

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session - Sixteenth Legislature
3rd Day

Wednesday, February 18, 1970

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

WELCOME TO STUDENTS

Mr. Speaker: — I am happy to welcome the following groups of school children sitting in the galleries of the Legislature. From the Fenwood School District represented by the Member from Melville (Mr. Kowalchuk), 24 children under the direction of their principal, Mr. Krendrenk. From the Major school in the constituency of Kindersley-Kerrobert, represented by the Deputy Speaker, Mr. Howes, 13 students under the direction of their principal, Mr. Horner. From the Thomson school, Regina South East, represented by Mr. Baker, a group of students under the direction of Mr. M. Gayton, their principal. From the Churchill school, Nutana South, represented by Dr. Forsyth, 53 pupils under the direction of Mrs. Talbot, their teacher. From the Massey school from the constituency of Regina south, represented by the Minister of Public Health (Mr. Grant), 30 students under the direction of Mrs. Piragoff. From the Nokomis school, from the constituency of Last Mountain represented by Mr. MacLennan, 24 students under the direction of Mr. Pirie, their vice-principal. From the Weyburn Vocational Centre in the constituency of Weyburn represented by Mr. Pepper, 50 students from the upgrading program under the direction of Mr. E. Woodrow, Mr. A. Smith and Mrs. D. Evans. I am sure all Members of the Legislative Assembly would wish to extend to each and every one of these students a most cordial welcome and join with me in expressing the sincere wish that they will enjoy themselves and that they will find the proceedings here interesting and in wishing them a safe trip home.

Hon. Members: — Hear, hear!

Mr. H. H. P. Baker (Regina South East): — A slight point of order, Mr. Speaker, you mentioned Mr. Gayton, the principal of Thomson is Miss Gayton, the lady sitting up in the east gallery there, a very charming person.

Hon. Members: — Hear, hear!

Mr. Speaker: — My apologies to the lady for confusing the gender. I hope that she will accept them.

QUESTION OF PRIVILEGE

Return No. 135

Mr. W. E. Smishek (Regina North East): — Mr. Speaker, I rise on a point of privilege. Last Friday when the Attorney General tabled the Returns ordered at the last session, he chose to single out the cost of labor and

printing of Return No. 135. He then proceeded to chastise the Opposition and imputed or suggested irresponsibility on my part since I initially requested the information. Mr. Speaker, the minutes and verbatim report of proceedings of the Select Standing Committee on Public Accounts and Printing for 1969, dated Wednesday, March 12th, pages 503 to 550, show clearly that I asked the Committee to only examine certain documents. I did not ask for copies of these documents. Mr. Speaker, the senior Treasury official advised the Committee that the Department of Highways and Treasury had no objection to providing the documents for examination by the Committee. Mr. Speaker, this is recorded on page 535.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — I also draw to your attention page 546 of the Committee's verbatim report. The Deputy Minister of Highways, when asked what would be involved in making documents available for examination, answered and I quote: "We can get it from our files." Had this been done virtually no cost would have been incurred in having these documents examined. Mr. Speaker, unfortunately the Government Members denied me my request. Under the rules the Public Accounts Committee is allowed to call for papers, documents and examine witnesses under oath. When the Committee's report was considered in the Legislature on April 1, I drew this matter to the attention of all Members. My statement appears on pages 1867 to 1869 in last year's Debates and Proceedings. While I was making this statement the Premier invited me to place an Order for Return and assured me that the Government would provide the information. Mr. Speaker, this I did and on April 3 the whole Assembly voted to have this information produced. What I asked for, Mr. Speaker, was not privileged material. I regret the expenditure of money in providing this information. It was totally unnecessary but it was the Premier, the Government, and the Government Members on the Public Accounts Committee who forced the issue. If anyone acted irresponsibly it is they, not the Opposition and myself.

Some Hon. Members: — Hear, hear!

Hon. W. R. Thatcher (Premier): — Mr. Speaker, I recall very well about a year ago explaining to the Hon. Member that this question if it were answered would cost the taxpayer hundreds and hundreds of dollars. Now he has wasted \$1,740 of the taxpayer's money in finding an answer to this question so I hope you use it. Now I say that the Opposition must use some discretion in asking questions of this kind. Certainly this Session the Government is going to use some discretion in how many of the taxpayer's dollars we waste in asking nonsensical questions.

Some Hon. Members: — Hear, hear!

Hon. D. Boldt (Minister of Highways): — Mr. Speaker, in reference to the Member of the Opposition regarding this question, he imputed at that time that there was some kind of sinister things going on in the Department and the Treasury Board, and that some Socialist contractor had told him that we weren't paying bills. Now for this question, there is nothing in it that we want to hide and I hope that you will now have confidence in the Civil Service and the Treasury Board

and in the Minister of Highways . . .

Mr. A. E. Blakeney (Regina Centre): — Will you please . . .

Mr. Boldt: — Will you please keep your mouth shut.

Mr. Blakeney: — Just answer the question.

Mr. Boldt: — This question now has been answered and I hope that we have conveyed confidence in you people that the Minister of Highways and the Treasury Board and the Premier are running an honest affair.

Some Hon. Members: — Hear, hear!

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, I think the lesson to be learned from this is one for the Government to learn. If it cooperates and makes information available in the Committee when the information is asked for and where it can be easily given, then we won't have these kinds of things in the House and we won't have these kinds of costs.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — Order! May I draw your attention to the fact that the Member raised a Question of Privilege which must be taken into consideration immediately. Perhaps a definition of a Question of Privilege would be in order. Erskine May's Parliamentary Practice states:

Parliamentary privilege is the sum of the peculiar rights enjoyed by each House collectively as a constitutional part of the High Court of Parliament and by Members of each House individually, without which they could not discharge their functions, and which exceed those possessed by other bodies of individuals.

When a Question of Privilege is raised it is the responsibility of the Chair to decide whether the Member has raised a prima facie case of privilege. If he decides that he has done so then the Chair must entertain a motion that the matter be referred to the Committee on Privileges and Elections. When the Minister tabled the Return referred to and after he had done so, he made a statement to which it was possible for a Member on the Opposition side, according to custom, to reply. The Member has stated at some length what he considers to be his grievance. I think it would have been better had he done so at the time that the Minister tabled the answers to the Return. Because that was not done I can't agree that the Member has a Question of Privilege because quite obviously the Member continued to discharge his duties in the House and to function in the normal way.

FEDERAL-PROVINCIAL CONFERENCE

Hon. W. R. Thatcher (Premier): — Mr. Speaker, before the Orders of the Day, I wonder if I might briefly report on the Federal-Provincial Conference

which we just returned from last evening.

As Hon. Members know the Premiers' Conference was called primarily to discuss inflation. A report was received from the Young Commission indicating that some progress had been made in bringing inflation under control. We were asked as Provinces to take certain specific steps in cooperation. I may say that virtually all Governments promised to help. Frankly I fail to see how fiscal and monetary weapons alone can control this terrible problem. I regret to say that no proposals were made in connection with wage controls, though we were told that, if they were needed, they would be considered not too many months from now.

I was particularly pleased that Western agricultural problems were placed on the agenda, as you know, Sir, at the request of the Saskatchewan Government. We had a two-hour debate on these problems the second morning. Saskatchewan presented a brief — and I want my hon. Friends opposite to note this — in which we proposed nine concrete proposals. I shall not go into those nine points this afternoon, although Members can have a copy later today or tomorrow if they should be interested. We didn't go to that Convention suggesting that there were any easy answers or pat solutions to the wheat crisis. We did put forward our proposals in the hope that they could at least alleviate it, if they were adopted. For example our Government asked for a massive injection of cash into our agricultural economy by three major methods: first, cash payments on farm-stored grain; secondly, the two-price system for wheat; and thirdly, substantial acreage payments for land taken out of wheat production and diverted to forage. I may say that we estimate that if the Government should adopt those three proposals several hundred millions of dollars would come out to the Prairies. We are optimistic that the Federal Government will adopt at least a portion of this program before seeding time. Both the Minister of Agriculture, the Federal Minister, and the Minister in charge of the Wheat Board were most optimistic about wheat sales in the next four-month period. They told the Conference that we would export between 370 and 400 million bushels in the current year, which is about 100 million above past years. And in addition they said there would be a very substantial amount of grain consumed domestically. Now, if that is so, Mr. Speaker, perhaps we can have that election after all.

Some Hon. Members: — Hear, hear!

Mr. Thatcher: — If the Ministers are correct in their assumption then the farm economy will have a sharp upturn this spring. What pleased us most about the Conference was the fact that for the first time in many years, instead of talking about the Constitution, bilingualism, and biculturalism, we were talking about bread and butter problems.

It was most interesting to note that both the Premiers of Ontario and British Columbia gave us strong support during the wheat talks. We brought back the papers of the NDP Government of Manitoba. I'd like to spread them around this Legislature, too.

An Hon. Member: — Real creampuffs!

Mr. Thatcher: — Because if ever I saw a bust

at a Conference it was the NDP paper on agriculture. They had two suggestions and both of them were impractical. The Minister of Agriculture (Mr. McFarlane) will have something to say about those later. If they have located any solutions, they certainly kept them secret at that Conference.

We also made some other tangible suggestions to help our economy. First of all I want to say a word about designated areas. We asked that the balance of Saskatchewan be designated for industrial incentive grants. And do you know, I am going to tell this House today that I think at least a portion of that request will be accepted by Ottawa very shortly.

Some Hon. Members: — Hear, hear!

Mr. Thatcher: — We were concerned about Public Works because when the Federal programs were released last week, out of \$258 million we had virtually nothing in Saskatchewan — 1.3 per cent. So we asked the Prime Minister and the Federal Government for a crash program of not less than \$20 million. Again I must say that our reception was amazingly warm. Before very long I hope to get up in this Legislature and announce some fairly major programs in Public Works for the Province of Saskatchewan.

Our Swine Barn Construction Program in the ARDA area, as most Hon. Members know, has been most helpful in upping our hog production. Under the program Regina and Ottawa share a 25 per cent cost of building new barns in the ARDA area. That had been discontinued as of March 31st. We asked that the legislation be reinstated and I have every reason to believe that Ottawa is going to accept our suggestion.

Some Hon. Members: — Hear, hear!

Mr. Thatcher: — So all I can say is, Mr. Speaker, that all in all it was one of the best conferences we have attended. We regret that the Leader of the Opposition did not see fit to come down and lend us his support, because he would have thought that Saskatchewan had a fine brief. Every part of it he could have supported. And as I say, I wish he could have seen how ineffective his NDP colleagues from Winnipeg were. I hope then that the results of this Conference will be tangible for the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, if I may direct a question to the Premier, I assume from what he said that the Provincial Government of Saskatchewan did not ask for any supplementary payment on grains to provide some \$200 million of immediate cash injection, not some time later in the year or next year into the Prairie farm economy.

