculated. The university, which accepts grants and scholarships from machinery companies, cannot be expected to provide critical test analysis of the performance of farm machines.

That the farmers in the agricultural industry want machinery testing agencies is amply demonstrated in a survey and a study

carried out by the United Grain Growers in which some 761 farmers were questioned. A study which included 130 farmers in Manitoba, 295 farmers in Saskatchewan, 323 in Alberta and other interested groups indicated 88.8 per cent favored comparative testing of farm machines sold on the prairies. Fifty-four of these who replied said the three Provincial Governments of Manitoba, Saskatchewan and Alberta should administer such an agency. While 24.5 per cent advocated Federal Control and 15.6 wanted farm organizations and 3.4 suggested a joint body of Provincial and Federal Governments and farm organizations to administer a testing program. Mr. Speaker, in briefs presented to the Royal Commission on Farm Machinery by interested groups in 1967 amply demonstrate the wide and deep concern for the need of an independent machinery testing program. Professor H.B. Harrison of the Department of Agriculture Engineering, published by an unbiased agency which would extend the program to more functional performance data of significant use to the farmer in specific reference to farm machinery tests. Mr. Speaker, in a presentation to the Royal Commission on farm machinery the Provincial Minister of the Province of Manitoba urged the Federal Government to take the initiative in establishing a farm machinery testing centre on the prairies. Machines he said could be tested under conditions peculiar to the area and modification if necessary.

All this, Mr. Speaker, makes abundantly clear the desire and the need for an independent machinery testing to be carried on behalf of the agricultural industry. What is more, Mr. Speaker, all this only confirms a statement made by the Hon. T.C. Nollet, the former Minister of Agriculture for the Province of Saskatchewan to the House of Commons Committee on agriculture on May 19, 1961 which stated, and may I quote in part:

Public testing services for farm machinery, Saskatchewan's experience with the farm machinery testing program has indicated that very few new models of farm machinery come on the market free from mechanical defects, a problem now being aggravated by the increasing number of models. In addition it is clear that many farm machines are not designed primarily for Saskatchewan or Western Canadian use, although the performance of farm machines under specialized conditions that may prevail here is often not indicated by company literature. Therefore we believe that the Saskatchewan program,

and this is the program that was done away with or removed by the present Government.

is of substantial assistance to Saskatchewan agriculture and could be usefully extended to other areas. We urge the establishment of a Western Canadian and Eastern Canadian Regional Public Farm Machinery Testing Agency, jointly financed by the Federal Government and the Provincial Governments concerned. We believe that the

March 28, 1968

Saskatchewan Farm Machinery Testing Agency could provide a useful basis for such a Western Canadian Agency.

This, Mr. Speaker, was the concern of the former Minister of Agriculture for the welfare of the agricultural industry of Saskatchewan and of Western Canada. What has happened to the agricultural machinery testing program with the election of a Liberal Government would amply be demonstrated, Mr. Speaker, by a poem and with your permission may I read the poem to the Hon. Members. It's entitled, "Before and After '64."

I watched them tearing a building down,
A gang of men in a busy town,
With a ho heave ho and a lusty yell,
They swung a beam and a side-wall fell.
I asked the foreman, "Are these men skilled,
The men you'd hire if you had to build?"
He gave a laugh and said, "No, indeed,
Just common labor is all I need.
I can easily wreck in a day or two
What builders have taken years to do."
So, I thought to myself as I went away,
"Which of these roles have I tried to play?
Am I a builder who works with care,
Measuring life by the rule and square?
Am I shaping my deeds to a well-made plan,
Patiently doing the best I can?
Or am I a wrecker who walks the town
Content with a labor of tearing down?"

This short poem, Mr. Speaker, expresses the wide feeling and the concern in respect to the many programs that the wreckers to your right have wrecked and are prepared to wreck. Mr. Speaker, had the present Government and the Minister of Agriculture continued the Agricultural Machinery Testing Program and broadened the scope instead of wrecking it, the bringing in of a Resolution to reinstate this vital program may not have arisen in this Legislature. Because of this callous disregard for the best interests of the agricultural industry, the particular interest on the testing as it existed, I would ask all Hon. Members to support this Resolution calling for the reinstating of the Agricultural Machinery Testing Program and its extension so as to provide reports on all components of the agricultural industry. I will support the Resolution, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. J. Messer (Kelsey): Mr. Speaker, there were several comments I wanted to make in regard to the comments made by the Member from Yorkton (Mr. Gallagher). He stated that the AMA may very well cost ten times as much in order to do a job. This isn't really the point here. The point is that the farmer is not getting machinery that is doing the job and regardless of the cost we have to supply him with machinery and repairs that do the job so it is an absolute necessity. I don't believe the cost of

administration should enter into it. If it does, it probably will cost more money. Then we have to approach the Federal Government for some sort of assistance in regard to this. He also stated that the Provinces adjoining Saskatchewan had not requested the information. Well why do we have to wait for them to request the Province of Saskatchewan to join in on such a plan. This is irrelevant, because we are concerned with the Province of Saskatchewan primarily and not Manitoba and Alberta. He made reference to the fact that the AMA had not tested combines and tractors. I don't have the statistics available, but I know of three combines that they tested, the Massey 92, a Versatile and I believe a Klaus combine that was brought in from off the continent. They did test tractors, a number of tests, but I think this is a duplication of tests because the Nebraska test runs a very thorough test on tractor horse power and fuel consumption, which if we did it here would just be a duplicate of testing. He also stated that legislation could be passed to compel machinery manufacturers to test their equipment before they put it on the market. However, we felt that we weren't at this stage where we should make them do this. This is really not any good to the farmer because they do, I believe, test their prototype machines now. But when these machines are proven to be relatively desirable and put on the market, then the profit picture enters into the companies' production decisions, and when they mass produce them they start cutting corners, so the prototype machine is not the same machine the farmers buy at the end of the production line. Secondly, when these machines are tested they are tested in the manufacturer's plant area and this may be in Iowa

it certainly is not going to be tested under the same conditions as the machine would be in the Province of Saskatchewan. Now we know, as I have stated before, machine companies are making every year increased profit in regard to farm machinery. One of these that I would just like to bring forward again is Massey Ferguson. In the years from 1961 to 1965, their sales increased by 56 per cent; their profits increased in the same period of time by 164 per cent. For the year of 1965-66 their profits were up 13 per cent. The Manitoba Farmers' Union has made a claim that since 1952 implement prices went up 175 per cent, parts went up 354 per cent. These companies are definitely making profits and very near these statistics too, but they are not doing the type of research that they should be doing. Consequently we need an independent organization that is going to do this research for us. The company policy is planned obsolescence. It's a policy of changing machines regularly so that there is a turnover of machines that will increase their profit through sales volume.

We further need standardization of parts. I pointed out when I brought in this Resolution that a great many farmers were strongly urging a standardization of parts, when in 1966 there were over \$15 million spent in the Province of Saskatchewan alone on agricultural machinery repair or parts. It definitely shows that there could be something done in regard to standardization when we find that chains and bearings of exactly the same quality are being sold at one dealer for a given price and at another for 150 or 100 per cent more in price. This as my

March 28, 1968

Hon. Colleague from Redberry (Mr. Michayluk) was saying is done deliberately so that it confuses the farmer when he is purchasing.

Another very major reason that testing should be done in the Province of Saskatchewan in regard to a lot of our machinery is that 40 per cent of the grain produced in Canada is grown in Saskatchewan. Sixty per cent of all wheat that is produced in Canada is grown in Saskatchewan, which definitely brings out evidence that this is the place where machinery should be tested, combines, tractors, seeding equipment.

Just to take a moment or two longer I would like to read a few comments given by farmers in regard to problems they have in regard to machinery and machinery breakdown that is taken from a submission by the Saskatchewan Wheat Pool to the House of Commons.

Mr. Gallagher: Mr. Speaker, on a point of order, in closing the debate he cannot enter any new material into the debate, other than to answer things that have been brought up by other Members.

Mr. Speaker: In closing a debate it is a well known fact that a Member may answer the arguments advanced by others or he may explain a misunderstood part of what he said when he first spoke but he may not introduce new material or advance a new argument.

Mr. Messer: Mr. Speaker, it's not really necessary to read these then, I think probably most Members are aware of the criticism the farmers not only in the Province of Saskatchewan are voicing now, but in all prairie provinces in regard to machinery testing. An independent agency such as the AMA is definitely needed, and I urge all Members of this Assembly to support the Resolution.

Some Hon. Members: Hear, hear!

Motion negatived on the following recorded division:

**YEAS
23**

Lloyd
Wooff
Kramer
Willis
Wood
Blakeney
Davies
Dewhurst

Meakes
Berezowsky
Romanow
Smishek
Thibault
Whelan
Snyder
Michayluk

Brockelbank
Baker
Pepper
Bowerman
Matsalla
Messer
Kowalchuk

NAYS
31

Thatcher	MacDougall	Weatherald
Howes	Grant	Mitchell
McFarlane	Coderre	Larochelle
Boldt	Bjarnason	Coupland
Cameron	MacDonald	McPherson
Steuart	Estey	Charlebois
Heald	Hooker	Forsyth
McIsaac	Gallagher	McIvor
Guy	MacLennan	Schmeiser
Barrie	Leith	Loken
Radloff		

Mr. Speaker: May I draw your attention to Beauchesne's Parliamentary Rules and Forms, Citation 64, subsection (5). The Speaker, when his attention has been called to a breach of order in the course of a division, has directed that the division should proceed, and has dealt with the matter when the division was completed.

I would further draw your attention to Beauchesne's Parliamentary Rules and Forms, Citation 63, subsection (3). A division must take place if the Speaker is unable to decide from the members' voices whether a motion is carried or lost.

RESOLUTION NO. 11
ESTABLISHMENT OF A MUNICIPAL FINANCING CORPORATION

The Assembly resumed the adjourned debate on the proposed Resolution by Mr. H.H.P. Baker (Regina South East):

That this Assembly recommends that the Government give consideration to the establishment of a Municipal Financing Corporation to assist local government with capital projects by providing the means whereby local governments may market debentures without having to depend exclusively on the open market.

Mr. W.E. Smishek (Regina North East): Mr. Speaker, since the day this session opened I have heard Member after Member rise in his place and pledge to serve his constituency well, promise to abide by the rules, promise to be an honest and trustful Member of the Legislature. I am sure, Mr. Speaker, this is the intention of most of the Members. But political honesty and integrity go beyond an individual Member's intent. Let me explain.

Mr. Speaker, at the last session of the Legislature a Resolution was introduced by the Hon. Member for Cannington (Mr. Weatherald)

I am sorry that he doesn't seem to be in his place. It read this way, let me quote:

March 28, 1968

That this Legislature recognizes the difficulties being experienced by local governments in the sale of municipal debentures and urges the Government of Saskatchewan to investigate the feasibility of establishing a Municipal Loan Development Fund to assist with the purchase of municipal debentures.

This Resolution got the unanimous support of the Legislature, it became one of 15 Liberal election platform planks. The election plank read this way:

Establish a revolving loan fund for the purpose of making loans to municipalities and school systems at reasonable interest rates.

Mr. Speaker, the New Democratic party also included in its election program a statement which said that we would establish a Municipal Finance Corporation to provide loan capital to local governments. In other words what we said in our election platform is similar to what is contained in the Resolution proposed by the Hon. Member for Regina South East.

Our proposals would have gone further than the one proposed by the Liberal party, but basically they embrace a similar idea. Mr. Speaker, when the Resolution introduced by the Hon. Member for Cannington was debated last year he had this to say. Let me quote:

Local governments have been experiencing difficulty in obtaining the necessary credit and that is the reason that I have presented this Resolution . . . I feel that it is a problem which needs attention and which this Government is ready to act upon.

Note these words, Mr. Speaker, he said, last year that this Government, this Liberal Government was ready to act upon the Resolution that he had proposed. He then went on to say:

In many cases projects have been built but the local governments now finds itself unable to sell the debenture issue in order to refinance temporary credit at banks and through credit unions and so forth . . . A substantial list could be made of projects which have been deferred due to lack of ability to obtain the necessary funds by financing.

He went on and said:

The problem of inflation and the rising cost of living in the past year has been an acute one . . . I have presented this Resolution because I feel that now is the time for a new type of action to be taken that would help improve the method in which local government finances are made available.

He said that there is a drastic need for such a plan. It should

be of considerable magnitude to supply the required funds. He estimated borrowing to be approximately \$50 million per year. He suggested that one of the ways the funds could be obtained was from the Canada Pension Plan. He castigated the former Government for not taking action for developing such a plan. The arguments presented by the Hon. Member for Cannington were quite convincing. His Resolution received the unanimous approval of the Legislature. Mr. Speaker, if the Hon. Member for Cannington had anything to do in helping form the 15-point election platform of the Liberal Party, then I suggest to him that the Provincial Treasurer (Mr. Steuart) has since then reneged and double-crossed the proposal that the Hon. Member put forward and that was put forward in the Liberal election platform.

Some Hon. Members: Hear, hear!

Mr. Smishek: You know, since this House opened there has been complete silence on the part of the Members opposite including the Member for Cannington about this promise that they made during the election campaign and about the Resolution that they introduced during the last session. You know, I am surprised that the Hon. Member for Cannington has so far not risen in support of the Resolution presented by the Hon. Member for Regina South East. I would hope that he would have seen fit to rise and to give support to this Resolution. Now I am surprised also, Mr. Speaker, that he hasn't had the courage during the time he has spoken in the House to raise a voice of criticism towards the Government that it has not placed this item on the priority list for the consideration of the Legislature at this session. He has been very silent on this issue so far. I would suggest to the Hon. Member for Cannington that he might present a Resolution censuring the Government for not including this for consideration at this session.

Mr. Speaker, last Tuesday, the Hon. Provincial Treasurer rose in his place and spoke for a few minutes very loudly. He looked under the rugs of the past 24 years. Well, Mr. Speaker, this is 1968. It is not 1944, it's not 1948, it's not 1952 or 1956 or 1960, this is 1968. Mr. Speaker, the 20 years of CCF Government is a glorious record, acknowledged as such by the majority of the people of Saskatchewan and by a great many people in the Dominion of Canada. There is no Government in Canada or political parties that can claim so many remarkable achievements in the interest of people than the record of the CCF Government over a period of 20 years. Mr. Speaker, this is the second term of the Liberal Government in office; it is the future that the people are concerned about. Yesterday is gone. Tomorrow must be our concern. Today the people are concerned about the failures of this Government, not any shortcomings of the CCF Administration of 1944. The Provincial Treasurer last Tuesday chided the Hon. Member for Regina South East (Mr. Baker) about the economic problems the city of Regina is facing. He said that the city of Regina had the highest per capita debt of any city in the Dominion of Canada or at least any city in the Province of Saskatchewan. If this is true, then I submit, Mr. Speaker, that this Liberal

March 28, 1968

Government since taking office in 1964 had a great deal to do with creating this situation. It is because of the policy of discrimination that has been followed by this Government towards the city of Regina and the citizens of this city.

Some Hon. Members: Hear, hear!

Mr. Smishek: There is no other community that has received a worse deal and a raw deal than the people of Regina from this Administration. Let me be specific.

Mr. Speaker, in 1964 Liberal candidates running in this city promised the people of Regina that, if they formed the government, they would increase grants to schools and municipalities to reduce municipal taxes. As far as the people of Regina are concerned, they said that they would provide 50 per cent of all education costs in the city of Regina. What is the record? Today this Government is providing 28 per cent of education costs in the city of Regina. They promised to provide an equitable share of gasoline revenues for the city of Regina for road construction and maintenance. Mr. Speaker, this Government is going to be taking or receiving \$45 million or just about \$46 million in gasoline revenue. On a per capita basis, the people of Regina are going to pay about \$6.7 million towards the gasoline tax but Regina is not getting any of that money. If you look at their 1964 election platform they also promised to exempt Regina purchases from provincial sales tax. (This is for municipal purchases). Mr. Speaker, four years have gone by and not only have they not removed the tax from municipal tax purchases, but now we have a new increase. I noticed in the Regina Leader-Post of last week there appeared this report. It says:

A study of the effects of the tax increases on the municipal estimates indicate that the substantial sum will have to be provided in 1968 current estimates if the city is to operate within the amount to be provided by the city council. About \$46,000 must be provided in the estimates to meet the cost of the increases in provincial taxes. Mr. Smith reported the amounts broken down into \$13,000 for gasoline tax and \$33,000 for education and health tax.

Mr. Speaker, the city of Regina is going to be paying \$33,000 more as a result of the increase in the sales tax and \$13,000 in gasoline tax. They promised to eliminate the city purchases from the sales tax completely. They are going to receive \$165,000 in the Education and Health tax from Regina City alone. They promised to remove that tax.