Mr. Thatcher: — I explained the several hundred million dollars we asked for. We had another six planks in our program. As I indicated, I would be pleased to send the Leader of the Opposition a copy of our brief if he wants it. I haven't got one here this afternoon but I would be glad to have one printed.

Mr. Lloyd: — Mr. Speaker, a supplementary question. Surely the Premier can answer Yes or No. I understand, then, that the Government did not ask for any immediate, not sometime later on, but immediate payment based on wheat that has already been produced and unsold and of which the farmers have paid the cost of production.

Mr. Thatcher: — Well, when you read our brief you will know exactly what we proposed. As a matter of fact we have a very tangible program. Nine planks compared to two by the NDP in Manitoba.

Mr. Blakeney: — Mr. Speaker, I wonder if I may direct a question to the Premier? Do I understand from your iteration of the nine points that there was no mention in your brief of interest rates, and do I understand, therefore, that you did not ask the Federal Government for lower interest rates on Farm Credit Corporation loans?

Mr. Thatcher: — We asked the Federal Government to bring in a tangible program that would help the farmers.

Some Hon. Members: — Hear, hear!

ADDRESS-IN-REPLY

Mr. R. Heggie: (Hanley) moved, seconded by Mr. G. G. Leith (Elrose):

That an humble Address be presented to His Honour the Lieutenant Governor as follows:

TO HIS HONOUR THE HONOURABLE STEPHEN WOROBEZ Lieutenant Governor of the Province of Saskatchewan.

MAY IT PLEASE YOUR HONOUR:

We, Her Majesty's dutiful and loyal subjects, the Legislative Assembly, of the Province of Saskatchewan, in Session assembled, humbly thank Your Honour for the gracious Speech which Your Honour has been pleased to address to us at the opening of the present Session.

He said: Mr. Speaker, in rising to move the Address-in-Reply to the Speech from the Throne, may I express my thanks to the Government for the honor it has accorded me today, and to the constituency of Hanley which I so proudly represent.

Mr. Speaker, this House is honoured again to have you in the Chair. The House functions well in its debate of public business under your learned but firm control.

Last Thursday this House was honoured by the presence of the newly appointed Lieutenant Governor, the Honourable Stephen Worobetz. The message he brought to this Chamber has been most appreciated. Members on both sides of the House are completely confident he will carry out his important duties, in the tradition of this high office, but with that touch of humanity that has become so characteristic

of Lieutenant Governors of Saskatchewan. I am sure I speak for all Members when I say with confidence that the people of Saskatchewan look forward to his term of office with enthusiasm.

In welcoming the new Lieutenant Governor, I would be entirely remiss if I did not pay tribute to the retiring Lieutenant Governor, the Honourable Robert Leith Hanbidge. For seven years he served this province with dignity and humility. He will ever be remembered as the Lieutenant Governor who to a large extent made his high office a part of Saskatchewan life for all the people. I well remember the warm words of welcome he gave me privately, when I first entered this august chamber only two years ago. I am sure other Members can attest to a similar welcome. This House wishes him continued good health to enjoy his retirement.

Now, Mr. Speaker, let me turn to the executive branch of government, that part of our democratic governmental machinery which administers the day-to-day work of governing the province. Our province is going through critical, economic times, and the citizens of Saskatchewan can be thankful that there is a firm hand at the helm of the ship of state. In spite of economic handicaps caused in part by the depressed wheat and potash sales, Saskatchewan finances are in a strong position. This Province has enjoyed five consecutive balanced budgets since the present Administration took office. It has done this with little or not dislocation of any sector of the economy. The credit position of the Province is very strong. If the general recessive conditions should continue, the Government is in a strong position to cope with emergency situations by the use of deficit budgeting. On the other hand, if there is an economic upturn, the Government is in a position to take full advantage of new money and new investment, without having to spend three years of preparation to restore confidence before investment will flow in.

This House owes a debt of gratitude to the Premier, the Provincial Treasurer (Mr. Steuart) and the Cabinet for their business-like conduct of the Province's affairs. In short, the Government has refused to panic in the face of a lot of pressure to do so.

Perhaps the most serious situation which faces this province in the long term, is not wheat sales, not potash sales, not high interest rates, but the proposed White Paper on taxation. The White Paper, of course, is not all bad. As a matter of fact it contains much that is good, but where it is bad, it is very bad for Saskatchewan. We ought to be happy that it is only a White Paper and not yet the law of Canada. We can only hope that the consistent opposition to many of Mr. Benson's proposals will evoke modification. Raising the income tax exemption for wage earners is good. It ought to have been raised several years ago, but surely this can be done without increasing the burden to others.

If the Just Society means grinding down the affluent, the investors, the risk-takers, the innovators, the hard workers, the frugal, then it is not just. If the Just Society means raising the standard of living of the working poor, providing a decent standard of welfare for the old, the needy, the sick and handicapped, but at the same time letting those who produce, produce more, then I would say that it is a successful Just Society. The mortal blow we can give this province and this

country is to tax the incentive to produce.

Our per capita productivity in Canada now is none too good in comparison to that of the United States. Fortunately we rank high in standard of living, but this can easily be whittled away by imprudent use of the taxing machinery. What we need in this country is tax incentives, not tax on incentives. Increased productivity will generate more money to bolster the welfare programs. But those who produce must be encouraged to produce more. Therefore, any tax which is confiscatory in nature whether on income, investment, or inheritance is doing a disservice to Canada and to Saskatchewan in particular.

This is a young province. We lack investment and risk capital. We have been up to recently an agricultural province. If agriculture is prosperous, the whole provincial economy is prosperous. If agriculture is depressed as it is at present, the whole provincial economy becomes depressed. But agriculture in Saskatchewan has largely meant a straight wheat economy. That is why the Premier of this Province has gone up and down and back and forth carrying his message of farm diversification. "Get into cattle and hogs," he has said in his speeches to rural audiences time and time again. And he was saying this as far back as prosperous 1965, long before the present wheat crisis arrived. He urged businessmen to get into secondary industries large and small. He has carried the message both firm and clear to Eastern Canada, to the United States, to the United Kingdom, to Japan and now latest of all, to Western Europe. The message has always been the same. "Saskatchewan needs a diversified economy. You have the money, we have the natural resources. Resources under the ground are of no use to anyone. Your money is safe in Saskatchewan under a free enterprise government. I invite you to invest." And this program, Mr. Speaker, has not been without results. Saskatchewan now has at least a partially diversified economy in the manner of oil, potash, lumber, sodium sulphate, minerals of all kinds. How much worse off our people would be today due to the depressed wheat sales, if it wasn't for our diversified economy. Where would the jobs for our people be? Although unemployment is up right across Canada, and in spite of the serious agricultural situation, unemployment in Saskatchewan remains at about 5.5 per cent below the national average of 6.1 per cent.

What we need is more risk capital, be it American, European or Japanese, to open up our natural resources. We have only scratched the surface so far. We need this capital at a time when the White Paper proposals could stifle investment in our resources. A severe capital gains tax, a 50 per cent tax on corporate profits, high taxes on middle income groups, loss of incentives to the oil and mining industries, confiscatory estate taxes in certain instances may do much to create the welfare state but will do nothing to broaden the industrial base on which those extra taxes are founded.

One only needs to take the example of the United Kingdom. Here was a powerful and rich country which only 50 years ago was the acknowledged leader in manufacturing, heavy industry, merchant marine and world trade generally. Granted, two World Wars sapped this nation's strength, but this cannot be the real issue. Britain was a military victor in both wars, yet finds herself generally worse off than the nations defeated, Germany twice, France once, Italy once and Japan once. Everyone admires

the economic recovery of West Germany. Much tribute is paid to the skill, energy, drive and determination of the German people. But the British people had all these same qualities in the 19th century and well into the 20th century. What caused the change? 1. Confiscatory taxes on income, estates and corporation profits. 2. Failure to modernize the industrial plants. 3. Constant warfare between management and labor, with labor practically dictating the policy. 4. Putting the welfare state before productivity. You want to kill a nation, a state or a province? Just follow the foregoing set of principles. It will do it every time. That is just what might happen to Saskatchewan if the White Paper proposals are not altered.

The message came through loud and clear to Ottawa at previous Dominion-Provincial Conferences. It came through loud and clear again at the Conference just concluded. Again Premier Thatcher has carried the burden.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — Perhaps there is no other issue so vital to the Province of Saskatchewan as the serious agricultural situation due to lagging wheat sales. I want to deal with it now in some detail.

Nature and geography endowed the Western Plains with soil and climate extremely suitable to the production of hard red spring wheat. Saskatchewan contains two-thirds of this wheat-producing land. Therefore, when wheat sales are depressed, Saskatchewan suffers more than do the sister provinces of Alberta and Manitoba.

Soil conservation and technology working together have largely decreased the probability of complete crop failure. Weather conditions and other phenomena may combine to reduce yields in some years. We still have years of lighter crops but hardly ever years of no crop at all. Consequently we have been piling up surpluses of grain almost every year in the last ten. In the middle sixties there were short crops in Russia, China and other places so that the Wheat Board was able to sell off our surplus wheat. But the other wheat-producing countries of the world have been getting smarter as well. No wonder, for we exported power machinery, fertilizer, top grade seed and money and sent them the technological know-how by way of agricultural experts from our universities.

Consequently, certain European and Asian countries have come from importers of cereal grains to self-sufficiency or near self-sufficiency. Asian countries have learned to double the production of rice by the use of modern science and technology. The wheat-producing countries like Argentina, Australia, Soviet Union, not to mention the United States, have adopted the latest that science and technology can offer to increase production. Australia which was once an erratic producer of wheat, now produces almost annually a 500-million bushel crop which equals an average crop for Canada, though on record years we out-produce Australia by another 200 million bushels. And since Australia sits right on the doorstep of Asia, it can outsell us in the Japanese market every time.

France, which once used to import cereals for foodstuffs, has since World War II and by virtue of the common market

protection, become an exporter of wheat and barley. Further, new varieties of feed wheat have been developed in Mexico, and these dwarf strains are now grown in semi-tropical as well as in temperate climates. Although this wheat is of low-grade variety, it is a heavy yielder and many of the African and Asian countries whose emerging peoples are just learning to like wheat flour find this low-quality wheat and flour quite suitable.

Another factor that has influenced world wheat consumption is the advances in the science of nutrition. Wheat flour with a high protein content is now most in demand. Protein content varies from year to year but is highest in years of maximum sunshine and minimum rainfall. Therefore the Prairie area which produces the highest protein content in its wheat is the original dry plains area of Manitoba, Saskatchewan and Alberta. To be even more explicit, the Palliser triangle of Southwestern Saskatchewan and Alberta is the superhigh protein area in wheat production. Protein content falls off from a high of 15 per cent to a low of 10 per cent as the wheat belt is pushed further north.

Therefore wheat of high protein content has a preferred place in world markets. It is gradually replacing the old standard method of grading grain. It becomes important when one considers that Canada's share of the export market in wheat averages about 350 million bushels per year. Here is a table of wheat exports for the last ten years. 1960 — 240 million bushels; 1961 — 317 million; 1962 — 326 million; 1963 — 304 million; 1964 — 539 million; 1965 — 368 million; 1966 — 546 million; 1967 — 483 million; and for 1969 I haven't the exact figures but it is approximately in and around the 300-million bushel figure.

Except in four years our exports were 350 million bushels or less. We seem to be able to find markets for this amount. In the face of the world factors which I have outlined, the prospects of selling more in an average year is not very realistic. On the average we are piling up unsold surpluses of 150 million bushels on an average year and 250 million bushels on a bumper year. Canada today has an 800-million bushel carry-over from 1968. Add to this to the 1969 near-record crop of 600 million bushels and one can see that we have on our hands 1.4 billion bushels of wheat to sell. Not a very cheering prospect. In other words, it appears we must gear our production to the export markets obtainable.

How are we going to do this, Mr. Speaker? How are we to cut wheat production without dislocating thousands of farms which produce nothing but wheat of the highest quality? How can we ask a farmer with three sections of land and a full line of modern machinery to immediately diversify to cattle and hogs? The truth is we can't. Farmers in the Rosetown and Regina wheat belts cannot suddenly scrap an investment of \$200,000 plus or minus to go into cattle. Here are the reasons why:

1. The heavy land which is so favourable to wheat and cereal grains would be wasted in growing fodder.
2. There is generally a lack of water in these areas for maintaining livestock on a large scale.
3. The investment in machinery is too great to allow a turnover to livestock production.
4. These regions are the areas of the high protein grain and this is the grain the world markets require.

What about the north central and northern areas? Can they diversify? Yes, to a much greater extent. These areas usually have: (1) Less favourable climate for straight wheat production of high protein content. (2) A somewhat shorter growing season and are subject to frosts in the spring and fall. (3) Much less dependable harvest weather. (4) A good deal of their soil is suitable for growing coarse grains and forage crops. (5) Many of the farmers in these regions are already in livestock and to increase would not be a heavy burden. (6) Many of these farmers already have buildings suitable for increased livestock production. (7) Generally they have a good water supply.

The answer now seems obvious that the Government of Saskatchewan and the Government of Canada must pay more attention to a complete re-organization of the farm economy over the next 10 years. If the Governments will give direction, the farmers of Saskatchewan will adapt; they have adapted before and have a great faculty of absorbing the blow and rebounding stronger than ever.

What then is required? The Federal and Provincial Governments ought to set up a joint Agricultural Land-Use Commission with a view to re-zoning the province into three general areas of agricultural production.

1. The southern dry plains area would form Zone 1, the chief aim being to keep this area in production of hard red spring wheat of high protein content. This area would produce on the average enough wheat to meet Saskatchewan's share of the 350-million bushel annual export market. Doubtless some acres of less favourable fertility would be converted to oats and barley production for sale back to the cattle-producing areas. Production of flax and durum wheat could form part of this pattern. In other words these farmers would diversify horizontally into a variety of cereal crops but with the main emphasis on the first class hard wheat to fill our export quota.

2. The central park belt would form Zone 2. This region runs from southeast to northwest across the centre of the province, and the farmers here are already heavily in livestock. The emphasis would be to increase livestock production in full scale vertical diversification. Where the land is suitable horizontal diversification into a variety of crops would be encouraged. Some acres would be devoted to oil seed crops of flax and rape for ready cash. All marginal land would be put back to grass and alfalfa for fodder.

3. The northern bush area would form Zone 3. This region has always been able to grow heavy crops but experiences difficulty in harvesting almost every year. Damp grains is no new phenomenon in our northern areas. Farmers there have to deal with it to some degree almost every year. Coupled with early frost, these areas can face disaster three out of every five years. This area should diversify into feed grains, grass and legumes almost completely and leave the wheat production for farther south. Many of these farmers are already heavily in livestock so there is really no change — only a change of emphasis.

The next step of the Agricultural Land-Use Commission ought to recommend is central clearing depots for feed grains and fodder. Excess oats and barley would move north from the southern region to feed the cattle and hogs in the central and

northern areas. Clearing depots in Central and Northern Saskatchewan would move the grain to the particular areas that need it.

Fodder from the northern region would move south to supply the central region. All this could be done at stabilized prices. Saskatchewan agriculture could be almost self-sufficient in the grain fodder livestock cycle. Saskatchewan would begin to look more like Alberta in its agricultural production. Outside markets for wheat and grain would become less important. The growing red meat market of North America could be fully exploited. Saskatchewan would be fortified against the one crop disaster which has plagued this province for so many years of its history.

Now, Mr. Speaker, the critics will say, "Why isn't the Government doing something about it?" Well the Government of Saskatchewan is doing something about it. Here is the record: 1. The Minister of Agriculture in general and the Premier in particular have been preaching diversification for the last five years. 2. The Government lending agency SEDCO has been lending massive sums of money to farmers to get into or increase cattle and hog operations. 3. As the situation has become more critical in the last 12 months, the Government has made loans to farmers available at reduced interest rates to help farmers increase their breeding stock of cattle and sheep. The Livestock Loans Guarantee Act mentioned last Thursday in the Speech from the Throne is back-up legislation for this popular policy. Already statistics show that over \$7 million have been loaned to farmers for this purpose and over 2,000 farmers have taken advantage of it. 4. Special incentives have been given farmers by the Saskatchewan Department of Agriculture to convert land to grass and fodder production.

It appears that the Federal Government is beginning to formulate policies to encourage farmers to take land out of wheat production. Whether this is to be a land bank or a land reserve we do not know at this time but experience shows this is an expensive and wasteful economic measure. In the United States it caused farmers to allot their poorest acres to the land bank and use the money to buy fertilizer to produce heavier crops on the balance of their acreage. Far better to convert the use of land to some other form of production than to simply take it out of production. A soil bank can only be a short-term measure at best. Under the land-use system, millions of acres will be in coarse grain and grass production, so that if there occurs a world shortage of wheat, due to failures in other countries, on very short notice Saskatchewan farmers can break up and plant to wheat if necessary, on acres and acres of almost virgin type soil. Saskatchewan farmers stand ready to gain no matter whether world wheat production goes up or down. Our Western farm economy would be so solidly based it could take the economic strain from year to year.

The long-term solution to the Western wheat crisis is complex and will require much leadership and planning. However, it is not likely to solve itself. If the Western wheat farmer merely plans to try to ride out the crisis in the hope that crop failures elsewhere in the world will quickly use up the surpluses, my judgment is that he will be disappointed. There is no doubt that nature and weather may eventually restore the balance, but surpluses will simply build up again in periods of world-wide good crops and Western farmers will have this recurring crisis every five years. That is not what Western agriculture needs or wants. Western agriculture requires a balanced economy

between wheat, oil seeds, feeds, grains and livestock. A viable agricultural economy may have ripples and troughs in the cyclical pattern but not hills and hollows as has been the all too familiar pattern.

Mr. Speaker, I now want to turn my remarks to the urban sector of the economy. No one knows better than the merchant and business man that when the farmer is prosperous everyone is likewise prosperous. Organized labor ought to know that this axiom largely applies to their welfare as well. Merchants and businessmen have been feeling the pinch lately; sales are down some percentage points; some sectors like the construction industry, the farm machinery dealers, the automotive dealers feel it more than others. Jobs are harder to get.

It follows that if the inflationary trends which aggravate our acute farm situation are to stabilize it has to start with wages. Unions are doing themselves no good nor doing the economy any good to keep pressing for increased wages and fringe benefits. It is the aggregate of the workers who have the massive purchasing power. If their wages stabilize the competition to buy goods decreases and prices immediately stabilize and eventually decrease.

No one wants to see unemployment and depressed conditions for long, but as a brake on the economy, it usually works. That is why the Government of Saskatchewan feels it is important to hold the line on wages in hospitals, in the government service and in the schools. The President of the United States has seen fit to use these methods to deal with a similar situation in his country. The Federal Government in its wisdom is doing much the same thing. Our Federal Government goes as far as to say that if prices and wages don't stabilize voluntarily wage and price controls would have to be instituted. Many of you remember the Wartime Prices and Trade Board era of World War II. There is no denying these stringent measures worked in wartime because the patriotic motive was as strong or stronger than the profit motive. Many countries have tried these controls in peace time. They generally have led to chaos with continuous shortages, rationing and a burgeoning black market. However, there is a strong demand in Canada for some kind of control if inflation continues to cheapen our money.

However, the Government of Saskatchewan recognizes that it should not always be the same people who make the sacrifices in the "Battle of Inflation." That is why the Premier has recently announced that if unemployment continues to rise in urban areas his Government will prime the pump with a massive injection of money into a governmental capital works program to bolster the sagging construction industry. Various Provincial public buildings and public works will be built throughout the province; the cities and towns will be the gainers here.

The continuation of the accelerated highway program will mean \$60 million will be spent on roads and bridges in the next fiscal year. \$5 million alone will be spent on highways constituting the Yellowhead Route. The Premier has said that some deficit budgeting might have to occur from spending these massive sums to get the construction industry rolling again. Who in the Opposition can say these measures are not programs for people?

Although agriculture, wheat markets, inflation and taxation

are the main problems facing the Government and the people of Saskatchewan, the Speech from the Throne nevertheless outlines many other important areas of Saskatchewan affairs which require governmental action.

Let me consider some of these important areas. Municipal assistance: everyone knows that local government faces ever-increasing expenditures to keep pace with the needs and aspirations of its citizens. To buttress the tax base which local government can draw upon for its needs, the Government is proposing an Industrial Incentives Act to encourage growth in the towns, villages and rural communities. The benefits from a successful incentives program will be three-fold. 1. Industrial enterprises will broaden the tax base. 2. They will help to keep the population from drifting away to the larger centres or out of the province. 3. The new jobs created will help to curb rural unemployment.

Doubtless such incentives would be by way of cash grants to industries much in the same way as the Federal Government operates its assistance to the Federal Designated Areas. Again this is prime-the-pump legislation brought in at a time when the economy needs some priming.