Mr. Speaker, let me point out some further examples of the raw deal that the people of Regina are getting. We are going to be receiving only a 15 cent per capita grant toward the support of the Library. Other communities are getting \$1 per

capita. We in the city of Regina are only going to be receiving a per capita grant of 75 cents towards public health services. The Provincial Treasurer (Mr. Steuart) should have told us when he talked the other day that in the city of Prince Albert the health services are assumed by the province and are costing \$2.75 per capita. The people of Regina on a per capita basis are discriminated by \$2 per person per year towards the support of public health services. Take the case of police protection. Take a look at the Estimates

\$4 ½ million is provided for police protection for other communities and the city of Regina is going to get nothing.

These are but a few examples of the raw deal. Let me get back to the accusation that the Provincial Treasurer (Mr. Steuart) made the other day in regard to the Hon. Member for Regina South East, Mayor of this city. He talked about the city of Regina being in debt. I want to remind the Provincial Treasurer and the Members opposite that since His Worship Mr. Baker took office nine years ago, the general taxes, the general mill rate in the city of Regina during the nine-year period has only increased by 4½ mills.

Some Hon. Members: Hear, hear!

Mr. Smishek: Mr. Speaker, since this Government took office it increased the taxes since 1964 on the people of Saskatchewan on an average per capita basis by \$75 per person.

Some Hon. Members: Hear, hear!

Mr. Smishek: Compare that record! Mr. Speaker, His Worship has been the one man who has tried desperately to keep municipal taxes down. He has been very successful and deserves commendation as compared to what this Government is doing.

Mr. Speaker, if Regina has difficulties, and I admit we have them, this Government must assume a large share of the blame. Mr. Speaker, the need for us adopting this Resolution to help and assist the municipalities has become more urgent than ever before, because of the fiscal and the monetary policy of the Liberal Government in Ottawa, which has allowed interest rates to climb month by month, year by year. It has made it almost impossible for municipalities to borrow money on the open market. Interest rates have to be paid now at eight and nine per cent and very soon they will have to be paying 10 per cent for the sale of debentures. The need for establishing a municipal finance corporation to enable the municipalities to get money for capital construction is urgent. That money should be made available to municipalities at reasonable rates. If the Hon. Members on the Government side supported the Resolution the Member for Cannington (Mr. Weatherald) presented last year and if they meant what they said, they are bound and compelled to support the Resolution presented by the Hon. Mayor of the

March 28, 1968

city of Regina. If they fail to support it, then I say that what they did last year was nothing more than a bit of cheap political chicanery and political dishonesty introduced prior to the election. If they fail to support this Resolution, Mr. Speaker, then this will go on record as the Liberals' failure to keep trust and to keep faith with the promises they make and with the Resolutions they introduced and supported one year ago and then oppose the next year. Mr. Speaker, I will support the Resolution.

Some Hon. Members: Hear, hear!

Hon. J.C. McIsaac (Minister of Education): Mr. Speaker, I would just like to say one word or two to my Hon. Friend who just sat down. As usual we have heard this story of him crying for help in the city of Regina so often, that most of us know it by heart. According to his figures he said that the cost to the city of Regina next year will be \$33,000 because of the increase in sales tax. At that rate the city of Regina in the last three years saved \$100,000 in the sales tax having been reduced from five to four per cent.

An Hon. Member: What did you do with that money, Henry?

Mr. McIsaac: What did we do with that money in the city of Regina? Just ask the Mayor Buffalo hats, wheat pins and what have you. This is where the Mayor of Regina saw fit to save the money that this Government tried to save the citizens. The Library grant to Regina, certainly it is not very large. But I want to tell the Hon. Members opposite it is many times larger than what it was when his Government was in power. Library spending in this province today is almost twice what it was just two years ago. We are extending library services to other libraries in the province that certainly don't have the same service as is available to Regina. He would lead us to believe that the people from Regina do not drive on any other highways except on the streets in the city of Regina. And this is typical of the logic in almost all of the arguments he put forth here this afternoon.

As far as this Resolution is concerned, Mr. Speaker, a similar Resolution was brought in last year and it was passed. It is the program and the policy of this Government. Certainly we intend to support this Resolution. The fact of the matter is as my Hon. Friends are well aware, this Government is in no way responsible for the high cost of money today. We just felt that this was not the time to go out and borrow money on behalf of the Province to in turn loan it to the municipalities. Rather than that we have asked, not only our own departments but our municipal governments, to try and curtail capital spending as much as possible. Certainly we are going to support the Resolution. As soon as the time is appropriate we will establish the fund.

Some Hon. Members: Hear, hear!

Mr. H.H.P. Baker (Regina South East): I was prepared to get into a real rebuttal but when I heard the Minister of Education (Mr. McIsaac) say that he is prepared to support this fine Resolution, it has sort of taken the sales out of me a bit. But I would like to commend the Member for Regina North East (Mr. Smishek) for his tremendous message this afternoon with regard to my own occupation. I assure you, Mr. Smishek, that I'll be down in your constituency more than twice next time to help you get re-elected.

Some Hon. Members: Hear, hear!

Mr. Baker: He has expounded the wonderful record of the Mayor of Regina and the Council in what we have done in the last nine years by only increasing our mill rate 4½ mills. But he didn't tell the whole story when he mentioned the 28 per cent that we get from the province on education costs. He forgot to tell you that the education mill rate went up 19½ mills in these nine years. Education of course should be a cost to the Provincial Government and some of the capital cost to the Federal. The Minister of Education sarcastically mentioned the Buffalo hats that we give away. I am very pleased to do that. I assure him that he will never get one.

Mr. McIsaac: I can buy my own!

Mr. Baker: I think one or two of them over there have received them. I am still looking forward to . . .

Hon. D.T. McFarlane (Minister of Agriculture): Discrimination!

Mr. Baker: . . . Well okay. I'll think it over and perhaps I will.

Mr. Steuart: Maybe Jackie Hoag . . .

Mr. Baker: Why spoil a good afternoon? Now with regard to grants, Mr. Speaker, that we received the Library grants were mentioned at 15 cents per capita and the 75 cent grant we get for our health department. It is a mere pittance what we are getting when you think of the services that we provide, particularly for the people who have come from our Saskatchewan Weyburn Hospital and the other institutions. We look after some 56 patients without receiving any grant for it. When they first came into our city some four years ago, we had hundreds to look after. I could go into this and speak a whole hour on the question. It has been discussed here to a considerable extent and I don't want to create any more problems than there already are. I am not one that tries to gain political favor from people who

March 28, 1968

are unable to help themselves, but I do want to reiterate that I am not as guilty as some of the Members over there for what has happened in this province.

Coming back to the Municipal Loan Fund, I am pleased that the Government will support it, but I think that we should pinpoint and recap some of the things that this will do. It is true that it will create a real savings to all the municipalities in getting debentures sold at lower interest rates. It will assure smaller municipalities particularly that they will be able to sell their debentures, instead of having them left on the shelf gathering dust. In many instances they have had to sell them at an interest rate which was out of the ordinary in this province. As I mentioned the other day, we in the city of Regina have done them many favors in picking up many of these debentures. I get personal calls from towns and villages and others to purchase them, being offered at even higher interest rates. However, we are fair and buy them at reasonable interest rates so that not too great a burden is placed on these municipalities. The figure I used was something like \$18,186,000 purchased in debentures, including ours, in the Province of Saskatchewan.

The sinking fund situation in our city - and I can say this without fear of contradiction - is one of the finest setups in all of Canada. I am proud of it. We have had men on council, who have helped plan this to a point where our self-liquidating debt and our debt redemption program is well looked after in our community. I may say much better than any other municipal government in this province.

This loan fund will give our local government board something to work with when it has to sift out various priorities for civic governments. It will continue to keep a well-balanced economy in every area of our province. It takes this sort of capital investment to keep our employment constant, instead of the booms and busts that we have realized over certain times in the past. It will provide extra revenue for the province through the various taxes levied. With regard to the other point which I touched on the other day, it will certainly leave private and risk capital for investment in industry, for investment in different types of housing, commercial construction and apartment dwellings.

This Motion has the support of the urban organizations and I believe that we have passed similar Resolutions several times in the past two years. I wouldn't propose this to the same extent if we didn't have monies available like we have through the Canada Pension Plan, to which you and I contribute. I think these monies should be loaned back to all the people of Saskatchewan. The simplest way is to pick up debenture issues. I realize that we cannot buy them all, but we should purchase a good portion, in order to keep our local areas buoyant. I hope that the Government will act now. I think the Provincial Treasurer (Mr. Steuart) said that it hopes to do it within four years. I say now is the time. Seeing we are unanimously

in favor of this Motion. I don't see why we couldn't make a start this year and provide some funds for that purpose. It is so necessary particularly in view of the tight money situation, high-cost money and the high interest rates we are faced with.

The Government can borrow it cheaper than we can. Why not use your preferred position to build that new Saskatchewan? I would ask for a unanimous endorsement, Mr. Speaker, of this Resolution to keep our local governments functioning at maximum efficiency.

Some Hon. Members: Hear, hear!

Motion agreed to on the following recorded division:

YEAS
56

Thatcher	MacLennan	Blakeney
Howes	Breker	Davies
McFarlane	Leith	Dewhurst
Boldt	Radloff	Meakes
Cameron	Weatherald	Berezowsky
Steuart	Mitchell	Romanow
Heald	Larochelle	Smishek
McIsaac	Gardner	Thibault
Guy	Coupland	Whelan
Barrie	McPherson	Snyder
Loken	Charlebois	Michayluk
MacDougall	Forsyth	Brockelbank
Grant	McIvor	Baker
Coderre	Schmeiser	Pepper
Bjarnason	Lloyd	Bowerman
MacDonald	Wooff	Matsalla
Estey	Kramer	Messer
Hooker	Willis	Kowalchuk
Gallagher	Wood	

NAYS
Nil

RESOLUTION NO. 2
GUARANTEED PRICES FOR FARMERS

The Assembly resumed the adjourned debate on the proposed motion by Mr. F. Meakes (Touchwood):

That this Legislature urge the Provincial Government to immediately request the Federal Government to adopt an agricultural policy that would ensure financial return to provide an adequate standard of living to farmers by guaranteeing prices of farm commodities based on the cost of production and subject to yearly review; such prices to be announced early enough each year to allow farmers to plan their current operations.

March 28, 1968

And the proposed amendment thereto by the Hon. D.T. McFarlane (Minister of Agriculture):

That all the words after the word "agricultural" in the second line be deleted and the following words substituted therefor:

"And trade policy establishing a trade commission under the Department of Trade and Commerce to negotiate with the various importing countries of the world and establish markets for Canadian agricultural products that would ensure favorable financial returns to our farmer producers."

Mr. F. Meakes (Touchwood): Mr. Speaker, in rising to speak on the amendment, I want to say that the Minister of Agriculture (Mr. McFarlane), when he rose the other day and moved this amendment in the House, completely dumbfounded me, for any better word. How the Minister of Agriculture for the Province of Saskatchewan could rise and move such an alternate Resolution which really, Mr. Speaker, completely destroys the Resolution as was originally moved by myself, I cannot understand. It is hard for me to think that the Minister could be so callous. I listened to him carefully while he spoke, and he did not have one word to say about the problems of the small farmers. He did not even mention or discuss or bring forth one solution of the mass exodus of small farmers from the farms. He went on and mentioned the Vulcan Report. The very interesting thing, Mr. Speaker, was that he by-passed the first two paragraphs of the Report on page 1, which I would like to put on the record. It says:

The crop year of 1967-68 has been a shock to the farmers, to grain companies and to people throughout Canada. The assumption was made that the level of sales achieved in the two previous years would quickly become the norm and that farmers could produce all the wheat that improved technology and increased fertilizer application could.

Hon. D.T. McFarlane (Minister of Agriculture): Mr. Speaker, I quote the Vulcan Report and he is trying to answer some of the things that I said from the Vulcan Report, by quoting from Canadian Wheat Problems and Prospects. That is a different report altogether.

Mr. Meakes: Okay, Mr. Speaker, I'll correct it on that. I still say that he completely neglected to come back to mention one solution to the problem that this Motion talked about, one solution to stop the exodus from the farms. I want to put on the records, Mr. Speaker, the cost-price index increase since 1960, the cost index of the commodities that farmers must buy and the cost of production. It has risen from the figure \$276.7 in 1960 to 1966 to \$343.2. It seems to me, Mr. Speaker, that and I listened carefully to the Minister he completely

ignored the cost-price squeeze that is facing agriculture today. It seems to me, Mr. Speaker, that he is completely divorced from farm problems. It seems to me that he is living in his ivory tower, and then he says sell more products. Mr. Speaker, I want to say this that selling more products is not going to keep the small farmer on the farm if he doesn't get a price for the produce that he sells that will meet the costs of production. We've been fortunate in the last five or six years that we raised above-normal crops and some years, two crops in one. This is the only reason we have kept as many small farmers on the farm that they have been able to stay there. It seems to me that by this amendment, Mr. Speaker, he is saying really "To heck with the farmer." It seems to me that, if this is the kind of solution that he is going to give to agriculture to solve the problems of agriculture, we are just going to see a continuing increase in large farms and heading for corporate farming. It seems to me, Mr. Speaker, that this is just another sign, another proof of Liberal philosophy. This amendment is really only one aspect of a good viable agricultural policy. The amendment in itself is okay but it is no more useful than an aspirin for a headache. It doesn't cure the ill. It is not going to do anything to stop the flow of people from agriculture. I say again, selling farm produce at current prices will not cure the cost-price squeeze. The Minister went on and he talked about some of my friends over there having no interest in agriculture or in the lot of the small farmer and as long as I stay in this Legislature, I'll fight for them.

Hon. C.P. MacDonald (Minister of Welfare): You're driving everybody out.

Mr. Meakes: You know, Mr. Speaker, the only time some people listen is when they have their own mouth open and talking. I have plenty of time to stand here, Mr. Speaker, but I want to come back to the Minister. He went on and he talked about who would set a guaranteed price and what would the guaranteed price be. You know, Mr. Speaker, 25 years ago I heard the then Minister of Agriculture for Canada make the same kind of a remark. That was Jimmy Gardner. The Liberal philosophy and the Liberal mentality haven't changed. He can't even see that one possible answer might be an average between the two. I'm not saying that this is the average, but we have many qualified agricultural economists who I'm sure if they were asked to do it could come up with some figure. The Liberal party is never prepared to try anything new. Surely a Liberal Government in Ottawa which subsidized gold, and found a way of doing it - they had no hesitation in doing this - could well do this and subsidize this watered-down amendment, but I want to say this that the words the Minister was using the other day are practically the same words that R.B. Bennett said in 1930 when he said he would blast his way into the world's markets. He said he was going to send a bunch of people around the world to try to drum up sales.

March 28, 1968

I object to the meat being cut out of the Resolution. I say again it is not going to do anything to cure the ills of agriculture. I say that this Minister should hang his head in shame for even getting up and moving it in this House. I'm sure that many of his own constituents will agree with me that his solutions to the problems of agriculture are not meaningful. I say he is not even speaking for agriculture. Mr. Speaker, I'm going to oppose the amendment and I'll support the Motion.

Amendment agreed to.

Motion as amended agreed to.

**RESOLUTION NO. 3
ELECTORAL BOUNDARIES COMMISSION**

The Assembly resumed the adjourned debate on the proposed Resolution by **Mr. J.E. Brockelbank (Saskatoon Mayfair)**:

That this Assembly recommends to the consideration of the Government the introduction of legislation to establish an independent electoral boundaries commission charged with the responsibility of drawing Saskatchewan's electoral boundaries based primarily on the principle of representation by population.

He said: Mr. Speaker, as you well know I've been trying vainly several times to grab the floor on this Resolution as it wandered by. I finally have success within my grasp and I have an opportunity to close the debate on this Resolution which I had great hopes for at one time. I feel that I must make some remarks about the previous speaker when he spoke on this Resolution on March 26, the Hon. Member for Hanley (Mr. Heggie). His speech can roughly be broken down into three parts. In the beginning, part one, he listed all the abuses that had taken place in Saskatchewan since 1905 when redistribution was carried out by politicians. Mr. Speaker, this part of his presentation represented one of the strongest arguments in favor of an independent electoral boundaries commission.

Part two of his presentation would have to be the area in which he displayed the great depth of his research that was done on the subject of the Federal Election Boundary Commission. He wasn't sure who all the Saskatchewan commissioners were nor did he know how many there were. Confidentially, Mr. Speaker, I don't believe he would recognize a commissioner of that Commission if he sat directly in front of him.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: If it were possible, Mr. Speaker, I would ask the Saskatchewan Federal Electoral Boundaries Commission to send a representative into this Chamber to be given equal time in this debate.