Most municipal authorities will welcome the news of increased financial assistance for police protection. I am very cognizant of this need as various towns and municipal councils in my constituency find that the new industrialization from potash and other industries brings with it problems of policing. This will be welcome legislation indeed and goes hand in hand with the industrial incentives program just outlined.

The speech from the Throne indicates that homeowner grants will be increased. These grants introduced in 1966 have been most popular with every segment of the tax-paying public. In addition to bringing some tax relief to property owners the main side effects of homeowner grants is that they encourage local taxes to be fully paid up. I have made extensive enquiries of municipal councils in my constituency and I am advised without exception that despite low wheat quotas, municipal taxes are being paid up at a rate equal to or better than previous years. This is solid evidence that there will be no repeat of conditions during the '30s when hundreds of quarter sections of land went by way of tax sales.

Mr. Speaker, there is another piece of proposed legislation on which I wish to comment, viz. The Coming of Age Act, 1970. Many Members on both sides of the House have given much private thought to this thorny issue. We have seen great social changes in the years since the War. Science and technology have brought untold benefits to humanity, but they have also created new problems not faced by our forefathers. Television and transportation have played the vital roles and a whole new generation has grown up where television and jet travel are the accepted way of life. The amount of knowledge in the world is increasing in a geometric progression. This knowledge is reaching the new generation at a faster pace and in greater volume. In simple terms, youngsters are growing up more quickly. The emphasis is on training, not on trial and error experience. Therefore this Government, recognizing that some adjustment has to be made, is recommending the legal age limit for both privileges and responsibilities be lowered from 21 to 19. Some may ask why 19 and not 18. There is no magic in either figure but it is well

known that many youngsters are still in high school at 18, while at 19 they break out into the work-a-day world where responsibility comes quickly. The new legal age encompasses the responsibilities of owning personal property, real estate, executorship, marriage and the right to sue and be sued as well as the legal right to consume alcoholic beverages. The Government feels this decision to make the age of majority 19 will merit wide support through Saskatchewan and in Canada.

Now, Mr. Speaker, I would like to turn to the position taken by Her Majesty's Loyal Opposition made up of 25 NDP Members sitting opposite. We can only judge them by their public utterances both here in Saskatchewan and elsewhere in Canada. There is no doubt that the Members of the NDP Opposition have come to this Session of the Legislature with high hopes that at last their time has come. Rejected by the electorate in good times, they yearn for a stretch of bad times so they can sell their repressive and retrogressive programs.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — The new young shock troops have been moved up to the front bench to form a sort of shadow cabinet. Organizers are being appointed throughout the province at a superfast rate. They are busy rationalizing the previously abhorrent practice of taking campaign funds from industry and business. The pragmatist, Ed Schreyer, seems to be setting the pace in that regard.

Mr. Speaker, the progress of Canada's Socialist party towards power in this country has been remarkably slow. The story is always the same. If only the people really understood their program they would be voted in immediately. After 35 years in the Federal field they have about the same number of members they had at the end of World War II.

True, the emphasis has shifted from agrarian problems to labor union aspirations. The geographical axis has shifted from the Prairies to Toronto. The labor unions now in control are not really interested in upsetting the free enterprise system. They have too much to gain from the system as it is. Is this really progressive even from a Socialist point of view? In the provinces the success story has been little better. The sweetheart arrangement of the farmer-labor marriage came apart in Saskatchewan in April of 1964. The NDP found itself out of office and crying in the wilderness. They gained a narrow victory in Manitoba in 1969 but I daresay this is largely due to the personality of their young leader. In British Columbia last year, they lunged for power but received a stinging defeat from which the party has not yet recovered.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — The effect of that defeat was quite noticeable here in Saskatchewan. In the political history of Saskatchewan that British Columbia election was our Battle of the Marne. It stopped the advance of the NDP. Since then they have been contained.

Let us examine this party which so badly wants to become the Government. Has it the program and philosophy for such

responsibility? I doubt it and I daresay the majority of the electors of Saskatchewan doubt it also.

At the Winnipeg Convention last October, it aired its weaknesses before the public. It is apparent that the Eastern hierarchy is split, with the militants ranged on one side led by the radical academic, Professor Melville Watkins, and the orthodox wing of the party ranged on the other side led by such conservatives as David Lewis, John Harney, Charles Taylor and Tommy Douglas and backed up provincially by Manitoba's Ed. Schreyer. What do the radicals want? They espouse three main causes: 1. Drive out American capital from Canada whether by confiscation, nationalization or even by a buy-back policy. It is a policy that smacks of some emerging South American country or some newly created African republic.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — 2. Full implementation of the Carter Report on Taxation regardless of its consequences on the Canadian economy. 3. Introduction of true socialism by putting the whole means of production and distribution in the Government's hands. In effect they are advocating more bureaucracy and more inefficiency. You would think as intelligent men they would see the lesson of Czechoslovakia before them. Here was a brave and energetic people breaking the bounds of socialism and actually making headway to new high living standards and individual liberty. In one day of terror the repressive socialist system was forced back on to the Czech people by the military power of the Soviet Union. And yet Watkins and his group are advocating more of this for Canada.

I think most Canadians have a good deal of admiration for David Lewis and Tommy Douglas in resisting the power-play by Watkins and his group. Yet at Winnipeg the Leader of the New Democratic Party in Saskatchewan stood up and voted with the Watkins group. Surely this spells out pretty clearly where the Leader of the Opposition stands on the economic questions of the day in Saskatchewan.

1. Does the Leader of the Opposition (Mr. Lloyd) want to drive out American capital at a time when this province vitally needs American capital or any other capital for that matter?

Some Hon. Members: — Hear, hear!

Mr. Heggie: — One would have to reach this conclusion from his performance in Winnipeg. 2. Does the Leader of the Opposition want to yoke the full recommendations of the Carter Report on to the necks of Saskatchewan people? One would have to reach this conclusion from his performance in Winnipeg. 3. Is he advocating the full implementation of socialist doctrine in Saskatchewan again? One would have to reach this conclusion from his record in Winnipeg.

Frankly I am surprised that the Leader of the Opposition, the Member for Biggar (Mr. Lloyd) took the stand he did. Watching him operate efficiently and eloquently in this House as his Party's Leader, I thought he was through with that kind of nonsense. The NDP reach for power in Saskatchewan at the next election despite the economic crisis seems like it will

fall short of the mark. Professor Melville Watkins and the Hon. Woodrow Lloyd will be able to take full credit.

In conclusion, Mr. Speaker, let me say that I find the Speech from the Throne a very progressive and far-reaching document as it is applied to the needs of this province. What are its merits? 1. It is based on sound financial policies designed to stimulate growth and expansion. 2. It will produce more tax revenue in the long run. 3. Its policies are designed to speed up the economy. 4. It will arrest and reduce unemployment before unemployment reaches a dangerous level. 5. It is a program for people at a time when people become more important than dollars.

I challenge the Opposition to find fault with it in any major way. They will say it does not go far enough, but they always say that. They always say that when they are out of office. Their record in office isn't that good. Two years ago they said the whole system of Health Services would fall apart if utilization fees were introduced. How wrong can they be? Not only did utilization fees help preserve the Health Plans but they have been well accepted by the public at large. As an election issue they are a dead duck.

Mr. Speaker, wheat sales is where the Opposition will beat the drum of discontent. Oddly enough it is a Federal issue and not one where they can honestly fault the Provincial Government. What remedies have the Opposition got? None whatsoever. They are completely barren of any new thoughts. They merely echo what Roy Atkinson says in his public utterances. A cash injection of \$200 million into the Western economy. No doubt every farmer in Western Canada would accept a cash bonus. But this isn't even a short run solution. This would quickly be used up and the average farmer would still be faced with the same old problem of surpluses. No, Mr. Speaker, the program for agriculture as outlined in the Speech from the Throne, the encouragement of programs of diversification, based on the extensions of a workable land use program, the development of a viable livestock industry and the tailoring of wheat production to realizable wheat markets is the only way to the future prosperity of agriculture.

Mr. Speaker, it has been a memorable experience to give this Address-in-Reply to the Speech from the Throne in this the Third Session of the Sixteenth Legislature.

Mr. G. G. Leith (Elrose): — Mr. Speaker, as I rise to second the Address-in-Reply to the Speech from the Throne today, I am deeply conscious of the honor that this occasion confers on me personally, and also of the honor conferred on the constituency which I represent.

In my opinion, Elrose Constituency has some of the best grain land and best grazing land in any part of the Province of Saskatchewan. We grow high quality and high protein grain as the previous speaker has mentioned. We grow good oil seeds and we raise and fatten some of the best livestock in Western Canada.

In the last couple of years there has been significant oil development in the area. We now have 56 producers and there is a pretty good indication that there is a large pool of oil that is going to continue to be developed both to the advantage of the local people and the citizens of Saskatchewan as a whole.

Mr. Speaker, the physical aspects of that constituency are not its only attractions. I want to say just a few words about the people that live out there. I guess that they are representative, and like the rest of the people in the rural areas of Saskatchewan, they are ambitious, industrious, they are optimistic. They have brought the traditions of many different cultures to the task of providing food for not only the people of Canada but the people of the world.

Some Hon. Members: — Hear, hear!

Mr. Leith: — Most of our country was settled between 1905 and 1915. During the period from 1905 – 1920, school districts were formed, the rural municipalities were organized, the buildings for schools and the rural municipalities were erected and the whole framework of local government was established. Indeed that framework has been handed down to us almost unchanged since that time.

Before I go further, Mr. Speaker, I want to compliment the previous speaker, the Member from Hanley (Mr. Heggie). I want to congratulate him on his analysis of the Speech from the Throne and on his perception of the problems of today. His speech is a tribute to his ability as a Member of this House.

Some Hon. Members: — Hear, hear!

Mr. Leith: — I wish to associate myself also with the Member from Hanley in his remarks about the new Lieutenant Governor, His Honour Dr. Worobetz. I am sure that he will grace the position in which he serves as the Queen's representative. The gentleman who has just retired from the vice-regal position represented as a member of the Federal House part of the area which I have the honor to serve in this Assembly. He didn't belong to the same political party that I do, but we have a couple of things in common. One of them is part of our name; the second and much more important the many mutual friends that we hold in common. I want on this occasion to express thanks from the people of Elrose to him for his service, his long service to the people of Saskatchewan, both as an elected representative and as an appointee of the Crown.

I would like also to echo the previous speaker's congratulations to the Premier of the Province and to the Cabinet Ministers. The Speech from the Throne reflects the integrity and the hard work of this small group of men, not just in the last little while, but extending over the period since they first took office. To a man, they have been working steadily to make Saskatchewan a better place in which to live. They have brought to their position practicality and efficiency as well as an earnest desire to be fair and honest with each and every citizen of this province.