Part three of the Hon. Member for Hanley's dissertation on electoral boundaries dealt with some historic background, specifically rotten boroughs and pocket boroughs in old Great Britain. Our rate of advance in electoral reform can be measured by the fact that today we have rotten boroughs and pocket boroughs in Saskatchewan. Respectively they would have to be Prince Albert West and Hanley. The Hon. Member for Hanley clinched his argument by stating that all these previous prerogatives should be left in the hands of politicians who have been committing the abuses since 1905 in Saskatchewan and in the British Isles for decades. The Resolution that I present, Mr. Speaker, which reads as follows:

That this Assembly recommends to the consideration of the Government the introduction of legislation to establish an independent electoral boundaries commission charged with the responsibility of drawing Saskatchewan's electoral boundaries based primarily on the principle of representation by population.

I believe it deserves our support.

I had the opportunity a couple of weeks ago to attend a closed seminar sponsored by the Extension Department of the University of Saskatchewan and the Saskatoon Public Library. That seminar brought together Members of the Conservative party, New Democratic party and the Liberal party for the purpose of discussing another matter of election reform, namely the Federal Government's report on election expenses. I was pleased to see representatives of these three parties get together to discuss a matter of real concern to the people of Canada. I mentioned in my previous remarks that the Government in Manitoba was being presented with some resolution by the Opposition, which is a Liberal Opposition, headed by Mr. Molgat in the Province of Manitoba. Mr. Molgat was saying that the Government should not tamper or try to make the composition of the commission in the Province of Manitoba partisan. It is mentioned that the architect of this non-partisan commission - and it is common knowledge - was Premier D.L. Campbell, who was Leader of the Liberal Government in the Province of Manitoba a number of years ago. This, Mr. Speaker, was from a clipping from the Leader-Post of March 16, 1968.

I believe that the request brought forward in this resolution is of real importance to the people of Saskatchewan. The measure of the value of good legislation or resolution, should be; is it good for the people? If it is good, Mr. Speaker, we should vote in favor of it. The test should not be; since it was not done in the past, we should not be considering doing it now. In the presentation of the Resolution, calling for an independent electoral boundaries commission, I omitted any reference to any past government redistribution. I begged the Members to be forward-looking on this Resolution and do the same. At this time I want to thank the seconder of the Resolution for his forward, direct approach to the problem that faces us all.

March 28, 1968

The Premier who spoke third in the debate was the first to look backwards. At that point, Mr. Speaker, I was sure the Resolution could meet defeat. Needless to say our side of the House can produce examples where electoral boundary juggling has harmed the interests of the people of Saskatchewan for every example their side of the House can present in this area. Consequently the debate from the Premier's remarks onward was a useless exercise and a waste of time. The Premier's desire to settle any kind of political reform in this province will not go unnoticed. You will have noted, Mr. Speaker, that the Premier did not refute one point in my remarks about the discrepancies that do exist in the Province of Saskatchewan. In my Resolution I pointed out that there are serious, unnecessary differences between one rural area and another, between one urban area and another, between urban areas and rural areas. Apparently my statistics are irrefutable because they stand unchallenged.

In his remarks, the Premier did make a couple of statements which bear some observation and I'm quoting directly from the records of the House:

This Government of course has taken action to reform those situations. And we have removed the multi-seat constituencies in Regina, Saskatoon and Moose Jaw. Today every voter votes for one candidate. And surely that's the fair way to do it.

I am not in disagreement with single member constituencies, Mr. Speaker, but it does seem strange that the Premier's idea of fairness means that, although the CCF party received 1,000 votes more than the Liberal party in Saskatoon City, they received only 2 out of the 5 seats due to the arranging of constituency boundaries by the Liberal party.

Some Hon. Members: Hear, hear!

Mr. Brockelbank: In fairness, attention must also be paid to the weight of an individual's vote from one constituency to another. The second quotation of the Premier which is of some note is as follows:

The Government will use the same mechanism in the redistribution field as has been used in this province since 1905.

Mr. Speaker, the examples I presented show this method is partisan and outdated. My examples are unchallenged. The Premier's statement shows that the Liberal Party is committed to old partisan ideas. The Liberal Government in 1944 was committed to old outdated ideas and it was swept aside by Saskatchewan people. This Government, Mr. Speaker, will also be swept aside.

Some Hon. Members: Hear, hear!

Motion negatived on the following recorded division:

YEAS
22

Lloyd	Meakes	Brockelbank
Wooff	Berezowsky	Pepper
Kramer	Romanow	Bowerman
Willis	Smishek	Matsalla
Wood	Thibault	Messer
Blakeney	Whelan	Kowalchuk
Davies	Snyder	Dewhurst
Michayluk		

NAYS
32

Thatcher	Grant	Weatherald
Howes	Coderre	Mitchell
McFarlane	Bjarnason	Larochelle
Boldt	MacDonald	Gardner
Cameron	Estey	Coupland
Steuart	Hooker	McPherson
Heald	Gallagher	Charlebois
McIsaac	MacLennan	Forsyth
Guy	Breker	McIvor
Loken	Leith	Schmeiser
MacDougall	Radloff	

SECOND READINGS

The **Hon. D.G. Steuart** (Provincial Treasurer) moved second reading of Bill No. 46 - **An Act to amend The Insurance Premiums Tax Act.**

He said: On The Insurance Premiums Tax Act, the Government receives revenue from a 2 per cent tax on all premium income from insurance of property or persons located in Saskatchewan except premium income under The Automobile Accident Insurance Act. We see no reason why premiums under The Automobile Accident Insurance Act should be exempt from this 2 per cent insurance premium tax. So as I announced in my Budget Speech effective January 1, 1968, we propose to remove the exemption, that is for this current year, of the Automobile Accident Insurance fund from the 2 per cent insurance premium tax. We estimate that this will increase our budgetary revenue by some \$500,000 a year or in this particular year we are in. With this very brief explanation on the principle of the Bill, I move second reading of Bill No. 46.

Mr. Blakeney: Mr. Speaker, I wonder if I might call it 5:30.

The Assembly recessed until 7:30 o'clock p.m.

March 28, 1968

Mr. A.E. Blakeney (Regina Centre): Mr. Speaker, before I called it 5:30, the Provincial Treasurer (Mr. Steuart) had introduced this Bill which is designed to impose a tax on insurance premiums and particularly premiums payable under The Automobile Accident Insurance Act. Mr. Speaker, I want to express opposition to this Bill, opposition on three counts:

Firstly, this Bill is one of a long series of taxes; the sales tax increase from 4 per cent to 5 per cent, the sales tax on new items, increased charges for vehicle registration, increased charges for drivers' licences, an increase in gasoline tax, deterrent fees, pari-mutuel taxes, insurance premium taxes and the rest. Just how impressive has been the Provincial Treasurer's raid on the pocket books of the people of Saskatchewan is illustrated by the Order Paper which we have before us. I invite Hon. Members to look at this Order Paper and make a little check of how many Bills impose a new tax or a new fee. In the Adjourned Debates section of the Orders, there are five Bills in all, three of which, The Hospitalization Tax Act, The Fuel Petroleum Tax Act and The Education and Health Tax Act impose new taxes. Going down to the Committee of the Whole section of the Orders, we see new fees to be contained in The Real Estate Licensing Act, and The Collection Agents Act, The Employment Agents Act. We turn the page and there are still more taxing statutes, in Bill No. 46, The Insurance Premiums Tax Act, and further down, Bill No. 68, The Horse Race Regulations Act and the Act to Amend the Cancer Control Act. Those three Bills impose new taxes. And I'm sure that I've forgotten a few taxing Bills because the Provincial Treasurer has taken to tucking his tax imposts into all sorts of corners of legislation. On a quick count there are six new tax Bills and three new fee Bills that are on the Order Paper now. It seems to me that we could have taken two or three bites of this particular cherry. The Provincial Treasurer could have introduced some of these tax Bills last year and some this year and some next year. There doesn't seem to be any reason for increasing every conceivable tax in one year.

Now, Mr. Speaker, I want to oppose this Bill on another ground and that is because it attacks the principle of The Automobile Accident Insurance Act. The Automobile Accident Insurance Act has been on the books for 24 years. The plan has been in operation since 1944 and since 1944 it has been a pool operated for motorists. Nothing was put into the pool except by motorists, The Treasury put nothing into the pool and took nothing out of it. It was, time and time again, reiterated in this House when we were the Government and when the Liberal party were the Government, that the rates set by The Automobile Accident Insurance Act were set by the motorists themselves. This was a pool of money which belonged to the motorists. Nobody put money into the pool other than the motorists and nobody tapped it other than the motorists. We had a slight breach in that dike last year when a tax was imposed to finance driver training. We didn't particularly object to that move because perhaps driver training is a legitimate charge against the

motoring public. But now we have a tax levied against Automobile Accident Insurance Plan premiums not for any designated purpose except financing the regular programs of the Government. For the first time we've had this insurance plan used as a taxing device. Mr. Speaker, this is by no means the first insurance plan which has been used as a taxing device, nor by no means the first Crown corporation which has been used as a taxing device. Members opposite have decided that they are going to use the Telephone Company as a taxing device; they've decided they are going to use the Power Corporation as a taxing device and now, Mr. Speaker, they've decided that they are going to use the compulsory Automobile Accident Insurance Plan as a taxing device. I think this is an erosion of a fine program, one of the programs which genuinely put Saskatchewan ahead. And what, Mr. Speaker, is the Government offering as an excuse for this? What did the Provincial Treasurer offer as an explanation in introducing the Bill? He said, "Well other insurance premiums are subject to tax, why should not the Automobile Accident Insurance Act premiums be subject to tax." That's an interesting argument, an interesting argument, Mr. Premier. I wonder if the Provincial Treasurer is aware that health insurance sold by private companies is subject to a tax, a premiums tax. I wonder if this means that next year he'll be coming into this House imposing a premiums tax on the Medical Care Insurance premiums. What other conclusion could you logically draw from his remarks? We have had private companies selling private automobile insurance subject to a tax. We have had a compulsory program that everyone participates in, not subject to a tax. The Provincial Treasurer says, "We must even them up. We must make the compulsory program pay tax just like the voluntary insurance." I repeat, Mr. Speaker. We have private health insurance which pays a premiums tax and we have a compulsory health insurance program the premiums of which are not subject to a premiums tax. Is the Provincial Treasurer going to come in here next year and say, "We must even them up, we must use the Medical Care Insurance premiums as a basis for taxation." It seems to me that this is the road we are travelling.

Mr. Speaker, my third reason for opposing this Bill is that it is an overt step to undermine The Automobile Accident Insurance Act. Mr. Speaker, it is well known that the Government opposite is negotiating with private insurance companies to sell out The Automobile Accident Insurance Plan.

An Hon. Member: How childish can you get.

Mr. Blakeney: I'm not being childish. You can read Mr. Ted Davis' articles in the Toronto Globe and Mail. And he is pretty reliable on these points because he has a straight pipeline to the Premier's office as is well known and he has advised on this point. I would like Hon. Members opposite, if they can, to deny that the Government is carrying on negotiations with the All-Canada Insurance Federation right now, right now. In fact this is going on.

March 28, 1968

Some Hon. Members: Hear, hear!

Mr. Blakeney: Yes, I'm not surprised that the Hon. Minister of Labour (Mr. Coderre) doesn't know about it. There's no particular reason that he would be aware of the plans of the Government. But it seems to me, Mr. Speaker, that the evidence is in, that the Government is in fact negotiating. Step by step we are seeing this plan being set up to be knocked off. We had in The Automobile Accident Insurance Act amendments this year a small change, nothing alarming, but for the purpose of putting Automobile Accident Insurance Act policies in line, in line with the private policies. We have this Bill which we are now discussing and which is designed to get the Automobile Accident Insurance Plan tax position in line with the private ones. Why the need to get all these things lined up? I think that the answer is clear. The Government wants it so that when the time comes, when the Automobile Accident Insurance Plan is in fact sold out, the number of changes which have to be made will be reduced to a minimum. We are seeing this thing being done gradually, step by step. I say, Mr. Speaker, that the Government is negotiating to sell the Automobile Accident Insurance Plan or sell it out. I say that step by step it is making The Automobile Accident Insurance Act conform to private insurance principles so that the ground will be laid for this sell-out. I say that this is another Bill which is designed to do just that.

Mr. Speaker, this Bill is nothing short of a setup or sell-out.

Some Hon. Members: Hear, hear!

Mr. Blakeney: Under these circumstances, Mr. Speaker, I will oppose the Bill.

Hon. D.G. Steuart (Provincial Treasurer): Mr. Speaker, I am not going to say a great deal in closing this debate. The charge that we are lining up the Government Automobile Insurance to sell out to the private sector is of course nonsense. We have had discussions with some people in this regard, and I suppose as long as we are the Government, people will come and talk to us. I suppose that when you people were the Government, they came from time to time to talk to you.

The difference may be that we set down and talked with them. We talk to a great many business men and industrialists. That's why they come here. You people should have talked to them and listened to them and maybe you would still be the Government. But you didn't choose to do that. I can say categorically that we have no intention of selling the SGIO. We have no intention of doing away with it. But we don't see why it shouldn't carry its proper share of the financial load.

Among other things that we are doing we have initiated, for example, driver training and we will spread this all over the province and the cost will come out of Government revenue. There is no reason why it should not be paid for from a tax on insurance because we hope that this is one step that we are taking, in fact we are confident it will improve the driving in this province and will cut down the accident rate and will very markedly affect this insurance program. So there is no reason why it shouldn't carry its weight. The people who buy insurance should pay a small portion towards these programs that we are initiating and will develop and expand.

So, Mr. Speaker, this is nothing new. There is no ulterior motive other than to say that this Government program, as we have always believed of all Government programs, when they are in business and are competing in the market place of the province, should carry its proper share and its proper load of the tax burden of this province. To say that we are taxing the Power Corporation, of course this is a piece of unmitigated nonsense. We took the Power Corporation - now that he brought the subject up - without raising the rates. In fact after having lowered the rates in the city of Regina, and without raising the rates anywhere else in the Province, we took the Power Corporation from a position where it was not making any money or making very little money to a position last year where it made \$11 million. We were able to take some of this money - and a great deal of this money came from industry and business - and gave the people of this province for the first time a dividend. If this is such a terrible principle why had the former Government - and I don't blame them for this - why had it done the same thing with the Telephone Corporation? Now the reason it hadn't been able to do this with the Power Corporation is that, led by Mr. Cass-Beggs and his peculiar theories of business and the way that the Corporation was run, it never had the money to do this. We changed it! We put it on a business-like basis and we were able for the first time not to tax the people but to return some money back to the people. If that isn't the purpose surely of a publicly owned corporation, then I don't know what is.

Mr. Speaker, this is just a simple tax to allow the users of the Automobile Accident Insurance Plan to help pay part of the cost of running government. This money will be returned to them in the form of services. I hope that all Members even the ones opposite, will support this very enlightened tax measure.

Some Hon. Members: Hear, hear!

Motion agreed to on the following recorded division:

YEAS
29

Thatcher
Howes
McFarlane

Grant
Coderre
Bjarnason

Mitchell
Larochelle
Gardner

March 28, 1968

Boldt
Cameron
Steuart
Heald
McIsaac
Guy
Loken

Hooker
Gallagher
MacLennan
Breker
Leith
Radloff
Weatherald

Coupland
McPherson
Charlebois
Forsyth
McIvor
Schmeiser

NAYS
21

Lloyd
Wooff
Kramer
Willis
Wood
Blakeney
Davies

Dewhurst
Meakes
Romanow
Smishek
Thibault
Whelan
Snyder

Michayluk
Brockelbank
Pepper
Bowerman
Matsalla
Messer
Kowalchuk

Motion agreed to and Bill read a second time.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Steuart (Provincial Treasurer) that Bill No. 63 - **An Act to amend The Education and Health Tax Act** be now read a second time.

Mr. Steuart: Are we going to have the same speech?

Mr. Blakeney: If they are all the same taxes, Mr. Speaker, I don't see why we shouldn't have the same speech. It seems to me that every conceivable tax has been raised and the reasons for raising them are as specious and unreasonable in one case as they are in the other. There seems to be no reason why the same logical arguments would not commend themselves to Members opposite in the one as case as the other. Certainly each and every one of these taxes, Mr. Speaker, is a tax which this Government has imposed and which it promised not to impose. Each and every one of them is brought in by a Government which was pledged to reduce taxes and has dishonored that pledge time and time again. Each and every one of them ought to be rejected by every Member in this House who believes that he ought to honor his election pledges.