The Speech from the Throne indicates to me, Mr. Speaker, as I think it ought to indicate to every fair-minded Member of this Legislature, that the Government is concerned about the people of the province, that it is concerned to fight inflation and to help our economy in every possible way. It is concerned about our health care and about the education of our youth. It is also concerned about the non-physical, the non-material aspects of provincial life that will make Saskatchewan an even

better place in which to live.

Mr. Speaker, I am going to discuss several items mentioned in the Speech from the Throne, but I want particularly to dwell on the references to education. I said earlier that municipal government and education had not really changed, but of course this statement needs elaboration. Because of its dynamic nature and because of the dynamic nature of the world in which we live, education has changed immensely, and is changing even as we sit in this Assembly. It is in this context of change that we ought to be examining the new proposals in the Speech from the Throne.

First, what is not new and what will probably never really change is the root idea that parents should be mainly responsible for their children's education, that they should be mainly responsible for the organization and the maintenance of the schools. However, successive governments for many years have used Provincial tax revenues to equalize opportunities for children in every part of the province. School grants have varied from district to district, and Provincial grants have made possible relative uniformity and relative excellence in school programs all across the province. I am pleased to see that grants from this source are going to be increased again this year. The Provincial Government will assume a still larger proportion of the overall costs of education.

In each and every year since we took office, Mr. Speaker, we have substantially increased the Provincial school grants. For instance in 1963-1964, grants amounted to \$37.5 million. In 1968-1969 they had risen to \$66 million. Nobody will deny that education costs to local taxpayers have risen extremely quickly as well. In 1963-1964 total education costs in the province were \$59.3 million. In 1968-1969 total education costs in the province were \$132 million. The main ingredients of these escalating costs are inflation, and the increase in the number of students and especially the increase in the number of enrolments in secondary and post secondary schools. These increases have started chain reaction increases in all costs, not the least of which have been teachers' salaries. In my opinion it is essential that the escalation in education costs be controlled, and controlled now.

Someone has estimated that, if present trends continue, that by 1974-75 total education costs in this province will amount to \$470 million. This is \$105 million more than the total Provincial Budget for 1969. It is time now to isolate the different cost factors in education, and it is time now to assign the priorities so that we can make intelligent choices about programs that can be added, and about programs that perhaps ought to be scrapped.

Much has been heard lately about budget review. Every school board is conducting a budget review in cooperation with the Department of Education. The idea of budget review is not in itself new. Boards have been sending their budgets into the Department of Education for review for some years. However, this exercise had limited if any value. Ordinarily, budgets had been set, teachers hired, programs laid out and a new mill rate struck before these budgets were sent to the Department. The budget review presently being conducted is intended to be quite different. The preliminary review is being done now to give school boards a chance to go back and look again at their

next year's budget before finalizing it, and in future years I am sure that the boards will conduct these reviews much earlier in the year.

The board of the Eston-Elrose unit was in to the Department of Education two or three weeks ago. Their reaction to the budget review is cautiously favourable. They told me that they had always been careful to trim any wasteful expenditures from their budgets. They also said that the very exercise of looking at their spending estimates again and discussing them with the Department had made them more than ever conscious of costs, and their second review revealed to them several minor savings that could be effected.

Mr. Speaker, budget reviews will be of value to the Department of Education as well as to the local school boards. It will give a good deal of information that the Department has never had before. It will give the Department a greater capacity for analysing the information since it's being set up on a computer program. As well as the budget itself, other data on staffing, enrolments, etc., are being asked for in conjunction with these reviews. It should enable school boards and the Department to ultimately budget on a program basis. It should enable the Department to better fulfil its role of leadership and direction.

In general these reviews should open further avenues of cooperative action between the Department and the school board officials.

Mr. Speaker, surely this is the kind of cooperation that is needed to get the most value for our education dollar. If we look at costs, it is interesting to note how quickly the number of teachers in Saskatchewan has risen compared to the number of students that they are teaching. The present pupil-teacher ratio is about 19.2:1. If it were possible to raise this ratio by 2 or to bring it to about 21:1, then it has been calculated the taxpayers of the province might save about \$6 million. I am sure that parents all over the province are now asking themselves whether this increase in this ratio is going to harm their children. Some individuals and groups have expressed concern. On the other hand other educational groups and many parents have welcomed the idea. Now just as an example, isn't it quite possible that a lecture class in history for instance could have more students in it than classes in a laboratory in biology which by its very nature requires a very high level of teacher participation? Certainly it is not uncommon for lecture classes at the universities to have as many as 200 or perhaps 300 students. Nobody is going to claim that this is beneficial or desirable. However, I will say and I do say that the people of Saskatchewan can't afford to let their pupil-teacher ratio remain at its present low rate. We must give some leadership to increasing that ratio.

Some Hon. Members: — Hear, hear!

Mr. Leith: — Mr. Speaker, 1969 saw the expenditure in Saskatchewan for education of almost \$113 million. I think it goes without saying that I believe that most of that money was spent wisely and carefully but if 99 per cent of it were spent carefully and wisely, then doesn't this mean that perhaps one per cent or as much as \$1 million might have been saved by better planning,

by a little more care and some review.

This sure is the reason that school boards are now asked to bring their budgets in and sit down with the officials of the Department and really have a look at them. I want to emphasize that this look that is being taken at budgets is for the purpose of having the trustees themselves decide in the most part what are the essential and necessary aspects of their programs; what should be retained; what must be discarded; what new fields of education activity should be explored; what older and perhaps old-fashioned concepts and approaches and practices in education ought to be streamlined. Certainly we are aware that education is of tremendous importance to the people of our province. We are aware that it is our duty as legislators to provide the best leadership toward the best education that we can possibly afford. But having said this, Mr. Speaker, it is time for us all to realize that there is a limit in spending beyond which we cannot go. There is a kind of lavish educational environment that we can't yet afford, and especially at this time in our economic history.

Mr. Speaker, while we are talking about money, I want to say that I am pleased that again our University is going to get record grants from the Provincial Government for the continued expansion on both campuses.

Some Hon. Members: — Hear, hear!

Mr. Leith: — The Government intends to provide more money for the expansion of the number of schools using French as the language of instruction. We will be asked for more money to increase the present ceiling for the pensions of retired and retiring teachers. Grade XII textbooks will be provided free starting September, 1970.

I want to mention another area in which the Department is breaking new ground. This is the proposal to place in the government-aided category the pre-school teaching of the hard-of-hearing and deaf children in five Saskatchewan centres. The Saskatchewan Red Cross formerly supported this program, but is unable to continue to do so. I want to commend the Minister now for this move, Mr. Speaker, and I commend him also for the provision of grants for the transportation of handicapped children in urban areas.

Some Hon. Members: — Hear, hear!

Mr. Leith: — I know that the people of Saskatchewan are going to approve of these latest measures to aid our handicapped children. I don't think I need to remind anybody in this House that there is constant need for support from this Legislature particularly and from all the people of the province for the care and education of all our children who are handicapped in any way. These are a couple of more steps in the right direction that this Government has taken.

Mr. Speaker, the Member from Hanley (Mr. Heggie) has had something to say about The Coming of Age Act. I want to add a few words about it. This is a proposal to lower the legal age of majority from 21 to 19. Last year I think some Members will remember that I spoke to this Legislature and urged the

consideration of the idea. I told the Hon. Members then that people who are between the ages of 18 and 21 are discriminated against in many ways. They are old enough to marry and make decisions about bringing other human beings into a troubled world. They are old enough to rent houses, but are not old enough to be legally responsible for signed leases. They are old enough to serve our country if necessary in time of war, but they are not old enough to legally drink a glass of beer in public. They are old enough to vote for Members of this Assembly — and they will soon be able to vote for Members of the Federal House — but they are not old enough to buy or own or inherit or lease property.

This situation has gone on long enough and I'm extremely pleased to see the proposal for The Coming of Age Act in the Speech from the Throne this year. On the passage of this Act, the age of majority will be 19, a reduction of two years. Some people will complain to us that it ought to have been 18. I know that some people are going to complain that we are wrong to lower the age at all, that 19 is too young. Well, all I can say is that I ask the young people to accept this Bill as an honest attempt to meet their demands and their wishes. I ask the people who have reservations about it to remember that governments are usually two or three or five or ten years behind the social mores of the citizens that they serve.

Young people have come to us and said, "Look, we want to have the age of majority lowered from 21 to 18. We are responsible citizens. Give us responsibility and we will deserve it." As lawmakers, I don't suppose we have accepted the validity of this argument until now. But now we have come to the point in time when almost everyone in this province believes that responsibility begets responsibility, that if we ask our people to obey the laws, and if the laws are reasonable and just, and they appear to be reasonable and just, then they will be obeyed, and society's purposes will be served.

Mr. Speaker, a lot has been said about the difficulties of being a backbencher in our system of government and particularly perhaps of government backbencher. I think I am inclined to agree with some of the comments about it, but I want to say today how heartening it is to see the fruition of an idea, to see that government is taking seriously what has been said in the debates in the House and to see that the Government is trying to close the gap between the work of the House and the thinking of the public that we represent.

I don't suppose that any debate that occurs in this Legislature this year will be complete unless everyone has spoken about our economic problems. We are painfully aware of the economic difficulties that are facing us and we are painfully aware of the huge piles of wheat and other grains that clutter up our farm buildings and our yards. We are painfully aware of the cash shortage which is harming not only the farmers, but the small businessmen in our communities and indeed is having an effect on every other part of the economy in Canada. It is extremely naïve to think that this crisis will not affect the rest of Canada. Our export sales of grain are ordinarily our second largest earner of foreign exchange. The farm machinery, the farm trucks, the automobiles, the clothing that we use on the Prairies are a significant part of the total production economy of the nation. It may be true that the auto workers in Eastern Canada are now producing for the whole North American

market. But very soon now, if it is not already, the large machinery and auto manufacturers will realize that Western farmers and Western Canadians are literally out of the market for their products. Every community in the Prairie Provinces is loaded with new farm machines. Farmers have stopped buying them because they just can't pay for them any longer. They are determined to make do with what they have. They are determined to repair what they have if necessary and to get along as cheaply as possible until the present crisis is over.

Generally, Mr. Speaker, farmers, and Western farmers particularly are great spenders. If they have a dollar they'll spend 98 cents. But if they do see the threat of recession or depression, the few that have some money saved are not going to spend any more. People who have saved money are going to protect their investment. Many young farmers are buying land and have taken on big obligations. They are not able to spend; the result is a drying up of the juices which make the economy viable.