Mr. Speaker, I spoke at some length on this Bill before and I don't intend to take any great amount of the time of the House on the Matter. It seems to me, however, that a couple of comments ought to be made. I was surprised at the figures offered by the Provincial Treasurer (Mr. Steuart). I am particularly surprised at his estimate that the tax on hotel rooms and the

like yield only \$300,000. It seems to me that that figure is low. It seems also to me that his estimate of \$10 million for the extra one per cent on the present tax base is low. I predict that when the year's receipts are in, certainly the \$10 million figure will be higher. In fact the tax burden being imposed by the Provincial Treasurer is greater than he is prepared to admit. I suggest that he is like a squirrel and he is laying aside a few nuts . . .

Mr. Steuart: I'd certainly like to lay aside . . .

Mr. Blakeney: Sitting where he does, he is certainly well acquainted with that particular commodity. I suggest that he is laying aside a few nuts so that when the time comes to distribute a few goodies he will have some money laid aside. I don't think that there is any doubt that the tax will yield a greater sum than he has estimated. In fact, he is giving the House information which will turn out to be false.

Mr. Speaker, I was particularly surprised when Members opposite indicated that they felt that the burden of this tax on municipalities was something which was so trivial that it called for nothing but a joke. They suggested, Mr. Speaker, that savings by the municipalities, when The Education and Health Tax Act may have been at a lower figure than it is now had been frittered away on Buffalo hats. I don't know whether the Government opposite is in any position to criticize any municipality in this province for their use of publicity media. It seems to me, Mr. Speaker, that any Government which can spend very large and, as yet, undisclosed sums on balls on the opening of the Legislature, on official openings of picnic tables, and on official openings of all manner of other Government projects, is in no position to criticize any municipality which gives away the odd Buffalo hat to a distinguished citizen, and I think, with very considerable perception withholds them from Members opposite.

It seems to me, Mr. Speaker . . .

Mr. Steuart: Where is Standing Buffalo tonight?

Mr. Blakeney: At least he's not sitting beside Sitting Bull, the Member from Prince Albert West.

I think, Mr. Speaker, it is worthwhile to note that it is probable that this tax or a considerable portion of this tax would not be necessary, if the Government would adopt for itself some of the economy measures which it is recommending to all of the municipalities and school boards in this province. I don't know, Mr. Speaker, why it is necessary to carry on the reconstruction of the Legislative Building, piece by piece, and particularly I don't know why it is necessary to do it when

March 28, 1968

the House is in session, so that it is a considerable hazard for a Member to get to his office from the Legislative Chamber. Evidently, Mr. Speaker, this is being done as an economy measure. I am not complaining about the fact that the Legislative Building is being renovated, but I ask Hon. Members to ask themselves, whether a more expensive way to renovate this building could be found than to do it each evening with the need to tear down one scaffold when the work is finished at night and put it up again when the work is resumed the next night, probably paid at time and a half, hour after hour, day after day, week after week. Just why it was not possible for the Government to arrange its affairs to vacate a wing of this building and get the renovation done, cheaply and expeditiously, I do not know. I trust that the Minister of Public Works (Mr. Guy) will tell us that on his estimates.

Hon. A.C. Cameron (Minister of Mineral Resources): Where is the relation between this and Education Tax?

Mr. Blakeney: The relationship between this and the Education Tax as requested by the Hon. Minister of Mineral Resources (Mr. Cameron) the Member for Maple Creek, I thought would have been obvious. It seems to me that the need to tax a man when he goes in and buys a meal for his wife and himself and each meal costs \$1.10 each, so the total amounts to \$2.20, the need to get 10 cents out of him could well be avoided if a few simple economy measures were adopted.

Some Hon. Members: Hear, hear!

Mr. Blakeney: Mr. Speaker, I do not want to suggest that great sums of money could be saved by a more economical method of renovating this building, but I am going to suggest that huge sums of money could be saved if the Minister of Highways (Mr. Boldt) would use a few little economy measures.

Some Hon. Members: Hear, hear!

Mr. Blakeney: Mr. Speaker, I think that it is well known that between 1963 and 1966 according to the Dominion Bureau of Statistics' figures, the unit cost of building highways in Canada increased by about 27 per cent.

Hon. D. Boldt (Minister of Highways): Talk about 1956.

Mr. Blakeney: I don't know what the interjection of the Hon. Member for Rosthern is about, but doubtless he will talk about what he wants to talk about when he joins this debate. I want to talk about the period which has just passed and for which the Members opposite are responsible. I want to talk about the

slipshod administration which has led to the necessity to the piling on of tax after tax after tax.

Some Hon. Members: Hear, hear!

Mr. Blakeney: I want to talk about the fact that whereas elsewhere in Canada highway costs increased by about 27 per cent and whereas the highest cost outside Saskatchewan would be under 35 per cent, in Saskatchewan the unit cost of building highways is increased, not 27 per cent, not 35 per cent, but 63 per cent.

Some Hon. Members: Hear, hear!

Mr. Blakeney: I want to say that if the Government opposite had been able to control its highway costs as every other Government in Canada did - and I am not talking about how many miles they build but how much it costs them to build a mile of road or move a yard of dirt - if they had been able to control those costs as every other Government in Canada has done, the savings would be by my calculations of the order of \$12 to \$14 million. Yes, \$12 to \$14 million between 1963 and 1966. I invite Hon. Members to take out their pens and decide how much the highways would have cost had cost increases been 30 or 35 per cent and not 63 per cent.

And under those circumstances if we had \$12 or \$14 million more in the Treasury it is entirely possible that this Bill would not be necessary.

Some Hon. Members: Hear, hear!

Mr. Blakeney: And I think that the maladministration of the Government is the prime reason why we are faced with this tax increase. I think, Mr. Speaker, that under these circumstances we ought to oppose the Bill. It is not good enough for the Members opposite to say that Prince Edward Island has the same tax or New Brunswick has a higher tax. We are not blessed with the same resources that Prince Edward Island or New Brunswick has. We have very much greater resources. We ought to be able to turn those resources to account so that the ordinary taxpayer of Saskatchewan is not called upon to pay new tax after new tax. Mr. Speaker, this is just one more tax which illustrates the deceit of the Liberal party when they fought the last election and the maladministration of the Government in their last term of office, and I will oppose the Bill.

Some Hon. Members: Hear, hear!

Mr. B.D. Gallagher (Yorkton): I just want to say a word or two. I don't like any Member of the House making a charge, a blanket charge that any Member or all Members on the other side of the House were deceitful. I certainly make no apologies for where I stand on this

March 28, 1968

particular tax.

During the election campaign of 1967 I preached one thing and that was, "There is no free ride with the Liberal party." Mr. Speaker, my opponent, the Socialist from Melville who ran against me promised everything and anything. The sky was the limit. I told people - and I have all the radio scripts, all the television scripts that I used during the course of the campaign - and I said one thing, "I am promising nothing but good government. Good responsible government."

Some Hon. Members: Hear, hear!

Mr. Gallagher: I said, "You are not going to get anything for nothing from a Liberal Government." Mr. Speaker, the majority of people in my constituency wanted good government. They didn't want something for nothing. I resent any Member getting and making a blanket charge that we got elected deceitfully. He gets up and says, "Every Member in this House should vote against this Bill." I want to remind him and he was sitting somewhere along in this row of seats about five or six years ago, the fall of 1961, and I was sitting back there. I remember the Government of the day increasing the sales tax not by 25 per cent but by 60 per cent in one whack. And Member after Member tried to get up and justify the increase of 60 per cent. We gave them a pretty hard time. Then after they saw that they were badly beaten on the argument, one day their old friend Tommy Douglas came in and you know after he put the skin on it, you'd think that maybe they had made a mistake. They should have increased it 150 per cent.

Mr. Speaker, this Government is being responsible. This Government is spending more money on education, more money on health, more money on welfare, more money on highways, than the other Government ever thought of spending and we are being responsible and we are balancing our Budget. We could have done like the CCF did in 1960, 1961 and 1962 - amortized 50 per cent of the taxable expenditure on the Department of Highways. We didn't do it because it is wrong.

Mr. Speaker, I make no apologies whatever for supporting this Bill.

Some Hon. Members: Hear, hear!

Hon. D. Boldt (Minister of Highways): Mr. Speaker, I always get a real charge when the Regina Centre Member (Mr. Blakeney) gets up and talks about finance.

Mr. Michayluk (Redberry): So do we!

Mr. Boldt: You know I am always reminded, when he was the

Minister in charge of Saskatchewan Government Insurance, how he plowed \$500,000 every year into the Saskatchewan Guarantee and Fidelity Company that was doing business in Russia and South America. But at no time would he let the people of Saskatchewan know where that money went. That was even hidden in the reports. It was only until the Liberal Government came into office that this was revealed. Then he comes to us and says, "Oh, the Liberals are a bunch of crooks and they hide the taxations from the people of Saskatchewan." He always leaves the impression that there is something drastically wrong with the Department of Highways.

Well there certainly is nothing wrong in the Department of Highways as I have said before. You know I had a contractor - and I will name him - Mr. South, come to me last summer and he said, "You know in 1956 I got 55 cents a yard for moving dirt on Highway No. 2." I don't think that I signed one contract where we have given a contractor 55 cents a yard for dirt moving. This happened in 1956. Now in the Dominion Bureau of Statistics, and you have it, it will show that in 1965 our prices as compared to 1956 are about 10 per cent higher than they were when you were the Government. It was when the Federal Government participated in the Trans-Canada Highway, the budget of course was quite high, but the moment the Trans-Canada Highway was finished, the Budget dropped. You had a higher Budget in 1955 in highways than you had in 1963. Can you imagine that? This is progress. In 1955 you had a higher budget than you had in 1963. The contractors were all geared up to do a good piece of highway work, but you just took the money out of the budget and the contractors were left sitting there with their construction equipment. There was no money to earn and of course the prices had to go down. It was just like during the Dirty Thirties when it came to the Highway Department. Of course the prices went down. They went up in 1963 to 1964. Most of the contracts were let by the former Government. We took office in May and if you had given us the Government one month earlier than you did, we could have let some of those contracts. But those contracts were mostly let by the former NDP Government and the prices had gone up considerably in 1964. Now they say that we are spending money foolishly. Well, I am telling the Opposition, is there a school teacher that is on wages of 1955 or 1956? There isn't one. Is there a labor man that is working for 10 per cent more than he got in 1955? This is what the contractors in Saskatchewan are doing today. They are working on a unit bid price which is 10 per cent higher than in 1956, and I think that this is a real good price. The Dominion Bureau of Statistics will indicate when you go right through all the pages, that our prices per unit are not higher - and I would say that they are lower - than in the majority of other provinces in Canada. I say that we are getting a real good price.

Some Hon. Members: Hear, hear!

Mr. Boldt: They say that there is a lot of waste in highways.

March 28, 1968

I'll just show you what you did in 1963-64, the last year you were in government. You moved 7.4 million yards of dirt. Well in 1964-66, the first year that we were in full operation we moved 22.5 million yards or an increase of over 200 per cent. And in 1967-68 we moved 28.8 million yards or another 31 per cent increase, or in other words, the increase percentage-wise in dirt moved from 1963-64 as compared to 1967-68 is a 290 per cent increase. This represents almost a four-fold increase. You don't have to tell me that there is waste in the Highway Department. We are building far better highways. If you want to compare a unit price from out of the ditch or a unit price of dirt that you have to haul out of a burrow pit, the price is not the same. If you want to compare that unit price to a unit price out of the pit, you should have your head examined. This is just like comparing oranges with apples. There is no comparison whatsoever. Our people in the Highway Department are much, much more selective than they were 10 years ago. I don't blame the Government for this. Traffic today warrants that we build better highways. We are far more particular about the oil selection, far more particular about the gravel selection. We are trying to build the best highways possible and this is reflected in the cost. I certainly support this Bill because we are building better highways. I supported the other Bill about the insurance. I don't think that I am out of order when I talk about tax increases. They will help to build better and safer highways. They will help to train our students in the schools so that they know how to operate the car.

I support this Bill, Mr. Speaker.

Some Hon. Members: Hear, hear!

Mr. C.G. Willis (Melfort-Tisdale): Mr. Speaker, it always amuses me when the Minister of Highways gets up and talks about what they are doing now. I agree with him when he says that this Department of Highways is spending money. Nobody disputes that. But when the Minister gets up and starts disputing with the Dominion Bureau of Statistics' figures, Dominion Bureau of Statistics' figures show that the price of moving dirt in Saskatchewan, the price of building highways in Saskatchewan went up 63 per cent from 1963, the last year that we were in office, to 1967 when this Government was in office. And the Minister gets up and talks about the tremendous amount of dirt that they moved, compares one facet of the Department of Highway's work with what we did in moving dirt.

There is no doubt about it that they are moving more dirt. Their figures show this, Mr. Speaker. But the cost that they are paying for moving this dirt is almost as if this was gold that they are moving. My friend, the Member for Wadena (Mr. Dewhurst) has an answer to two questions which he got just today, I think it was. The contract price which was \$400,000 different from the amount which was paid to the contractor who did the work on Highway No. 5 or No. 14. \$400,000 was the

contract price. The final payment to the contractor was \$800,000, Mr. Minister.

Mr. Steuart: Mr. Speaker, on a point of order. It seems that every day we have a debate on the Highway Department. We are bringing in the Highway Estimates. Now I realize that in this tax Bill that is before us they could argue about telecommunications, about meals and hotels, but I don't recall in this particular instance, that we are doing anything to tax highways. I just wonder if we could save this wonderful reference until we get the Highways Department to tell us how much they appreciate this wonderful tax Bill we are bringing in.

Mr. E. Kramer (The Battlefords): Mr. Speaker, on a point of order. You know it always seems to bother, a point of order always seems to bother the Provincial Treasurer when someone from this side is speaking. This speech made on highways is outside of the floor.

Mr. Willis: I was trying to point out to the Minister of Highways and the Government opposite, Mr. Speaker, if there hadn't been this waste on highways that they would not have had to impose this one per cent increase in sales tax. This was the point that was made by the Member for Regina Centre (Mr. Blakeney). This is the point I am trying to make and when we get into Highway Estimates, Mr. Speaker, we'll certainly prove that, with the help of the Minister of Highways (Mr. Boldt) of course, there is a great deal of waste in the Department of Highways. One other instance here where the Minister could have saved money for the Provincial Treasurer so that the Provincial Treasurer (Mr. Steuart) wouldn't have had to up the Education and Health tax by one per cent, was the work which was done on No. 102. Now, Mr. Speaker, No. 102 is north of Churchill. We let this contract back in 1963. It isn't finished yet, Mr. Speaker. There was 120 working days allowed to the contractor in this contract, 120 working days. The answer I got last year was that the Department . . .

Mr. Boldt: On a point of order. My purpose in entering the debate is to help the Minister of Finance. I think you could make much, much more progress if I would leave the Chamber and I will so do, because they are just hitting at me.

Mr. Willis: Mr. Speaker, to complete the example of waste I was giving, here we had 120 working days allowed for the 19.7 miles of grade north of Churchill River on No. 102. The contractor is on the 656th day right now. It is 656 days since the contractor began work. Now he is being penalized by the Department, the Department is collecting from him at a rate of \$90 a day, 90 times 500, means that the Provincial Treasurer (Mr. Steuart) will get an extra revenue of \$45,000. But this is offset by the tremendous increase in the contract price. I

March 28, 1968

would say. Speaking directly from memory now, I think the contract price went up four times. Four times \$45,000, Mr. Speaker, that means that the contractor can afford to pay \$45,000 when he gets approximately \$140,000 over and above this for completing the contract. And the point which we on this side are trying to make, Mr. Speaker, is that if the Department of Highways had been more efficient, had treated the clay in Saskatchewan as if it were ordinary clay rather than gold, then we wouldn't have had this tremendous amount of waste and inefficiency by the Department of Highways and the Provincial Treasurer would have been saved from the disgrace which has come to him in having to raise all of these taxes to balance his Budget.

Some Hon. Members: Hear, hear!

Mr. Speaker: I must inform the House that the mover of the motion is about to close the debate, if anybody wishes to speak he must do so now.

Mr. J.E. Brockelbank (Saskatoon Mayfair): Mr. Speaker, you were putting the question when the Minister got to his feet, it was a clever ruse to get some Members into the House so he wouldn't lose the vote.

Mr. Steuart: I couldn't be that clever. The House was ready for question and I was putting the question and I haven't declared the result thereof. Mr. Speaker, obviously the Opposition are grinding out the same arguments for every one of the tax increases that we have had to bring in. We have brought in tax increases that we have had to bring in. We have brought in tax increases and we have some more tax increases to bring in. When we finish taking this vote we will proceed with the adjourned debate on the increase to the gasoline tax. But nowhere at anytime in their opposition, no matter how long they speak, whether it's on the Department of Highways, no matter how many red herrings they've attempted to drag into these debates, have they ever shown the responsibility of suggesting how they would meet the costs of today's government and supply the service that they demand on their side of the House and the people in this province expect. Now we recognize that an Opposition's job is to oppose but we do suggest that from time to time they should show a slight measure of responsibility. If they fail to do this, then I suggest when the next debate comes up again we won't hear from the Member for Melfort-Tisdale (Mr. Willis). I hope that he has given his last speech on highways tonight, but we may hear it again.

Mr. Speaker, the increase in this tax and the widening of the tax base is necessary. The money will be spent for education and health. I haven't heard the Members opposite suggest that we should cut either of these programs. In fact if we have been criticized at all, we have been criticized for not spending more.

Mr. Blakeney: . . . Deterrent fees.

Mr. Steuart: Yes, the fees we put on to try to bring some responsibility to those programs as well. Never, never in the history of this province have we seen a more irresponsible Opposition. They have shown it tonight and they will continue to show it throughout this debate and throughout this sitting. Mr. Speaker, I will urge Members to support this very responsible move to increase these taxes.

Motion agreed to and Bill read a second time on the following recorded division:

YEAS

30

Thatcher	Grant	Weatherald
Howes	Coderre	Mitchell
McFarlane	Bjarnason	Larochelle
Boldt	Estey	Gardner
Cameron	Hooker	Coupland
Steuart	Gallagher	McPherson
Heald	MacLennan	Charlebois
McIsaac	Breker	Forsyth
Guy	Leith	McIvor
Loken	Radloff	Schmeiser

NAYS

22

Lloyd	Meakes	Brockelbank
Wooff	Berezowsky	Pepper
Kramer	Romanow	Bowerman
Willis	Smishek	Matsalla
Wood	Thibault	Messer
Blakeney	Whelan	Kowalchuk
Davies	Snyder	Dewhurst
Michayluk		

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Steuart that Bill No. 43

An Act to amend The Fuel Petroleum Products Act be now read a second time.

Mr. F.A. Dewhurst (Wadena): Mr. Speaker, Bill No. 43 which is before us at this time, is a Bill which I believe the Members opposite, the Government, should hang their head in shame. It's plain to see, Mr. Speaker, they are all retreating to listen to the box out in the rotunda rather than staying in their places in the House, but I intend to make a few remarks on this Bill anyway. This Bill is a Bill which is vicious in its nature. The Minister of Mineral Resources (Mr. Cameron) waxed eloquently on this Bill the other day and pointed out how the Government had removed the mineral tax from farm land and that was such a concession

March 28, 1968

to the farmers. The majority of the farmers don't have, and never did have, the mineral rights to their property, so the removal of mineral tax on the farm land I agree was a concession to those farmers concerned, but it will not compensate for this two cents increase on farm fuel. The Minister of Mineral Resources also said that the savings to the farmers of this province by allowing them to use purple gas in farm trucks was a saving of between \$4 and \$5 million. I'd like to know where he gets these statistics from because three or four years ago when this was brought into the House, it was estimated that it would be around \$2.8 million of a saving. Then each time that it tells the story it gets to be higher and higher until now the saving is between \$4 and \$5 million. At a previous session we placed a question on the Order Paper asking what was the saving to farmers for allowing them to use purple gas in farm trucks. The reply we got from the Government, Mr. Speaker, was to the effect that there was no way of having the correct information, no way of knowing, because separate account records would have to be kept not only by the filling stations but by farmers, because there was no way of knowing what fuel went into a farm truck or what went into the tractor, so it could not answer the question because there was no way of having the knowledge. Yet we are told now it is between \$4 and \$5 million. It is just double what it was three or four years ago. Now this tax is being placed on the farm fuel purportedly to help finance roads, because it says the farmers use roads. There was also mention made the other day by the Minister of Mineral Resources (Mr. Cameron) that it is giving great assistance on the building of access roads. Now as for a number of access roads that are being built now, Mr. Speaker, when the municipalities came in last spring to see this Government, to see if they could go ahead and build access roads, they were told they could. The formula was worked out as to what percentage the Government would pay. But what happened, according to my information, is that the municipalities were told they could go ahead and build the roads and they would get their share of the cost from the Government in three, four or five years' time when money was available. So in the meantime the municipality builds the whole road, finances the whole cost and may get part of its money back at a later date. So it is not paying at the present time as much money for the building of access roads as it tries to impress this House or the people of this province with.

The Minister also said, "Every one of you on that side of the House voted against purple gas for farm trucks." I wish he would check the Votes and Proceedings and the records of this House for that debate and the vote concerned, because it was a recorded vote. The Member for Kinistino (Mr. Thibault) did vote against it and he was highly ridiculed by the Government. He said at that time that one of the reasons he was voting against it - and time has proved him absolutely right - was because if they allowed this to go through it was just opening the door for the Government to come back at a later date and start taxing farm fuels. And that is just what is being done now. It is putting the two-cent tax on farm fuels,

as the Member for Kinistino (Mr. Thibault) said three years ago, when it made it possible for farmers to use purple gas in their trucks.

Now what is this two cents per gallon? It doesn't look to be so great, two cents per gallon; but it is not a 5-cent tax, we have just finished talking about a 5-cent tax Bill. This is ten per cent. The cost of diesel fuel in the city of Regina here for the farmers is about 18 cents or maybe a wee bit better, it's 18.2 or 18.3 in Regina, I phoned and got the information, and for bronze it's around 22 cents, an average of about 20 cents. A two cent per gallon tax is a ten per cent tax. Now farmers living away from the city of Regina further from the refineries have an added cost to their fuel. Their fuel would be above the average of 20 cents per gallon because there is the cost of either shipping by rail or the trucking added to that fuel. So they not only pay the two cents per gallon on the fuel here, but the price of the fuel is going to go up because the increased taxes by the Liberals that we have seen in this Legislature this session means that the cost to truckers has gone up. The price of the diesel fuel or gas in their trucks is up, their license and insurance is up, so they are going to charge more for hauling the fuel out to the different areas of this province. That means the farmers' costs are going to go up again, not only due to this Bill but due to other Bills.

A lot of our tractors today, Mr. Speaker, as you are well aware, because I know you are well aware of the hazards of farming and the responsibilities and the worry of a farm, will burn three gallons of fuel per hour. And in the busy seasons in seeding time it is quite common for a lot of those tractors to run as high as 15 hours a day, sometimes more. Sometimes the farmers will have a tractor and they will have the wife help operate it, or there may be a son after school. They keep the tractor running for long hours. That's going to be a \$1 a day tax on those farmers on each tractor if they burn three gallons of fuel per hour.

Another thing that has been announced in this Legislature is that farm land is going to be up for auction sale. This is going to mean, Mr. Speaker, as I have said before that if this farm land which the farmers need on these leases and so on to help round out a unit, comes up for auction sale they are going to have less money due to this Bill for to bid on the land, to buy the land which they need in their farming operations. If they do not get that land then their unit is going to be undersize. They are going to be at more disadvantages in order for to compete in the farming economy today. Then we see headlines in the paper, as we have seen this last few days, that the farm income from the province this past year was the greatest ever, we see the announcement of the Wheat Board payments, what a large payment it is and so forth. Unless we examine the costs of what the farmer has to pay, it looks like the farmers are receiving a lot of money. But the Dominion Bureau of Statistics or any other statistics will show that the cost-price squeeze is greater on the farmer than any other segment of our economy.

March 28, 1968

Roughly 12 per cent of Canada's population is engaged in agriculture, yet agriculture as a whole only gets about five per cent of the gross national product into agriculture. If we were getting our fair share of the national productivity returned to agriculture, the taxes the farmers have to pay wouldn't bother them, because, Mr. Speaker, it is not these taxes that you have to pay that is the final analysis on the final count. It's what you have left over and the farmers are finding today that the cost-price squeeze is greater and greater. Bill No. 43 is another squeeze.

Furthermore, Mr. Speaker, this Government prior to October 11 denied any claim of going to increase taxes. I have here a page of the Star Phoenix for Saturday, October 7. The leaders of the campaign were questioned on their stand on different taxes, and I would just like to quote one or two of them. The leaders of the three political parties that were contesting the election, the Premier, the Leader of the Opposition, and Mr. Martin Pederson were asked a number of questions. Here is one of them: "Would you continue to permit the use of tax-free purple gasoline in farm trucks?" The answer by the Liberal leader was: "This Liberal policy, flatly refused by the Socialists for 20 years, will most certainly be continued." Our leader said that we would permit the continuation of it. The Conservative leader said, "Yes, but with better policing to remove abuses." Another question that was asked was: "Would you reduce the Education and Health sales tax and the surcharge on the income tax any further?" The Liberal answer was: "The Liberal policy of reducing taxes as industrial and resource revenues rise will be continued. We would hope to further reduce the sales and income tax."

Some Hon. Members: Hear, hear!

Mr. Dewhurst: So you can see by the answers and I could go over a whole list, Mr. Speaker, but I won't weary the time of the House with it. In every case they were promising to reduce taxes, in no case was there a promise of increased taxes. As I said previously, Bill 43 is said to be a benefit to the farmers as this tax is going to help build roads. Once again I would like to draw the attention of this House to the money that is wasted on roads. I have here the answers to two questions which I received today, Highway No. 14 from Dafoe through to Elfros. The contract was let for \$503,950, roughly \$504,000, with a 135-day time limit for completion. They've worked on it for two years. It is yet not completed. The amount of money paid out is over \$777,500 with a \$50,000 holdback and still more to be paid out when the project gets completed. So you can see, Mr. Speaker, that contract is going to be double the cost. The information I have is this contract was changed during the construction of the road. The type of grade wasn't increased but the standard was actually decreased. After they had gone the first two or three miles they decreased the standard and did not increase it, but the cost is doubling. But that's not bad, Mr. Speaker. We look at Highway No. 5 from Watson across to Wadena. That's a

distance of approximately 30 miles. A contract was let for \$414,000, with a time limit of 120 days. They have been working for over three years on it now. At the best it's only two-thirds completed on that stretch of highway. This contract too was renegotiated and I haven't got the details of how it was renegotiated. But the answer I received today showed that instead of \$414,000, they have already paid out \$881,000, over twice as much and there is still a \$50,000 holdback coming to the contractor. And as I say, Mr. Speaker, that project is at the best only two-thirds completed. So this is going to be a contract let for \$414,000 and costing \$1.25 million at this rate of going. No wonder our Provincial Treasurer (Mr. Steuart) is saying that we have to put a two-cent tax on farm fuels in order to help pay for roads, because the policy of the present Minister of Highways (Mr. Boldt) is depleting all the money for highways when huge, vast sums of money could be saved on the highways so that it would not be necessary to tax the farmers.

The farmer today, Mr. Speaker, is competing in a very competitive world. He is the only true free enterpriser in the entire Canadian economy. He has to produce on an open market, he buys all his products from a high-tariff, protected market controlled by monopoly but his products must go on the world market at world competition. We have to compete with our farm products against those of other nations which have a two-price system for their agriculture and also a guaranteed price and subsidy. The farmers of this province must compete against those things. Or we must try and sell our wheat to some of the Communist countries behind the Iron Curtain, but we refuse to recognize those countries. We refuse to have a two-way trade with them. Consequently it appears that their amount of Canadian or American dollars is falling off, so they don't have our hard currency to buy our wheat. So we see today our sale of wheat is dwindling to about half of what it was a year ago at this time. The average quota throughout the province here is four bushels per seeded acre and in a lot of places the elevators are plugged. They can't accept delivery. How can farmers exist on the average-sized farm in this province on a four-bushel quota, pay these exorbitant taxes which have been heaped on and be able to maintain their cost of operation and a decent standard of living for their families and themselves? Mr. Speaker, you and I readily realize that this can't be done. Something should be done to alleviate the pressure on the farmer, not heap more pressure on him. I feel that this is a vicious tax, a tax which the farmer shouldn't have to bear, there are dozens of ways this amount of money could be saved. Therefore, Mr. Speaker, I have no alternative but to oppose this motion because it is a motion which is most unfair. If the Provincial Treasurer or the Premier don't think it is an unfair tax, I would ask them or dare them to call a free vote on this Bill. And if they call a free vote, then I would like to see where their back benchers voted if they don't think this is an oppressive, unfair tax. I oppose this Bill.

Some Hon. Members: Hear, hear!

March 28, 1968

Mr. J. Kowalchuk (Melville): Mr. Speaker, I first of all want to say how very glad I am to see that for the first time in quite a number of evenings the galleries to the north of us here have a few people in them. And since the seats are quite empty in this Chamber especially to your right, Sir, I really appreciate having them here today.

On rising to speak on Bill 43, The Act to amend The Fuel Petroleum Products Act, I recall the other day that the Hon. Minister of Mineral Resources (Mr. Cameron) surprised me somewhat when he got up to speak in favor of that Bill. He spoke so eloquently on another tax, the purple-gas tax on gas used in farm trucks, and that in doing so they were today without question justified in bringing in the two cents per gallon on all other farm fuel. Now just where the act of giving bread with one hand and taking it away with the other, especially at a time like this, when the farmer, and particularly the small farmer, is already on a starvation diet, is being justifiable, Mr. Speaker, is beyond all understanding. It reminds me of the lesson I learned on my Mother's knee, Mr. Speaker, who taught me this, "The Lord giveth and the Lord taketh away." Now during this last four years of Liberal Administration in Saskatchewan, I think it was Mr. Lloyd, our Leader, who coined a new version of this biblical quotation: he said this, "The Lord giveth, and Thatcher taketh away." However, Mr. Speaker, after hearing the Hon. Member from Maple Creek (Mr. Cameron) trying to justify the two cents per gallon on farm fuel because it had provided free purple gas for farm trucks, I am convinced that the newest version of this Saskatchewan Liberal philosophy is, "Thatcher giveth and Thatcher taketh away." Mr. Speaker, after the many promises made by the Liberals in 1964, and again in 1967, to help the family farm to survive, to reduce the taxes on farms, it was going to be the champions of the farmer. Well let us look at some of the records, Mr. Speaker. Now here is a big full-page ad, about a \$300-ad of Liberal promises in the Saskatoon Star Phoenix. It's dated October 4, 1967. Now this same ad was run in the Leader-Post and many other papers in Saskatchewan as well. Now you just wouldn't believe it, Mr. Speaker, but the first plank of the farm promise, right on the very top, is tax-free purple gas.

Some Hon. Members: Hear, hear!

Mr. Kowalchuk: Now that was before October 11. It is tax-free no more, Mr. Speaker. What irony, Sir, another performance of dangling a carrot to the farmer for political purposes by those all-out promise Liberals. Now let's read some more of the famous full-page article of the MacLaren advertising propaganda. Right down further on, the title says, "More Security for the Family Farm." Security and family farm under this Liberal Government! It would almost seem comical if it wasn't so tragic. Now, "A New Break for the Future," it says right down here, Mr. Speaker. Whatever happened to the blue print for the future after October 11? "Keep things Moving in the New Saskatchewan," it says

farther down here. The last one, Mr. Speaker, "The New Saskatchewan!" Now, not one Liberal across the way wants to talk about it, and I don't really blame them. After four years of mismanagement and bungling, it's a new Saskatchewan all right, but not the kind that the people of Saskatchewan want. Now at the very bottom of the page are the names of all the Liberal candidates who promised this tax-free purple gas, and welshed on the promise and today are going to approve the two cents a gallon on farm fuel. A shameful and deceitful act, Mr. Speaker. Not all of them are here, some of them are sitting across the way, Jack Charlebois, Alex Prociuk, Clarence Estey, Austin Forsyth and all the way down. The Leader-Post carried a similar kind of ad. All the Liberals on the hustings before October 11, Mr. Speaker, including the Premier, spouted the same kind of deceit.

Speaking at Strasbourg on September 19, 1967, under the heading, "Premier Reveals Agricultural Plan," the Premier said, "The Premier also outlined action taken with the farmers in mind during the last term of office, these included tax-free purple gas." What a sad difference today, a few months later! It's a betrayal of the farmers, Mr. Speaker. At the time when the farmer finds himself in the worst economic position in years, and at the time when the market for wheat and agricultural products is collapsing all around us, at a time of one of our bad years of wheat production, the Government sees fit to further burden the farmer with a two cents a gallon farm-fuel tax. As pointed out by a number of other speakers, it is the first such tax in any province except British Columbia which has one cent per gallon. Of course we can't forget the Minister of Mineral Resources (Mr. Cameron) jumped up the other day to tell us that Alberta has put on a three cent farm-fuel tax. The Minister's hearing couldn't be just very good, Mr. Speaker, or he would have heard the reception of that increase by the farmers in Alberta. I would like to quote another article in the Leader-Post of March 26, 1968, "Albertans protest fuel tax."