I have a neighbor who has been in the province 54 years. She came here from the Eastern Townships of Quebec. She was telling me the other day that she has seen three depressions in Saskatchewan since she came here, but that this is the first time that she has seen a depression of plenty, the first time that she has seen problems of poverty when there are lots of grains around.

Mr. Speaker, this is a paradoxical situation. Ordinarily we are used to lean periods when there is no grain because of natural disasters like drought or hail or frost. Certainly it is unique in our history at least to have a recession generated by the bounty of nature rather than by general parsimony. People all over Saskatchewan and in the West generally are asking themselves and their neighbors: why? How is it possible that we are sitting here on the Prairies, up to our necks in grain, while there are still children starving in other parts of the world? How is it possible, when the United States is able to put a man on the moon, to muster the technology and manpower and the material to put a man on the moon, how is it possible that a relatively simple problem like the distribution of grain to different parts of the world seems to incredibly difficult? How is it possible that we could allow ourselves in the age of planning and computers to get into the situation where we have so much surplus grain? Who is to blame? This is the question we hear more and more often every day. Who is to blame? Each of us, including the farmers, is anxious to blame somebody else. We are quick to recall that government spokesmen told us three years ago to grow all the grain that we could, because it would be sold.

Mr. R. Romanow (Saskatoon Riversdale): — Liberals!

Mr. Leith: — I suppose the blame here is particularly and partially correct. Errors in forecasting were made, and they were made by many political people as well as by the technical people who are supposed to be expert in this field. We accept the fact that mistakes were made. What we don't seem willing to accept, Mr. Speaker, is the fact that we as farmers are just as much to blame for the surplus as is the Government, just as much as the Wheat Board and just as much as the

exporting agencies. We have been floating along in a rosy world without really realizing how bad the grain situation was getting. Very few producers bothered to make any investigation of the long range prospects for hard spring wheat. We went along, happily accepting the fact that the Wheat Board was selling our grain and that there was no problem. Every year we sold quite a bit of grain. Every year we got quite a large final payment. We had come to count on this and we were using it as a financial tool, as a deferred payment of income to pay the tax on income generated by the original sale of wheat.

Farmers across Saskatchewan, partly because of the policies of local government and provincial government and partly because of the stupidity of the regulations of the Canadian Wheat Board, were breaking up land which never ought to have felt the plow. They were knocking down trees which should have been left standing. They were seeding new ground, new marginal farm land, to wheat or to something else which could be used as a basis for the sale of wheat on the permit book.

The operations of the Canadian Wheat Board were never seriously questioned. We took for granted that the Canadian Wheat Board was doing the very best job that could have been done in the selling of our wheat and in the regulation of the internal movement of grain. If anyone did criticize the Canadian Wheat Board, these detractors were categorized in the minds of most people as being right wing extremists, who wanted the return of the Winnipeg Grain Exchange for the handling and manipulation of all grain.

Mr. Speaker, this was the general attitude in the summer time of our grain sales, when the living was easy. It's different now. The Canadian Wheat Board has come under fire from almost every sector of the Western farm economy. Some of these attacks have been senseless and useless and based on false information. Other criticism has been valid and valuable and ought to have been made long ago. How many farmers have actually seen the Canadian Wheat Board Act and its amendments and its regulations? Until a year ago, how many farmers knew that it was against the law to haul grain across a provincial boundary? How many farmers had ever heard of Cargill, or Continental, or Bungee? I think almost everybody knows now that they are international grain brokers, that most of our export grain sales are made through these or similar multi-national corporations. We didn't know, and we didn't care, because things were going pretty well. Things were going pretty well for the Canadian Wheat Board too. It was generally accepted that our wheat was the best in all the world and all that was really necessary for them was to tell people that, and to remind them about it once in a while, and to arrange to sign on the dotted line and to transfer some wheat to Cargill or Bungee for resale overseas. Everything seemed to come out alright.

I know that this is an over-simplification of what was happening, but it is my sure opinion that the Canadian Wheat Board had become hide-bound, had become riddled with official inertia and had become, if not absolutely divorced from, at least pretty well insulated from the people it is supposed to serve.

Some Hon. Members: — Hear, hear!

Mr. Leith: — Mr. Speaker, I am happy to

say that this attitude has undergone a marked change since the appointment of Otto Lang as Minister-in-Charge. In my opinion still more change is necessary. For instance, I don't believe that the commissioners should serve indefinitely on that Board. There ought to be a stated period of service, of perhaps three years, at the end of which each might be re-appointed, but only after pretty serious evaluation of that commissioner's service in the past. Mr. Speaker, what sounds like a criticism of the Wheat Board is really a criticism of myself and all the rest of the farmers that were complacent enough to let things slide without really knowing what was going on in that body.

I have heard a proposal from an eminent source that the Wheat Board ought to become producer-controlled instead of government-controlled and I endorse this idea heartily. Each of us and especially every farmer knows that his business can only prosper if he is interested in it enough to look after it and watch it and see what's going on. There is a Scottish saying that fits the situation pretty well. "It is the eye of the master that fattens the cattle." As farmers we have closed our eyes to the operation of the Canadian Wheat Board. We have delegated responsibility through our politicians to officials who are not farmers. Some of them have never been farmers and some of them understand the working of the international grain markets, but I doubt very much if any of them understand the difficulty of getting along on a five-bushel quota. The Canadian Wheat Board is governed under an Act of the Federal House. Blame that is directed to the Board must first be directed toward the politicians of our country, but I believe that, if the Canadian Wheat Board were taken entirely out of the political arena and away from the hands of the Government, then the producers would be better served.

Well, Mr. Speaker, I am realistic enough to know that this isn't going to happen overnight nor should it happen overnight. The Canadian Wheat Board is still going to function as a government agency for some time. So, I make now a very strong plea that one or two commissioners be appointed to the Board and that these be farmers who are able, farmers who understand farm problems and who understand the grain business. Progressively as these farmer representatives become more expert in the workings and the operations of the Canadian Wheat Board, more and more of the work of that Board ought to be transferred to these farm representatives. This is the only way we are going to get satisfaction from this Canadian Wheat Board. Again, it is the eye of the master that fattens the cattle.

We are assured by Mr. Lang that changes will be made in the operations of the Wheat Board. In my opinion they are long overdue. I don't know what they are going to be but I have some recommendations. 1. Feed grain must be allowed to move freely without let or hindrance in the Wheat Board designated area. Nobody has been able to give me any reason why artificial barriers to trade should be erected on provincial boundaries. All of us in this House ask for free trade for all the rest of Canada and then we allow restrictions on inter-provincial trade. It's fantastic and ridiculous.

2. The Canadian Wheat Board should immediately concentrate all its activities and energies on the promotion of markets and the sale of grains. It should immediately get out of the non-productive activity of the policing of the internal movement of grain.

Some Hon. Members: — Hear, hear!

Mr. Leith: — 3. The quota changed so that production of grains and seeds other than hard spring wheat is encouraged.

4. Protein grading must be implemented as soon as possible.

5. Marginal land in the Prairies — at least the class V, VI, and VII land — ought to become ineligible for wheat quotas. If there are to be subsidies for Prairie farmers, then let them be used to help farmers diversify, and if this is not possible, then take these lands completely and finally out of grain production.

6. The ability demonstrated by the Canadian Wheat Board in the last few years has so impressed me, Mr. Speaker, that I suggest its jurisdiction not be extended to rye or flax or other oil seeds.

Some Hon. Members: — Hear, hear!

Mr. Leith: — I don't have any doubt that the care and feeding of the Wheat Board is going to come up for discussion by other speakers in this and other subsequent debates. If what I have said seems unduly harsh, Mr. Speaker, I refer you to criticism much more damning.

The Prairie Wheat Pools and the United Grain Growers have been watching the operation of the Wheat Board for many years. They have been strong and vocal supporters. Why have they decided to form the company Xcan? This company's stated objective is to do work and to do the kind of work that the Canadian Wheat Board was supposed to be doing all the time. Nothing more needs to be said. I have confidence in the Hon. Otto Lang's ability and his desire to cut through the tangle of regulations and amendments that have obscured the real purpose of the Canadian Wheat Board. The Board was never designed, nor meant to be a social agency to equalize income from farm to farm. People who would give this government agency more power and more regulatory function to accomplish that end are doing a disservice to the farmers of this province. Welfare and subsidies are not the responsibility of the Board. Its only true purposes are to find and to promote and to develop markets for our grain and to sell as much of our grain at as high a price as possible in those markets. Mr. Speaker, we are going to know pretty soon what kind of rules we are going to have to live with. They just have to be better than the ones we have now.

Mr. Speaker, our economic problems in the West and perhaps particularly in Saskatchewan have aggravated another old sore of Canadian life. I refer to the rising sentiment toward Western separatism in Western Canada that I perceive developing in some of the people around me. Neighbors and friends of mine say to me occasionally and more and more often lately they say, "You know, George, if it weren't for Eastern Canada, we would be pretty well off. If it weren't for the tariffs and if it weren't for the amount of money we send to Ottawa in taxes, and if it weren't for some of the representatives that we send to Ottawa, if we were alone, the three Prairie provinces could

organize a government, which would be suitable to us. We could trade with the world without tariffs. We could buy radios, trucks, and cars and machine tools from Japan. We could sell them wheat and barley. We could buy textiles and machinery and everything we need from European countries and use Churchill as our seaport. We wouldn't have to worry about Quebec and Ontario and the Maritimes. We wouldn't mind having B.C. in with us, but if they don't want to come," people say to me, "well then let's form a separate nation here in the West of Alberta, Manitoba and Saskatchewan." Some even say to me "And yes — let's invite Montana and North and South Dakota to come with us too. It would make a great trading unit."

Mr. Speaker, this may make some Honorable Members smile, but I tell you that it is a sincere and honest expression of opinion that many people in this country now hold. When my friends tell me that we in the West are discriminated against by the freight rate structure, what can I say but Yes? When they tell me that the tariff structure in the first one hundred years of Confederation has discriminated against Western Canada, what can I say but Yes? When they say to me that Eastern people don't seem to realize our problems out here, that they go on unheeding, that the income of people in Ontario is almost twice that of people in Saskatchewan and nobody seems to care, that they don't want to do anything about it, what can I say but Yes? If they say that the Port of Churchill is not used enough and that perhaps the people of Montreal and the people that are interested in the St. Lawrence Seaway and the people that own the large terminals on the West Coasts don't really want us to use the Port of Churchill, what can I say but, "Yes, I think so?" If they tell me that the Federal Government seems more interested in the promotion of bilingualism than it seems to be interested in the problems of regional economic disparity, especially in the West, what can I say but, "Yes, it looks like it?" When they tell me that Saskatchewan ought to be trading more with Japan than with Ontario and Quebec because of the possibility of the tremendous new markets in the Orient for our feed grain and our beef and our wheat, what can I say but Yes? When they tell me that Westerners now feel isolated from the rest of the country, that when they are away they think they are away from their only real home, that when they come back they would like to kiss the ground they are standing on, what can I say but Yes? I say Yes to all these things knowing them to be at least partially if not completely true.

It's interesting to remind ourselves that the idea of Western separation has sprung up at various times in the past and indeed the idea has never been completely dead. In 1912, economic difficulties sparked a wave of separatism. Again in 1922, sentiment for separation rose to the surface of Prairie life. In the fall of 1924 and 1925, there were several articles in the then new Western Producer, which mentioned the talk of separatism. Again in 1931, at a meeting of the Saskatchewan Wheat Pool near Lloydminster, a resolution was passed urging the formation of a Western Canadian Nation. Now almost 40 years later, we're talking about it again. There maybe something in our character that makes it natural for us to think this way, but every time a dark cloud comes up on the horizon there is somebody willing and ready to send it away by suggesting that we separate from Ontario and Quebec and New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. When times are good, nothing is heard from these secessionists. Whole decades have gone by when no more than a casual mention of such a

possibility is ever made. But when times are tough, when the going gets a little harder, we do tend to realize that we are in what seems to be a disadvantaged position in Confederation. The talk of separatism, the talk of a united West, separate and alone except for friendly relations with the rest of Canada, appeals to a deep and responsible chord in our character. I think someone has made some calculations which show that Western Canada might be so many million dollars ahead if we were to leave. I guess there are probably other calculations which will show that a united West, separate and alone, would be in a worse position by several millions of dollars. These are answers to a hypothetical question, Mr. Speaker. I don't think it is really possible to calculate to any degree of accuracy what the economic position of our province would be if we were one of three provinces of a Western Canadian federal nation. I think you could come to any conclusion at which you wish to arrive in this kind of debate. Even if it were possible to calculate exactly how much better off, or how much worse off we would be, would this be the answer to our question?

In times of economic crisis in Saskatchewan of course we would be extremely interested to know how we would get along in a different kind of political environment. In this respect, Mr. Speaker, I want to mention the conference that is going to be held at the University of Lethbridge in May to talk about the possibility of uniting the three Prairie provinces in one province. Instead of there being ten provinces, and the Territories, there would be B.C., the Prairie Province, Ontario, Quebec, and the Maritime Provinces. This will be an interesting study and I hope that every Member of this House will be in Lethbridge in May. I think I should emphasize for some of the Members opposite that the purpose of this meeting is to study the pros and cons of union of the three Prairie provinces into one province within the framework of one nation. It is not to study the possibility of whether or not we would be better off to secede from the rest of the nation. This is a very real difference, and I don't think people in Saskatchewan ought to be confused about it.

Mr. Speaker, in 1912, 1924, 1925, 1931, 1969 and 1970, talk of separatism spread across the Prairies. It has been popular because the problems that sparked the idea in 1912 were not solved by 1922 and the difficulties of 1924 and 1925 had not been settled by 1931. The contradictions of our position in the federal state in the 1930s have not yet been settled. The leaders of our governments in Canada have just come back from yet another constitutional conference at which another attempt has been made to come to grips with some of our real frustrations.

Progress has been made. We heard about it in the Legislature this afternoon but in the perspective of history of Canada, mutual understanding and cooperation between the regions have not increased nearly enough. We must insist that these problems be discussed, the problems of freight rates, the problems about alienation, the problems about economic disparity, the problems of fighting inflation in some parts of the country and thereby hurting or ruining other parts of the same country. These problems have to be discussed and they must be solved very quickly or the talk of separatism and alienation will become more than just talk. It will become a possibility and perhaps an attractive possibility at that.

Mr. Speaker, if there is one thing this world doesn't need, it is another nation. If there is one thing this world does desperately need, it is a nation like the Canada that we are trying to build, a Canada that will be an example and a precept for other countries in the world and especially for the developing nations throughout the world.

Some Hon. Members: — Hear, hear!

Mr. Leith: — All the talk about our alienation and all the talk about our difficulties in Confederation pale before the reality and the brutality and the slavery and the hunger of much of the rest of the people of the world.

Separatism and the talk of separatism are like a thief who comes in the night to take our national edifice away brick by brick. We are building this country and we have been building this country for a hundred years, not for power, not for glory, not to subjugate other countries, not to colonize other lands and use their raw materials to better our own existence, but to make upon the face of the earth a place where freedom and equality and tolerance are not just idealistic watchwords, but where they can become reality.

The arguments about economic equality between the various regions of Canada must be pursued. They must be pursued with determination, but they must be pursued in grace and in good humor. Even if absolute equality with our brothers in Ontario or in B.C. is never attained, we are providing an environment in which those intangibles of tolerance and freedom can flourish and grow and they can be respected and loved by all our people.

For over one hundred years, Mr. Speaker, we have been living with an idea that is almost impossible to comprehend in other parts of the world — the idea that two great cultures can get along side by side — that they can pursue national objectives equally well in one language or the other. If this were the only reason, it would be reason enough for the preservation of our nation. We are the example, the good example, not always perfect in this respect, but we are the example of a country that is trying not to glorify nationalism but to work toward internationalism, to try to solve our problems first and then to pass on our experience and our devotion and our dedication to the other parts of the world.

Mr. Speaker, even if this sounds smug and self-righteous, I would not apologize for the feeling that I have for this country. I would not suffer it to be divided. We will not allow the experiment and the dedication and the work that has gone into the building of this nation so far to be put aside by the exercise of narrow economic provincialism.

Some Hon. Members: — Hear, hear!

Mr. Leith: — Mr. Speaker, I appeal to each person in this province, who believes that separation from the rest of Canada is our salvation, to think again. I appeal to him to remember what this nation can be, I appeal to him to bend every effort to make it what it ought to be.

Mr. Speaker, the Speech from the Throne indicates to me

that the Government of Saskatchewan has accepted its responsibility to this end. It emphasizes the increasing opportunities for all our citizens. It recognizes the importance of creating a climate of tolerance and understanding. It shows it cares for the youth and the aged of our province. I am pleased to second the motion and I am pleased to say that it has my support.

Some Hon. Members: — Hear, hear!

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, we have now had the annual eulogy of the Government from the mover and the seconder of the Resolution and I am sure we have all listened with a good deal of pleasure to what has been said. Both of the Members have displayed a considerable amount of eloquent rhetoric; at least I am sure that they believed it for the most part but really not quite for all. I thought there was one omission they both made that rather surprised me, Mr. Speaker. Now we have a new Member of the Legislature this year . . .

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — . . . and I know that both of the MLAs who have spoken this afternoon know where Kelvington is because I saw them up there. I am somewhat surprised that they didn't join with all the rest of us in extending the very warm welcome to our new MLA in this Legislature and wish him well in his legislative career.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Let me say just a few words about the more than few words of the mover and the seconder. Certainly those on this side will join heartily with them in what they have said about the present Lieutenant Governor and the very genial and generous man who has just left that post. Our present Lieutenant Governor comes to his position with a distinguished reputation in his own profession. He comes as a representative of a group who have a special Canadian identity, I think, because they chose to come to this country to look for many of the things which the Member from Elrose (Mr. Leith) was speaking of just before he took his seat. We welcome Dr. Worobetz and will look forward to our association with him. Certainly all of us will remember for a long while the genial hand and presence of Mr. Hanbidge. He, as I said on a former occasion, was one who lived in a house by the side of the road and was a friend to man. We wish him well in his retirement, and we thank him for his many years of service in different ways in this province.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — I notice that both the mover and the seconder of the Resolution agreed on one other aspect — two other aspects. The Member from Hanley said there were bad times in the province, and the Member from Elrose said there was a depression in the province. And maybe the first step to getting something done about the problem is to have some of the private Members at least admit that there are some real tough, hard, cruel times in the Province of Saskatchewan now. Both of them had, as one

would expect, words of praise and encouragement and huzzas for the Premier and the Cabinet. I think the Member for Hanley (Mr. Heggie) used the expressed "We have a firm hand on the helm." Well, nobody is going to disagree with that, although some people may call it a tight hand rather than a firm hand. But I think the question that's being asked around the province isn't how firm is the Premier's hand, the question that is being asked is where the blazes is he steering. And the answer is that he has seen the rocks and is headed straight for them with the Saskatchewan ship of state.

I am a little surprised that the Member for Hanley spent more time on Britain, more time on Czechoslovakia, more time on Germany than he did actually on the constituency of Hanley and the problems that exist there. He found opportunity to comment about British Columbia, but had nothing to say about Kelvington. That seems to me to be a rather curious case of far-sightedness in that sense.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — He said it was a memorable occasion. I suppose a man as he walks to the scaffolds finds that walk a memorable occasion and I'm sorry the Member for Hanley (Mr. Heggie) isn't going to be around to make many more speeches of that kind.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Just a little bit about the comments by the Member for Elrose (Mr. Leith) who has just taken his seat. He talked at considerable length about education. I shall not have much to say about that now because I want to deal with it at length tomorrow. But he forgot to mention when he was talking about the promises on which he was elected and his colleagues were elected with respect to paying the education bill. Because if there was one promise which was repeated over and over and over again, in more places in the province and in more ways in the province than any other, it was the promise that "we will find a way to reduce" the property taxes for education.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — And any commend on this was conspicuously absent from his comments as he talked about financing education. I hope he realizes too that many of the remarks which he made this afternoon constitute nothing more nor less than an apology for the attack which this Government has mounted on education this year and for the years past.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Again, there's a firm hand on the helm and that firm hand is steering education onto the rocks and we have hit many of the rocks already.

I was disappointed too to hear the Member from Elrose join, as it seemed to me without doing so directly, in the attack on orderly marketing that is going on in this province and outside of the province. And I think we must construe his remarks this

afternoon to be just that. It is a long while since the voice of the Grain Exchange was raised in this Legislature — I thought I heard it or came dangerously near to hearing it this afternoon as I listened to the Member for Elrose (Mr. Leith).

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Now, Mr. Speaker, let me turn to what was not a part of this debate but the remarks which the Premier made earlier with respect to the Conference just concluded at Ottawa. It will be recalled that on January 20, New Democratic MLAs presented to the Government a brief. In this brief we set out a number of the proposals which we urged the Government to put before the Conference of the last two days. The main reference in our brief was this:

We said, “The problem in Saskatchewan is not an overheated economy; the problem here is hard times.” We urged that the Federal Government together with the Provincial Government has major responsibilities to develop some emergency programs — and that means now — which will inject cash into the Prairie farm economy; which will move wheat and other grains more quickly into export positions and into international markets; which will create employment in Saskatchewan particularly in the construction industry; which will begin to deal effectively with the real problems of inflation, prices, profits and incomes.