The United Farmers of Alberta Co-operative Limited has filed a protest with the Alberta government against its proposed three-cents-a-gallon tax on gasoline and diesel fuel used for farm operations.

I'm not going to go any farther in that quotation. There is a lot more to it, but it proves to you that the people of Alberta have also been quite put out about that tax. Now again, the Saskatchewan Wheat Pool, Mr. Speaker, had an article, "Pool Protests Fuel Tax in Saskatchewan," and I quote:

The Saskatchewan Wheat Pool has protested the Provincial Government's plan to introduce a tax on farm fuels. The Pool's Board of Directors in its first meeting since the Government Budget was handed down says it has received resolutions from delegates and local communities in the province expressing their position to the planned two cent a gallon tax on farm fuel. Farmers are asking how can such a charge be justified during these days when we

March 28, 1968

are in such an economic squeeze, the Pool reports. Farm prices have been depressed in the last few months. The farm costs have continued their relentless climb, said the Board of Directors. The two cents per gallon on farm fuel represents almost a ten per cent increase in this cost alone at a time when prairie markets have been declining and prices are lower. It's unfortunate that the Government has chosen to place an additional burden on the farmers at this time.

So, not only are the Pools protesting, and contrary to what the Minister of Mineral Resources said, the farmers of Alberta aren't very happy either. Now the farmers everywhere are in such dire straits that they must protest any such tax, even in Alberta where the gasoline tax is still quite a bit less than in Saskatchewan. At a time like this, Mr. Speaker, the Saskatchewan Liberals chose to grind out a few more dollars out of the already very hard pressed farmer, the farmer who repeatedly asked that the cost of production which includes taxes of all kinds, including gas, be tied to the price of the product they produce. All they got from the Liberals is lip service.

Let's look at the one aspect of the fix the farmer finds himself in. I think that no one explained it better than my colleague from Turtleford (Mr. Wooff) who stated facts and figures on the great rising costs of farm machinery and taxes and the little-to-no increase in the price of farm products. I have some proof of this right here, Mr. Speaker. A load of Number One Northern wheat sold on September 1, 1967, the same week our Premier was wallowing in promises to the farmers, sold at \$1.52¼ per bushel, with a possibility of some final payment next year. Most likely it won't be like it is this year. Here is another grower's bill, same farmer, made out to the same farmer about 20 years ago, on August 25, 1949, a load of Number One Northern wheat sold at \$1.58½ per bushel, Mr. Speaker, almost six and a quarter cents more than that sold in 1967. Then there was a final wheat payment on that too. What I am trying to show, Mr. Speaker, is that the farmer cannot stand any increase in his cost of production any more, not even the two cent per gallon farm fuel. Here I want to particularly speak of the small farmer, the section farmer, the half-section farmer and the even less-than-a-half-section farmer. In my constituency of Melville, small farmers make up 90 per cent of the whole total of the farm population. The same can be said throughout the thousands of square miles of central parkland of the province. These people are in desperate straits, Mr. Speaker. I have here a signed petition by about 500 people in a very small area of my constituency, signed freely, and if I may add in anger and in dismay, protesting not only deterrent fees, but the farm fuel tax of two cents per gallon as well. Many insisted they wanted a petition to qualify especially the farm fuel tax, and Mr. Speaker, in some areas there wasn't a single person who refused to sign, all people of all political parties. I am sure that it would shock the Deputy Minister of Co-operatives to find that many of his staunch Liberal supporters stood to be counted on the side of the farmer by signing this petition. Also I have a letter here,

from the Neudorf Branch of the Saskatchewan Farmers' Union and I would like to quote it:

Dear Sir:

The following motion has been passed unanimously at the Saskatchewan Farmers' Union meeting of 45 farmers held on March 21. Moved by Glen Bender, seconded by Art Schmidt that the two cent per gallon tax imposed on farm fuels be removed, because it is unjust in the face of falling markets and prices. The farmer has no way of recovering amounts of this tax, adds to his cost of production.

A copy of this was sent to the Premier, Mr. Speaker, and also to Mr. Roy Atkinson, of the Saskatchewan Farmers' Union. This is a protest of 45 farmers of all political parties, Mr. Speaker. I am prepared to table this if that is so. Now, Mr. Speaker, many of these people won't forget this tax that is being placed on them now. They won't forget now and as I said before they won't four years from now. The Hon. Member who just spoke a little while ago from Yorkton (Mr. Gallagher) will remember that as well when the four years roll around, I am sure of it. And I remember the other night he mentioned, the Hon. Member from Yorkton did, in such disgusting terms, that they had had debates and that he shut the mouth of the CCF candidate for Yorkton . . .

Mr. Gallagher: Stands for all!

Mr. Kowalchuk: I didn't know whether it was a yard of dirt he was talking about then or was it a foot of dirt, but that's what he said. I want to say this, Mr. Speaker, had they had another two debates in Yorkton, this Hon. Member from Yorkton wouldn't be sitting where he is sitting today.

An Hon. Member: Oh, is that right! You weren't around.

Mr. Kowalchuk: Mr. Speaker, any of these farmers in my area, the small farmers haven't one bushel of grain left to sell anymore. I have talked to grain buyers and they inform me that 65 to 75 per cent of the small farmers are through with the four-bushel quota, they have nothing more to sell. The ironical part of it is that under this outdated system of PFA assistance, thousands of these will receive nothing, even though another neighbor a few miles away with a much larger yield of wheat crop will receive some benefit. Mr. Speaker, many of these farmers will be hard pressed to buy their fuel and repairs for spring operations, let alone two cents a gallon fuel tax. I know the Liberals to the right of you will say that two cents is only a small amount, surely this can't save a small farmer. Well maybe it can't, but in many cases it will mean extra payments of anywhere by that farmer of \$50 to \$100 or even more on the fuel tax bill for this next year. But, Mr. Speaker, it would be an aid

March 28, 1968

if this Bill wasn't applied. It would help. However, it's typical Liberal independent sector philosophy, only the strong shall live and the devil take the hindmost.

An Hon. Member: Shame!

Mr. Kowalchuk: Neither the Liberal Government in Ottawa nor the Liberal Government here in Saskatchewan has really done anything to help the small farmer live. None of them has done anything. The Government to your right brags about this, as the Minister of Agriculture (Mr. McFarlane) did the other day, of the assistance it has given to the farmer. What help, Mr. Speaker? Out of the 2,500 farmers in the Melville area, one or two will get assistance for hog raising facilities. One or two will get assistance in expanding poultry facilities. A few will get a bit of dole for land clearing. Is this the extent that this Liberal Government is willing to go to help to save the small farmers? Is this the extent they and the Liberals value the Saskatchewan family farms? What about the other 2,400 farmers of the 2,500 in the Melville constituency, Mr. Speaker? Where do they go in the next ten years? The Liberals have disowned them; they are going to let them disappear and die, Mr. Speaker. Now, the Minister of Agriculture has the audacity to trot out these respiratory medications to a great dying industry. It's a shame, a great shame indeed to add to the blow by adding this two cents on fuel tax, Mr. Speaker. The Premier and the Minister of Agriculture go shouting around the province, "Diversify, diversity, and all shall be well!" Mr. Speaker, without dwelling too long on the subject, in reality what they are saying is diversification for the few. Let me repeat, Mr. Speaker, diversification for the few and again the devil take the small farmer and the hindmost. Almost 90 per cent of the total farmers will be left in the cold and that's right out. The Liberal philosophy of diversification for the few, and, as I pointed out a few moments ago, only the few, signifies the death knell for the rest who are left out of that magic circle.

What is going to happen to the small farmer, Mr. Speaker? These others, the 90 per cent of the small farmers are doomed to extinction. The egg and poultry market is going, the hog market is gone, the cream market gone, I could talk more about that. The theory of diversification will help only a few, but for 90 per cent of the farmers it's a farce and it's a lie. In fact diversification cannot help them.

Mr. Speaker, this Government has failed the farmers in this province, it has failed totally in the preservation of the family farm. It has knowingly and silently approved the destruction of the family farm, and by adding the two cent a gallon tax on farm fuel this Government is driving one of the last nails into the coffin of the still surviving but very weak community family farms. Mr. Speaker, this Liberal Government of Saskatchewan and the Liberal Government of Ottawa will go down in history as the Governments instrumental in the complete and total liquidation of the small family farms. They will go down

in history as advocates and exponents of corporate monopoly enterprise responsible for the birth in Canada and in Saskatchewan of the large land barons, many of them living in foreign lands. They will go down in history as those under whose rule the life of the small community was extinguished. They will go down in history as those under whom the small family farm disappeared. The greatest tragedy of all, Mr. Speaker, is while that race of social upheaval was taking place, they, the Liberal Government, sat silently still and did nothing. Mr. Speaker, I would be a traitor to my people in Melville constituency, and particularly the farm people, if I supported this Bill. The very existence of small businesses in the villages and towns and yes, even a city like Melville, in my constituency, depends almost entirely on the small farmer. This tax is just another measure of destruction of the small people in the constituency of Melville. I will vote against this Bill.

Some Hon. Members: Hear, hear!

Mr. E. Whelan (Regina North East): Mr. Speaker, after listening to the Hon. Member for Melville (Mr. Kowalchuk) it should be evident to all Hon. Members in the House why the Member for that particular constituency now sits on our side of the House.

Some Hon. Members: Hear, hear!

Mr. Whelan: There is no longer any mystery why a Cabinet Minister was defeated in that constituency by the person who is occupying that seat.

With the kind of help that this Bill gives the farmers it places them in a very pathetic predicament. I agree with what has been said by the Hon. Member for Wadena (Mr. Dewhurst) and the Hon. Member for Melville.

There is a group of people that need some benefit from this type of legislation and I would like to speak on their behalf at this particular time on second reading of Bill 43. The people who live in urban areas have been promised a larger section of the gasoline tax to help build urban streets. I would like to put forth the argument for a larger share of the tax for them, particularly because in 1964 of all of the literature that was put out by the people who formed the Government at that time and I want the Hon. Member for Regina South West (Mr. McPherson) to listen carefully and to look up all his old literature and also the Hon. Member for Regina South (Mr. Grant) to check this out. In one of the planks of their platform for Regina City they said that they would give to the people of Regina a fair share of the gasoline tax to construct urban streets. Well, Mr. Speaker, what do they consider a fair share? Looking up the Estimates that we have

March 28, 1968

before us, the people of Regina on a per capita basis will be paying approximately \$50 per capita in gasoline tax. Using the figures that were supplied to us by the Hon. Minister of Highways early in this session, we will be getting back approximately \$5 per capita. I know that as residents of the Province of Saskatchewan the people of Regina will readily admit that they must put up part of the cost of building Provincial highways. But I think anyone that is fair-minded would say in a moment that \$5 returned to the citizens of Regina is not a fair share of the gasoline tax to build urban streets. Nevertheless that's what we were promised prior to the 1964 election.

The homeowners in our community in the city of Regina and the same would apply to the city of Saskatoon, I would think, are being asked, by placing taxes on their homes, to carry a particularly high burden to construct streets, arterial streets within the city limits. They will be paying out \$6.3 million in gasoline taxes, I am suggesting that it would be a fairer share to expect \$1.75 million of that in return to assist in the construction of urban streets within the city limits. I am suggesting that if we pay out \$50 per capita that we should be given back in assistance for this type of work at least \$12.50 per capita. I am suggesting that to construct Provincial highways we leave with the Provincial Government in this particular fund from the gasoline tax the amount of \$37.50 per capita. If you look at the figures at the present time where we are getting back about \$5 when the homeowners are being pressed where they are paying as high as \$500 and \$600 taxes for a small city lot, you have to admit that Regina is being discriminated against and the present distribution of the gasoline tax is unfair. I would challenge the Members opposite and particularly the Regina Members to keep the promise that was made in their literature that was distributed to every mail box in the city in 1964, when they said they were going to give a fair share of the gasoline tax to construct urban streets.

We'll be paying higher gasoline tax now, we'll be paying higher tax for diesel fuel. I think we should try and give part of this to the people that are in trouble financially. We should return it to the people who are homeowners in the city of Regina. \$12.50 per capita is not a great amount out of a \$50 payment, 25 per cent, and I would question if it is even a fair share. It will give the people opposite a chance to keep the promise that they made. It will give the homeowners in Regina a break. It will give them some return from the \$50 per capita that they are paying in gasoline tax. The citizens of Regina need some assistance over and above what they are getting at the present time. \$5 per capita to build city streets is not a fair share.

Some Hon. Members: Hear, hear!

Mr. W.J. Berezowsky (Prince Albert East-Cumberland): Mr. Speaker, in 16 years I've seen progress in the direction of lower taxes for the prime producer. In the last

16 years I've heard the Opposition who are now the Government say on many occasions that they did not believe in a tax on production. Yet now we have come to see in Saskatchewan a most vicious and unnecessary tax. I say it's unnecessary because the only reason the Government has to impose this tax, whether it likes it or not, is because of Government waste. I can give a list of wasteful projects, of wrong priorities that it set up and of subsidies to industries. These are the reasons why this Government is short of money and so today it is picking the pockets of the people who cannot afford to pay more taxes. Well, Mr. Speaker, why didn't this Government ask those who can afford to give a few extra dollars if it needed this so badly. Why did it exempt the corporations? Why did it not increase income taxes? Because those are the people that are making profits as yet. But to tax farmers, many of whom do not earn enough to pay income tax is a disgrace to this country and a disgrace to this Parliament.

Mr. Speaker, my father came to this country many years ago and I came with him. The reason we came to Canada is because my father refused to pay taxes on pillows and on doors and on everything that we had. The only thing that's left now for this Government is to tax pillows and the windows that are untaxed in our farm homes. That's about all that's left. Everything else is taxed, and this we call a Government of democracy and free enterprise.

I've said why, Mr. Speaker, it is imposing these taxes. Now let me remind the Government what it said a few years ago when taxes were still low. I'll tell you why taxes were low. Taxes today for the average family, according to Dominion Bureau of Statistics, that's all the taxes, both provincial and municipal, are about \$1,302.32 per capita. Those are the figures that I have been able to gather, which means about \$450 more taxes than we paid four years ago. Yet during this same period of time, Mr. Speaker, the earnings of the farmers have gone down and down and down, although everything else has gone up. I want to remind the older Members of this House that as far back as 1952 I stood up in this House and I said the farmers were in difficult circumstances. I said that half the farmers had left the land and I said in another debate this year that most of the farmers are now leaving the land. This Government refuses to recognize this fact. It says now as it said in 1952 and as it said when we had a hearing in connection with farm costs, it has always argued that farmers are well off, that farmers drive around in Cadillac cars. This is what their Members said in this House and they are now accordingly bringing in this kind of legislation.

Over there, we have the Provincial Treasurer (Mr. Steuart) sitting facing me with a grin on his face. He thinks it's funny. It's not funny to me to represent people who are in trouble. What did he say in 1964, to the then Government? Hansard on page 245, look it up Mr. Provincial Treasurer, "Taxes on our farmers, on our homes, in our towns and cities have increased 400 per cent since that government took power."

March 28, 1968

That was the CCF Government in power.

Make no mistake, Mr. Speaker, this hit everybody. They wage-earner and small farmer are finding municipal taxes a real hardship. We say something must be done to give our municipalities the funds they need to carry out their responsibilities in a proper way and without breaking their ratepayers.

That was 1964, four years ago, Mr. Speaker.

Well, our way would be to call municipal people together and listen to what they have to say and then take action to help them, not to control them.

Yet what are you doing today? What are you doing today? You cried about high taxes then, but now you imposed every possible tax that you could think of on the people of Saskatchewan and particularly on the farmer . . . What else did he say?

Take a look at another Member. Here we have the present Senator, Mr. McDonald, and I have a lot of respect for Mr. McDonald. I think he is a very realistic man and I think he is very truthful as to what he said at that time. At least he believed what he said. I want to bring to the attention of the Government the circumstances four years ago, "Now you are making things worse," he said then, Hansard, page 336, talking about wheat.

This is the highest price of wheat in 43 years, but, Mr. Speaker, farmers have the highest cost they have ever had in 43 years. Right today we should have the highest wheat prices we have had for 40 years. The farm costs are certainly the highest they've been in the last 40 years. Some of these high costs have been placed on the farmer's back by governments both provincial and federal, and I don't think that this legislature has played its proper part in endeavoring to decrease this ever increasing cost of farm production, and I hope that this House in its wisdom in this session will attempt to alleviate some of the problems that confront our farmers, take off their shoulders some of the taxes that have been extracted from them today.

Mr. Speaker, that's four years ago when the taxes were nothing compared with what they are today. That was a Liberal who spoke in this House who is a Senator today, who represented the Government, who was a leader of that particular party, yet today we find that instead of heeding his remarks, this Government is loading down the farm people with more taxes.

Now the Provincial Treasurer and speakers opposite say, "Well this is only two cents a gallon." Mr. Speaker, an average farmer today uses about \$1,000 worth of fuel (and I don't know how he is going to pay for it because I know a lot of them haven't paid for last year's fuel yet, many of them that I know).

This may mean only 10 per cent. It may mean only a \$100, but let's see what another Member said at the time on the same subject to see what \$100 means. He said this - he happened to be talking about workers - he spoke about \$100. Now, Mr. Speaker, this is in Hansard, page 489:

Now, Mr. Speaker, these people are workers, they work for wages and small amounts of money means a lot to them. It is all very well for ministers of the crown and high-flying socialists rolling in wealth to think the matter of \$100 isn't very much, but to a worker it means all, particularly when he has a wife and children to support.

Mr. Speaker, these are the remarks you made, Sir, in the debate. You recognized what \$100 meant to a worker or a farmer.

Some Hon. Members: Hear, hear!

Mr. Berezowsky: This Government doesn't recognize this particular fact. Take Newfoundland, Newfoundland is harder up than the Province of Saskatchewan. It is a small province, but farm fuel tax is exempt. In Prince Edward Island, it is exempted by regulation; Nova Scotia exempts for farm services; New Brunswick exempts farmers; Quebec refunds the tax on gasoline used in farm tractors; Ontario farmers receive full refunds; Manitoba has exemptions for farm machinery and farm trucks; Saskatchewan, well, you are now imposing a 2-cent tax levy on farm equipment which is used in the production of grain and other farm purposes. The only other Province is British Columbia which extracts a 1-cent tax, once again a private enterprise Government.

Now I would like to hear Members speak on the opposite side. They are hearing me speak for my people. I have no choice, I'm speaking sincerely to the Government and I will go back to my people and I will report to them that I have spoken on their behalf. The responsibility is on this Government, if it is going to tax our people to the point that they won't be able to pay taxes. It is going to be responsible and I assure you the Liberals will not be here after the next election. I would suggest to them in view of the fact that they did not make this kind of promise before the last election, the only decent thing for the Government to do now is to have a plebiscite. If it doesn't want a plebiscite, then the other thing it can do is go to another election on this issue and let the people decide whether this is what they want, this kind of legislation.

Some Hon. Members: Hear, hear!

Mr. Berezowsky: I invite the Hon. Members opposite to speak. Where is the Member for Kelvington (Mr. Bjarnason)? He is either a farmer or very closely associated with farmers. Get up on your feet, Sir, and tell this Government what you think about the situation.

March 28, 1968

Some Hon. Members: Hear, hear!

Mr. Berezowsky: Where is my good friend, the Member for Rosetown, (Mr. Loken)? He is a farmer and I respect him immensely. Let him get on his feet and speak honestly and sincerely to his Government and tell it what he thinks. And what about my good friend, the Member for Humboldt (Mr. Breker), who depends upon his income on the farmers of his area, a good farming area. Get up on your feet and tell me what your farmers think about this kind of a tax. And what about my friend from Moosomin (Mr. Gardner), who is an educated gentleman? I think he farms too, I'm not sure. Let him get on his feet and speak on behalf of his people to the Government. And what about the Member for Elrose (Mr. Leith) and what about my friend, the Member from Nipawin (Mr. Radloff), who is my neighbor? He has the same kind of farm conditions practically that I have, marginal farmers, sub-marginal farmers. Why don't you, Sir, get up on your feet and tell this Government what you think instead of letting it get away with this vicious tax. Then there are others, the Member for Arm River (Mr. McIvor) and others.

Some Hon. Members: Hear, hear!

Mr. Berezowsky: This Government as I said before refuses to recognize, Mr. Speaker, that farmers are not making incomes; it refuses to recognize that. Maybe there are farmers here in this Legislature who are fairly well off, but farmers I know, most of them, are not in that position. I prepare income tax for farmers, I've seen some with net incomes of \$150, \$300, \$700 and deficits of \$200, \$500, and \$1,500. This is what I see and so that \$100, Sir, is, as you said, very precious to these people. It means bread and butter and clothing for their children. That's what it means. I told the Minister one time and I'll remind him again, when he told me in Prince Albert, when I happened to meet him on occasions having a cup of coffee, how well off I was as a farmer, I remember telling him at that time and I'll repeat what I said to him then: "If the business people in Prince Albert (and now I can say also Regina, Saskatoon and all our cities which have industries and businesses), if you depended only upon the farmers for a living you wouldn't have a patch on your pants." That's the situation in Saskatchewan today. Most farmers do not have incomes and to prove my point, Mr. Speaker, let me refer to some people who know what's going on in this province. Here is a report from the Wheat Pool, I don't know who the author is, but it is from the Wheat Pool. Information has been gathered and here is what they say on page 24, concerning rising costs. I would like to see any Member get up and deny that this is not so. What does it say?

Rising Costs. Increase in operating costs since World War II has been common to all industries. Most viable non-agricultural industries however have been able to pass along increased unit costs to users of the product. It sort of maintains the relative place in our economy.

Now that is the industrial sector, there is your business sector, they've been able to get along. What does it say about farmers?

For the past fifteen years, the farmer's dilemma has been that the market place has been reluctant to pay a price per unit, which even after maximum economies and efficiencies had been introduced, and compensated for, a relentless rise in farm production costs that has averaged 4½ per cent per year since 1950 and has aggregated 74 per cent over the 18-year interval.

Only 75 per cent over the 18-year interval.

The farmer as a supplier of the domestic market has also seen his share of the consumer's dollar shrink year by year as processors and distributors have added new inputs to the food basket and have endeavored to recover their increase in costs.

Every time anybody wants money, they get it from the farmer, and when governments need money they have to go to the farmer, to the man that provides the most bread, milk and butter and they rob him of his last penny.

Some Hon. Members: Hear, hear!

Mr. Berezowsky: On the same page, another paragraph:

The real impact of rising costs has been postponed as a consequence of the fact that in the past five marketing years, producers have delivered an average of 19.8 bushels per seeded acre as compared with 15.9 bushels per seeded acre for the preceding five-year period. The sharply increased marketing per seeded acre in the last five years was responsible for most of the rise in gross farm income during the period.

This is the only reason why farmers aren't even worse off than they are now because we've had five years of good crops. But I suspect this year, Mr. Minister, you will find that we may not have as good a year. I hope we have, but if we don't, then the farmer is really going to be up against it and you are going to lose nearly all the rest of the smaller farms that we have left in Saskatchewan. There's hardly any left now and there will be less by the time you get through with this taxation and other things you throw at the farmer. On page 25, there is just one more paragraph I want to read to you, Sir, just about the middle of the page:

If the operating margin is narrowing to maintain income at a fixed level, a farmer must increase his volume of sales. Thus in the period 1946-50, the average prairie farmer would obtain a net income of \$4,000 with sales of farm products of \$7,700.

March 28, 1968

Now that's a pretty good farm to be able to sell \$7,700 and at that time, he'd get off on the average with \$4,000 income.

To have an income of \$4,000 in 1961-65, he had to have sales of \$10,020.

In my country there are very few that have these kind of sales.

Hence in order to maintain an income equal to that in 1946-50, the farmer of the 60s had to increase sales by 1/3 and to fully compensate for the 80 per cent increase in the cost of living that took place since 1946, the same farmer would have to have an annual cash income of \$7,200 in 1965 and his sales would have to soar to \$14,460. To maintain their income positions, farmers have had to expand operations at an almost frantic pace and many have not been able to do so.

This is what I'm trying to point out, that many have not been able to do so. And who do you think, Sir, this Government will collect taxes from? It is imposing them on those who have not been able to maintain their income position over the years.

Another proof that I want to bring to your attention is ARDA. In my area this Government negotiated with the Federal Government and declared all the area across the north and northeast as a region that should be assisted. As a matter of fact the Minister from Prince Albert knows that that area is declared as a depressed area in order to get \$5 million of assistance for the pulp mill. I wish they'd got \$5 million or \$10 million for some of the farmers in and around Prince Albert. It would have helped considerably. This is the situation, we have this kind of situation. Our people haven't got decent homes, these people haven't got good incomes, these people are in trouble. Yet this Government is loading them up with taxes. So the best that they will be able to do is to leave their lands, sell them for whatever they can get. There may be a few that may carry on with the help of banks or wherever they may get money to expand. Others will get out into the pulp industry taking jobs whether they are young or old. The saddest part of all, Sir, is this. We as farmers are not only required to pay taxes but we are required to make profits for corporations. As pointed out today in a previous debate, there are companies like implement companies which have increased their profits by 150 per cent in the last few years while farm profits are completely disappearing. Yet this the Government refuses to recognize, this simple fact.

Hon. C.P. MacDonald (Minister of Welfare): What about purple gas?

Mr. Berezowsky: Mr. Speaker, I know that I am very sensitive, when I'm interrupted, I halt, but I'm also sincere.

Some Hon. Members: Hear, hear!

Mr. Berezowsky: Well, maybe I shouldn't take up too much time. There are others that will want to speak as well. I think I've got my points across. I've pointed out to the Government that there has been waste in highways. It doesn't matter whether it's waste in highways here or in building them. Up in the far north, up past the Churchill, I know of contractors moving equipment back and forth to Saskatoon. The contractor had a contract near Saskatoon and another one north of Churchill and he's been going back and forth. Somebody was paying the shot. It was us, the farmers, whom you are going to tax to pay that shot. We've got highways that it took four years to build in and around Prince Albert and other places. These people always make money. These people can afford to pay taxes. We the farmers make it possible for them to make profits and we have to pay onerous taxes to the Government as well. I pointed out to this Government also that there are bad priorities. You cannot take tax monies that are supposed to go for education, that are supposed to go, say, for medical services, for hospital services and pump these same monies into industries, into, say, the Saskatchewan Pulp Wood Company or into the pulp mill or anywhere else. I've said all along that, if you need money for industry, for goodness sake do as we've done for the Saskatchewan Power Corporation. Get out and borrow the money and then when you make profits, repay the debt. But don't take tax money that is so hard for us to pay, for industrial development.

I want to tell this Government one other thing it has done which I don't think is right. It is the giving of subsidies and tax concessions. Looking through Hansard, we find a Member asking the Premier what taxes he intended to concede and for whom. He said, "For industry." Now what about us people? Who has ever come forward and conceded taxes for us? No! We must pay whether we have the money or not, we must pay. This is the worst blow yet; this 2 cents tax on fuel is the cruellest blow of all.

Now, Mr. Speaker, I don't need to say anymore. You can see very well that I cannot possibly support this Bill and that I had to speak as I have spoken against it at all times.

Some Hon. Members: Hear, hear!

Mr. A. Matsalla (Canora): Mr. Speaker, in my brief remarks in this debate, I'd like to add my objection to this tax bill. I think that my colleague, the Hon. Member for Prince Albert East-Cumberland (Mr. Berezowsky) made a point here that should be well taken. He stated that the farmer Members or the Members representing rural areas should make their position clear with regard to this tax. Now I am not a farmer, but I was raised on a farm and I was closely associated with the farm and I still am. The amendment to The Fuel Petroleum Act to effect an increase of 2 cents per gallon on fuel petroleum products effective April 1 is an undesirable piece of legislation. It is

March 28, 1968

undesirable particularly from the standpoint of the agricultural economy which during the past year has dropped to a low level. And of course when I speak of agricultural economy I am referring to the entire economy of Saskatchewan, because agriculture is the primary industry. It is the primary industry of the province and wheat is the number one product. Potash and other industries are important but I want to submit, Mr. Speaker, that agriculture should not be over looked. And I think here when the Government proposes this type of legislation, it is very undesirable in the promotion of agricultural economy. During recent years the farming industry has suffered a tremendous setback due, of course, to the sky-rocketing production costs. Now, the tax on farm fuel would just simply add to this difficult financial position. It would add to the problems that the farmers have in survival because the two cents on farm fuel is estimated to cost an average of about \$75 to an average farmer. The Government brags, and it did gather a lot of support from the farm people when it reduced the tax on purple gas by 15 cents. Now what did this amount to? This amounted to an average of about \$50 per farmer.

Let us take a look at the increase of two cents per gallon on all farm fuels. This to an average farmer would amount to about \$75. Now how do you suppose the farmers will accept this? It is very obvious, Mr. Speaker, that this Liberal Government is placing a firmer grip on the farmer in the cost-price squeeze. As time goes on, with Liberal Governments in Ottawa and Regina, the farmers of Saskatchewan are becoming worried.

Now to add to this tax, the farmer will also have to pay a greater tax to the municipalities. Let us take a municipality with some building equipment for road construction. A municipality I would estimate would use from about 30,000 to 40,000 gallons of fuel. Now this would average about \$600-\$800 in tax. In other words, in the Province of Saskatchewan, this would amount to about \$150,000 that the Government would take from the municipalities. Then the Government goes ahead and brags about the amount of grants that it has given to the municipalities. I agree that the grants have increased. But it seems that the Government is adopting a practice here to try and get some of this money back. Now this again refers to what the Hon. Member for Melville (Mr. Kowalchuk) had said. They giveth and then they taketh it. The whole thing is really the application of a magic tax shift. And this is done simply to confuse and brain wash the farmer taxpayer. This is just another betrayal of this Liberal Government to reduce taxes. I submit, Mr. Speaker, that this is a most deceitful practice by a Government that calls itself responsible.

Some Hon. Members: Hear, hear!

Mr. Matsalla: How could this Liberal Government truthfully call itself the friend of the farmer? Is a government a friend when it adds to the hardship of the farmer? I cannot see that the

farmers will accept this. The farmers are now beginning to realize and they are recognizing this vicious tax-hungry Government that presents itself in the proverbial sheep's clothing. Let me tell the Members opposite that in three years' time they will be out. They will be hunted out of this office.

Some Hon. Members: Hear, hear!

Mr. Matsalla: From these brief remarks that I have made, Mr. Speaker, it is quite obvious that I will not support the Bill.

Mr. C.G. Willis (Melfort-Tisdale): Mr. Speaker, as a Member of a farming constituency, I rise to add my voice to the protests which have risen tonight regarding this two-cents fuel tax which the Government opposite has placed on every farmer in Saskatchewan. Never in the history of Saskatchewan, Mr. Speaker, has a so-called responsible government proved itself so irresponsible as did this present Government when it went on a tax-raising spree last March 1. This Government has proved itself incapable of governing in the interests of the people of this province, in its indecent haste to gouge out of the people of Saskatchewan extra revenue to shore up its extravagant spending. The Government opposite has dipped into every taxpayer's pocket in this province. And the hand of this Government, Mr. Speaker, has gone deeper into the pockets of those least able to pay and those least able to protest. I remember seeing a cartoon in one of our noted weekly papers just recently, Mr. Speaker, a cartoon showing a hospital room with a man lying in the bed looking as if he were near death, Mr. Speaker. There was the Provincial Treasurer standing in the middle of the room with his hand out and the tax bag along side asking this person on . . .

Mr. Steuart: On a point of order, would the Hon. Member mention what paper this is?

Mr. Willis: I'll send you a copy of it, Mr. Provincial Treasurer.

Mr. Steuart: The Commonwealth? It was, wasn't it?

Mr. Willis: Oh, definitely.

Some Hon. Members: Hear, hear!

Mr. Willis: And in the hallway, in this cartoon, Mr. Speaker, back and through the door, it showed the former Provincial Treasurer talking to a person on crutches.

Mr. Steuart: That was the CCF party.

March 28, 1968

Mr. Willis: And this tax on the sick, Mr. Speaker, the cruellest tax of all which has been imposed by these people opposite. And the second most is this tax which is adding a two-cent fuel tax on the farmers of this province.

Some Hon. Members: Hear, hear!

Mr. Willis: While the Front Bench sit and smile and make remarks regarding the tax that they have placed here and treat it as a joke, the farmer Members at the back sit and look glum, Mr. Speaker. But only one so far has had the courage in his conviction to get up and say, "This is responsible Government, I believe that this Government should be taxing farmers here for fuel tax." Only one so far has said the Government is responsible, only one said that the Government opposite should tax the farmers as they go up and down the fields in their tractors, tax them so that when they get out on the road a little they appreciate the fact that they are helping pay for those roads. Only one person opposite, Mr. Speaker, even the people who represent cities opposite too should realize, Mr. Speaker, that the farmers are the backbone of this country. They should be concerned about the farmers as well. They don't say anything, Mr. Speaker. The farm Members opposite sit and look glum but they are very, very silent, Mr. Speaker, silent regarding the two-cents fuel tax, silent regarding the deterrent fees on the sick, silent regarding all the other taxes which this so-called responsible Government has seen fit to place upon the people of this province. And farmers, Mr. Speaker, are among the least able to appreciate the wisdom of the Government opposite in taxing them. In this regard, another quotation from a very noted paper here in the province, Mr. Provincial Treasurer. It quotes the Provincial Treasurer in an article here. At the top it says: "Province in Good Shape." And I imagine they are referring to good tax shape. Never has a province been taxed so highly, so greatly as it has since the present Provincial Treasurer has come into office. Down further in the article the Provincial Treasurer is quoted, Mr. Speaker, and this is a gem. The Provincial Treasurer said and I quote:

In Saskatchewan the most surprising thing is the lack of response from those we are trying to help, the province's taxpayers.

Some Hon. Members: Hear, hear!

Mr. Willis: He is surprised at the farmers of this province that they do not appreciate the fact that he's taxing them to help them build roads of course. But the farmers should be able to appreciate the fact that this is a responsible Government, that the Government has to get money in order to build roads, in order to spend their tremendous amount to build roads, even if it has to take it from the farmers who now can't afford it, Mr. Speaker. The majority of the farmers in the province cannot

afford the extra tax burden which is being placed on them. And not only are they affected by this two-cent fuel tax, they are affected by the other taxes which were voted on earlier tonight, Education and Hospitalization tax; their cost of living is going up because of this. Farmers too get sick, Mr. Speaker, there's another tax, another way which they suffer because of the responsible attitude of this irresponsible Government.

The Minister of Agriculture (Mr. McFarlane) who has come into his seat at long last, Mr. Speaker, sits silently and okays the efforts of his colleague to tax the farmers in the province. He says it is okay to put a tax on them; we'll get after Ottawa and have Ottawa see if we can't storm the world markets, sell more of their grain, so they'll have more money to pay this tax which the Provincial Treasurer wants in order to build roads and do all the other things which have to be done here in the Province of Saskatchewan, which have to be done today or even had to be done yesterday, Mr. Speaker. And the Member for Notukeu-Willowbunch (Mr. Hooker) sits and reads a paper, Mr. Speaker. He too doesn't look much concerned about farmers in the Melfort-Tisdale constituency. They are not worrying about the tax perhaps. The Member for Maple Creek (Mr. Cameron) of course, is not worried about the tax; his people aren't worrying about this tax either.

Some Hon. Members: Hear, hear!

Mr. Willis: The Member for Kelvington (Mr. Bjarnason) who is here for a short while, you'd think he'd speak up on behalf of his constituents. He doesn't seem to care, he realizes his particular life isn't pardon me, Mr. Attorney General - who isn't in his seat - for mentioning this case which is before the Court.

Some Hon. Members: Hear, hear!

Mr. Willis: And the Member for Elrose (Mr. Leith) is very much concerned about the farming members of his constituency. Now he's going to get up and speak later he said, Mr. Speaker, if I remember what he said.

Some Hon. Members: Hear, hear!

Mr. Willis: And my friend, the Member for Nipawin (Mr. Radloff) is very much concerned about the farmer members of Nipawin constituency. They buy groceries in his store; they buy goods in his store; they have to have more money when they buy from his store and there are more taxes which this Government takes . . . He too should be concerned, Mr. Speaker. But again, he hasn't said a thing here regarding the effect of this tax on the farmers of Nipawin. There is no doubt about it that the northeast country is a very prosperous country, but the farmers

March 28, 1968

there are very much disturbed by the irresponsible action of this responsible Government.

They have reason to be concerned too, Mr. Speaker. I, too, along with all the other Members in the House got the copy of this magazine, this pamphlet called "Canadian Wheat, Problems and Prospects," a study prepared by Hedlin, Menzies and Associates of Winnipeg, Toronto and Vancouver, a study made with financial assistance from the Canadian Cooperative Wheat Producers Limited, representing the Wheat Pools of Alberta, Manitoba and Saskatchewan. The Wheat Pools are concerned about the farmers' plight here in Saskatchewan, Mr. Speaker, whether these people opposite are or not.

On page six . . .

An Hon. Member: Any page . . .

Mr. Willis: . . . on almost any page, that is right, almost any page outlines the gravity of the situation facing the farmers here in Saskatchewan while these people sit and approve the efforts of the Provincial Treasurer (Mr. Steuart) to get even more money, \$35 million more than last year, Mr. Speaker, to carry on with his efforts here, to improve the roads of Saskatchewan, the tourist camps in Saskatchewan, the functions which they put on for official openings, all of these things on which they spend money, Mr. Speaker.

But here on page six it shows the price which farmers receive for wheat. Back in 1950 farmers received a final realized price in dollars per bushel, Mr. Menzies says of \$1.85, back in 1950. By 1960, the price had fallen to \$1.59 and then again . . .

Mr. B.D. Gallagher (Yorkton): Tory Government . . .

Mr. Willis: Does somebody over on the other side want to make a speech, I would gladly sit down if I thought someone over there would protest. Mr. Member for Yorkton, I know you have the, the word is guts, I think, I know you have, but seemingly nobody else across there has. You've already made your speech.

Mr. Gallagher: I have not. You're forgetful.

Mr. Willis: Then there is one coming yet on this tax Bill.

Mr. Gallagher: Mr. Speaker, the Member made a challenge. He said if somebody would speak on this side he would sit down. I volunteer. You back down awfully fast, you're pretty good at talking.

Mr. Steuart: George, you're asking for it.

Mr. Willis: I know you, Mr. Speaker, would have welcomed the opportunity to say something on this tax Bill. I know you have the interest of the farmers at heart. I know, too, that the Member for Yorkton (Mr. Gallagher) has. He has said so. But the Member for Cannington (Mr. Weatherald) is too much concerned about closing small hospitals to worry about his farmers.

And then Mr. Menzies goes on, on page 12, about prices to farmers:

Final realized price for grain. In 1960 the price was up again to \$1.80 and by 1965 it was \$1.99.

The Minister of Agriculture (Mr. McFarlane) says we should have more of this. We should go out in the world market. We should sell every bushel of wheat we can. We should force China to take our grain. We should sell to Russia. We should sell to everybody and we should sell at the price which the Government in Ottawa says we should. We should sell it at over \$2 a bushel. It hasn't come about yet but he is willing to make a try. The Liberal party here on the other side of the House has been trying to get Ottawa to do something about the wheat situation for four years, but it hasn't been successful but with a new leader, oh, well, now we're getting some place. If the Members opposite could only agree on which one of the leaders to back.

Mr. R. Romanow (Saskatoon Riversdale): Lloyd Henderson.

Mr. Willis: At least, Mr. Speaker, Henderson is in favor of medicare. I think he's in favor of medicare, I'm not positive. Mr. Pearson was a little bit concerned that there would be too much fighting among the various candidates for leadership. He didn't want this fighting going on out in the open, so he told his Ministers that they had to . . .

Mr. Steuart: Mr. Speaker, on a point of order, on the Education and Health Tax Bill, the Member from Melfort-Tisdale (Mr. Willis) talked about the highways, on the gas tax bill he is now talking about health and education. George, I wonder if you could get to the point before the evening is out.

Mr. Speaker: Well, I must say that I think that on this question that is before the House, An Act to amend The Fuel Petroleum Products Act be now read a second time, that the Liberal Leadership Convention that is going to take place in Ottawa is rather a long piece away. Maybe the Member can bring himself into order. I hope he does.

Mr. Willis: I know, Mr. Speaker, that

March 28, 1968

you too would like to be talking about the terrible waste in highways. In the past you have done it and you would just love to be out here in one of the seats attacking this Government for their waste and this tremendous increase in taxes which it has put on us at the present time.

Now I got down to 1965 and the price is \$1.99 compared to \$1.85 back in 1950. 15 years and the price has gone up 15 cents, Mr. Minister of Agriculture (Mr. McFarlane). It is true that we have been producing more grain in this country than has been produced over a corresponding period of years, but the Liberal Government has not been responsible for this. Nature and the powers on high, unless of course Mr. Provincial Treasurer (Mr. Steuart) you do claim some supernatural power to make rain, etc.

Mr. Steuart: Well, I've got pretty good connections!

Mr. Willis: I know you can certainly pour taxes down on the people of Saskatchewan, blessings unnumbered. And then Mr. Menzies goes on in this Canadian Wheat Problems and Prospects. After talking about the price farmers received for their wheat, \$1.95 in 1960, \$1.99 final realized price 15 years later, he says:

When the increase in cost in 1960 is added to the sharp increase in cost in 1950 when income due to wheat sales actually declined . . .

You're following me, are you Mr. Minister, on page 13?

It becomes evident . . .

Mr. McFarlane: Make sure you give the correct figures.

Mr. Willis: —

. . . that the farmer's cost is increasingly pressed by the prices he received.

That reminds me of the Member from Milestone (Mr. MacDonald). The other day he got up and started quoting from the Journals. One of our Members here said, "When the devil quotes scripture, I want to have the Bible in my hands." Mr. Wood got the Bible in his hand and quoted to show where the Member from Milestone had misquoted. So, Mr. Minister, (Mr. McFarlane) you just follow carefully to make sure that I don't make some mistake here.

It is fair to deduce that the extent that the continued production and marketing of wheat has been profitable to the producers in the 1960s, it has been due largely to the quantities of wheat they have been able to market, not to the fact that the prices have gone up and certainly not to the fact that cost of farm production has gone

up.

In spite of this fact, the Provincial Treasurer across the way feels that the farmers in the province can help out the Minister of Highways (Mr. Boldt) in his waste and extravagance in road building by giving again to the Provincial Treasurer two cent a gallon for all the gas they are going up and down their fields in producing crops to add to the economy of Saskatchewan. Now, Mr. Speaker, there are many other parts in this book which emphasize the problems that the farmers have in Saskatchewan. I know two cents doesn't sound like very much but over the years, over the days, over the hours, when they are propelling their tractor up and down it will amount to considerable for each farmer. It is going to influence his costs even more and the farmer who is caught between the price cost-squeeze where prices are falling and costs are going up, is going to be squeezed even more because of the actions of this irresponsible Government, Mr. Speaker, this irresponsible Government where the Provincial Treasurer (Mr. Steuart) says one of the most surprising things in Saskatchewan is the lack of response from those we're trying to help, the province's taxpayers.

Some Hon. Members: Hear, hear!

Mr. Willis: Mr. Speaker, going on here with the condition of farmers in Western Canada, if this report which Mr. Menzies produced with the help of the Wheat Pool proves anything, it is that the farmers of Western Canada cannot bear future production costs as exemplified by this fuel tax. The price of wheat has gone up relatively little. Cost of production has gone up much greater, and the cost of production will go up again because of the two cents which these people across the way see fit to place on the farmers' backs.

Mr. Menzies also gives the index of the cost of commodities and services used by Canadian farmers to produce wheat. He says the index based on 1935-39 figures, Mr. Speaker, increase from 199 in 1950 to 343 in 1966. A tremendous increase in costs while prices go up very, very little. But the Provincial Treasurer says his costs have gone up too, Mr. Speaker. He says he has to produce \$35 million more in taxes this year than he did last year. Is it \$45 million? I am sorry, I thought it was \$35 million, correct me if I am wrong, \$35 million I think is the figure. But whether it is \$35 million or \$45 million the Provincial Treasurer says he has to have this extra amount of taxes from the people of Saskatchewan. When we were preparing the Budget, Mr. Speaker, the departments and the agencies of the Government, including the Minister of Agriculture, I imagine, and the Minister of Mineral Resources, and the Minister of Health, and the Minister of Labour, and the Minister of Municipal Affairs - they are the only Ministers I see in the House, Mr. Speaker, in their seats - these people along with other members of the Government, brought in requests for increased spending, the Provincial Treasurer told the House, \$61

March 28, 1968

million more than estimated revenues if the taxes were not increased. This was a tremendous burden for a new Provincial Treasurer (Mr. Steuart). How did he react? Well he cut off some of the costs; he turned down some of the requests. He said he was able to reduce the requests from \$61 million to \$29 million, actually \$35 million. He did a very good job, Mr. Speaker, except he didn't cut enough. He wasn't responsible enough. In the days from 1944 to 1964, Mr. Provincial Treasurer, the same problem was faced for 20 consecutive years by your predecessors. What did they do? Did they raise taxes tremendously when there were no new programs, did they? Oh, no, they didn't. In 1961, someone across the way mentioned there was a program, medicare, which the people had voted on. Now, what did you do, Mr. Provincial Treasurer, in place of cutting your cloth to fit the amount of money you had? You said well, I can't cut back the Minister of Agriculture too much, he would complain. Besides you wouldn't have enough money to go down to Ottawa to tell the people of Ottawa to get out and sell Saskatchewan wheat. He certainly couldn't cut back on the incentive programs which the Minister of Mineral Resources (Mr. Cameron) has been talking about all these years. After all somebody might come into the North who might be willing to finance a new mine this year or next year or ten years from now, maybe 20 years from now, but in the meantime his incentive program goes on; it has to go on. And you, Mr. Provincial Treasurer, had to find \$35 million more and you certainly made a good effort at finding it. You put a two-cent tax on farm fuel and besides that you increased Education and Health tax from 4 to 5 per cent. You had promised that you were going to reduce it to 3, but wrong-way-Corrigan again in place of going down, you went up. You realize that, Mr. Minister, and then you not only raised it but extended the base. You are charging hotels now, motor hotels and motel rooms, commercial cabins. Somebody wants to speak, I see that, it's getting close to 10 o'clock. Somebody's getting their courage up, probably the Member from Last Mountain (Mr. MacLennan). I very nearly said Minister, pardon me. The Member from Last Mountain probably wants to enter the debate on behalf of his farmers. And then again you extended the tax base by charges on meals, the restaurant business in Saskatchewan has to help pay this \$35 million which you are left holding the bag with, Mr. Provincial Treasurer. And then, not only that, but you extend the base to charge on all forms of telecommunications. Every time a person makes a long-distance telephone call, sends a telegram, teletype, or private wire, he will pay a few cents to help you raise your \$35 million, Mr. Provincial Treasurer.

Mr. Gallagher: On a point of order I wonder if this gasoline tax is on the telegraph, telephone and teletype and tele-everything else. I don't think the gasoline tax is on that.

Mr. Willis: I know, Mr. Speaker, that the people opposite don't like to . . .

Mr. R.H. Wooff (Turtleford): I was just going to suggest, Mr. Speaker, that it doesn't matter what subjects you talk on now, it's taxed readily.

Mr. Speaker: Order, order! That's not a point of order.

Mr. Willis: Thank you, Mr. Speaker, I can see that the Member from Yorkton (Mr. Gallagher) is very anxious to get into this debate and I'll try and leave him a minute. I think that is probably all he'll use in trying to tell us how this tax has affected his people in his constituency.

And then besides we had the medicare tax, the Provincial Treasurer not only increased the tax on those least able to pay, but he increased the tax on those least able to protest the payment of taxes. I mentioned the Commonwealth cartoon earlier, Mr. Speaker, I see there are a few more Members in. We are going to adjourn very soon, so probably I should tell them again about the cartoon about the Provincial Treasurer standing by a bedside in a hospital room with his hand out asking a sick person for \$2.50 before he leaves the room. And then we had other increases in taxes, Mr. Speaker. We have the operator's licences up from \$1 to \$2. Now \$1 isn't very much, Mr. Speaker, but if I remember correctly it only took a straw to break the camel's back.

Mr. Gallagher: Mr. Speaker, on a point of order, I think that the Member is completely out of order. We are dealing with the second reading of The Fuel Petroleum Products Act and not any other tax Act.

Mr. Speaker: I agree that we are dealing with an Act to amend The Fuel Petroleum Products Act, and if I follow the line of argument correctly that the Member is trying to present, I think his line of reasoning is because these other taxes have been imposed this one is unnecessary. But I may be wrong.

Some Hon. Members: Hear, hear!

Mr. Willis: Well, thank you very much, Mr. Speaker, I thought I was doing very well until you mentioned I was trying to present an argument. Now, I have to go back over it now and make a better effort to convince these people that this fuel tax is only one of many which are bearing down heavily on the people of Saskatchewan.

Then we have car and school bus licences up \$4 to \$5, Mr. Speaker, farm truck licences up \$4 to \$6, and commercial vehicle licences up \$5, and then for those people who smoke, tobacco taxes are up. Those people who play the races, pari-mutuel taxes

March 28, 1968

are up; insurance taxes are up, Mr. Speaker. All of these taxes, up because the Provincial Treasurer says that he is responsible. He has to see to it that the programs which he is unable to cut have all the millions of dollars which must be spent. After all even the people of Saskatchewan must believe that he is doing it for their benefit. He must do his duty and impose these extra taxes, Mr. Speaker.

Mr. Stuart: Mr. Speaker, before we adjourn we will assume that tomorrow by the number of Members that have hopped up with the same drivel, I mean the same debate, it will continue.

Debate adjourned.

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