Mr. Speaker, I have listened to as many of the news reports about the Conference as I could. I have read everything that has appeared in our local newspapers and I have listened carefully to the Premier’s statement earlier this afternoon. I can find in all of that no evidence that this Conference came to any conclusions or agreements which would get on with the job of doing something about those particular problems.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, I am pleased to learn that the Provincial Government did in its proposals pick up a number of the proposals we put before the Government and before the public in January, some of them long before that. I am pleased that it agreed with our proposals that there should be payment made to farmers for farm-stored grain. I am pleased that it saw fit to urge more grain moving faster to the terminal elevators. I am pleased that it saw fit to reiterate the importance of the two-price system for wheat, although I don’t know yet that it also said that it must be at a meaningful price level related to the cost of production. Of course, it is a serious omission not to add in some figures at that point. I am pleased that it saw fit to include our proposal that there should be incentive to farmers to take specified acreage out of wheat production and put it into grass or other fodder. While I am glad that it picked up those proposals of ours, I am sorry indeed that it disagreed with some others or saw fit not to include them with its proposals, because, Mr. Speaker, our first proposal on agriculture is one which has had the blessing of major farm organizations. And it is one which represents the answer to a number of the immediate problems of farmers and other people too, that was, that the Saskatchewan Government should urge the Government of Canada to provide not less than \$200 million in supporting payments for grain across the three Prairie

provinces. I can only assume that since the Provincial Government did not raise that, did not put that request forward, it indeed does not approve of that emergency operation which would put some cash into farmers' pockets now, not, as has been suggested in the proposals, some two or three or four or five or six months from now, because at that time a great many more of our farmers will have gone under the hammer and a great many more of our businesses will have closed their doors.

And I am sorry too, Mr. Speaker, that the Government didn't see fit to support the idea that all grains, including feed grains, be placed under the Canadian Wheat Board. Indeed it specifically disagreed with this and in disagreeing with this it is, of course, once more out of tune with the analysis and the requests of major farm organizations in the Province of Saskatchewan.

Hon. W. R. Thatcher (Premier): — Mr. Speaker, I wonder where the NDP were . . . they didn't advocate that in the last . . .

Mr. Lloyd: — Mr. Speaker, I'm not talking about Winnipeg, I'm talking about that Government over there and what it failed to do.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — . . . Let him look at himself. Let him analyze his own deficiencies. Let him answer why this Government failed to endorse two major proposals of the major farm organizations in this Province. That's the question for him to answer . . .

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — . . . and no amount, no amount of turning his wide-flung breath toward Manitoba will weasel him out of that particular position.

Mr. Thatcher: — They have a different program than you had . . .

Hon. D. G. Stuart (Provincial Treasurer): — . . . Farmers' Union . . .

Mr. Lloyd: — Mr. Speaker, I am not talking just about the Farmers' Union. I am talking about the Wheat Pool and the Federation of Agriculture as well.

An Hon. Member: — Can't stand them either, eh, Davey?

Mr. Lloyd: — Mr. Speaker, I am sorry too that there wasn't more emphasis put on the necessity of establishing some meaningful farm production guides. Now the Member from Elrose, (Mr. Leith) when he was speaking, admitted that some three years ago Ottawa Liberals were saying, "Grow all the wheat you can grow." Many of us remember the addresses in Saskatoon and Regina of the late Hon. Mr. Winters. He had just returned from a trip in which he had concluded the sales agreement with Russia, and he assured the people of Saskatchewan that we would have more

agreements with Russia. Not only, he said, would we have more agreements with Russia but we will have more agreements at higher prices with other countries as well. We've had practically no advice about production out of the Federal Liberal Government at Ottawa since that time, until the last few days, and now the Hon. Mr. Lang is suggesting to farmers that they shouldn't grow wheat at all this year.

Mr. A. E. Blakeney (Regina Centre): — Do you agree with that? You don't argue with the Saskatchewan Liberals, do you?

Mr. Lloyd: — Mr. Speaker, it's a long way between growing all the wheat we can grow and growing no wheat at all, but this is the kind of mixed-up, confused, costly, harmful, misdirection which the Liberals at Ottawa and the Liberals at Regina give to the farmers of this Province.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, let's look at the Ottawa Conference with respect to employment. The Premier has told us this afternoon that he is hopeful that sometime in the future — when, we don't know — he may be able perhaps to stand up in this House and maybe announce a program of construction that might do something about unemployment. And that's about as definite as he got. Well, Mr. Speaker, we welcome the change of heart on the part of Government which suggests it now, at long last, realizes something has to be done about unemployment. We want to know why all the delay, because it was needed in September of last year, and it was needed in July of last year, and it was needed in May of last year. But at that time there was this hard hand on the helm, and the ship of state went straight for the rocks where it's now finally ended and it is shouting for help from Ottawa.

An Hon. Member: — Rip Van Winkle.

Mr. Lloyd: — Mr. Speaker, the other matter on which I think the Provincial Government failed to speak up in the Conference of the last two days is that of inflation. You know the people of the country were led to believe that inflation is the problem. We were led to believe that it was at this Conference that the problem was going to be dealt with. And instead of facing up to the fact, instead of talking about inflation and a cure for it, we had just one more pillow fight in that Conference. And it wasn't even a pillow fight against inflation. It was instead a pillow fight against a public relations shadow of the real problem of inflation.

Mr. Speaker, the same pressures which created inflation last year, we are told, are loose in the Canadian economy today, and there is no suggestion really that anything be done about those proposals in the year ahead of us. It is agreed that undue price increases were part of the reasons for inflation. Yet all that has come out of the Conference is that prices will likely be maintained at a level no higher than they were last year. In other words, the pressure of prices with regard to inflation will remain as it was last year. Certainly anybody who looks at the cost components in our society must agree that one of the big cost components is that of profit. And profits

are to be at last year's level so far as any Government action is concerned. And many of the profits in 1969, Mr. Speaker, we know were excessive, cruelly excessive.

I point out for example that the chartered banks' profits were up 26 per cent in 1969 over 1968, and I am reading from the material in our brief now. We pointed out in that brief that finance, insurance and real estate profits were up 47 per cent over 1968. We pointed out that Massey-Ferguson profits were up 64 per cent in the first nine months of 1969 and more recently the Barber Commission has validated that kind of comment. It's possible to point out that the food and beverage manufacturers' profits were up \$27 million in six months and the steel profits were up \$16 million in six months as well.

Mr. Speaker, in spite of this, nothing was said, so far as I can understand, about this level of profit which is one of the real components of inflation pressures.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — As a matter of fact it seems that profits were not even part of the vocabulary at that Conference. The Premier is ready to go all out for wage controls on people like those who work in the hospitals of Saskatchewan, but the profits of corporations to him are sacrosanct and mustn't even be talked about.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — These are real pressures which the Conference did not face up to and the Saskatchewan delegation failed to bring this kind of necessary consideration onto the floor of the Conference.

Mr. Thatcher: — Where was the Manitoba . . .

Mr. Lloyd: — Well, you just defend your own record. You see it so happens that you are the people who are supposed to be the spokesmen for the people of the Province of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Now quit trying to weasel out of it by talking about what somebody else did or didn't do. Mr. Speaker, the Saskatchewan delegation has said they are happy about the results of the Conference. Mr. Speaker, if they are happy, then that simply proves how completely they are out of touch with the cruel reality of hardship in the Province of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — If they are happy with what went on there, it simply proves that they are unwilling or incompetent to describe the real issues which are hurting the people of this Province; that they are unwilling or incompetent to propose any necessary solutions to that Conference. This, Mr. Speaker, I may say, is known to the people of the Province of Saskatchewan and it was demonstrated by the people that they did know it in the election

in Kelvington last year.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, let me just say a word about that election and its importance. You will recall that our slogan in that election was . . .

An Hon. Member: — Do or die!

Mr. Lloyd: — . . . “Kelvington today, Saskatchewan tomorrow.” It wasn’t just “Do or die.”

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — If it was “Do or die,” Mr. Treasurer, we did and you died.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — The people of Saskatchewan have granted that that was the meaning of that election. The people of Saskatchewan . . .

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — You know, Mr. Speaker, when you touch a nerve people respond to it and we’ve all sorts of responses coming out over there.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — But, Mr. Speaker, the importance of the New Democratic win was emphasized by the extent of the Liberal effort in that campaign . . .

Mr. Steuart: — . . . showdown . . .

Mr. Lloyd: — . . . that’s true, that’s true but you are talking about the day afterwards not during the campaign that was when we . . .

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Mr. Speaker, let’s look at the extent of that effort. Well, first of all the Liberals had a very popular, a very presentable, a very experienced, a very hard-working, a well-liked candidate. We all knew him in this House . . .

Mr. Steuart: — Now you say that!

Mr. Lloyd: — I said that but his trouble was, Mr. Speaker, he couldn’t overcome the handicap of representing the Saskatchewan Liberals.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — So in spite of all his own personable qualities and the edge he had by having been an MLA, he just couldn't carry on his back the burden of sins of omission or commission of the people who sit over there.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Now it wasn't because his friends over there didn't try to help him. No, one could find Cabinet Ministers by the dozen, on every trail and behind every bush and on every Indian reserve and going cap in hand to every back door in the country. The people just didn't listen. They weren't willing to communicate with those gentlemen over there. Not only that, Mr. Speaker, but they called back into service a number of their former organizers who are now on the public payroll. For example they called in the Chief Electoral Officer who haunted the Liberal committee rooms day and night during their campaign. And on election day, Mr. Speaker, there was even a senior official of the Highway Traffic Board directing traffic on one of the Indian reserves.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — The result of all of this, Mr. Speaker, was that the people of Kelvington gave the present sitting member, whom I welcome, a majority of 500 votes in that election.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Now I want to turn to some general comments on the Throne Speech itself.

The Throne Speech admits that there are some difficulties and some hard times in Saskatchewan. It talks, for example, of hardship to all groups. It talks about major reductions in income for farm people. It says our citizens face serious economic problems. Having used these words one would have thought they would have gone on and tackled the problem in the spirit of those particular words. Instead, Mr. Speaker, they threw a handful of band-aids and aspirins on the table and decided to leave it at that. Now I will admit that some of these will be of help to some people in our province. That much is welcome. Nothing wrong with band-aids and aspirins, I guess, if what is needed happens to be band-aids and aspirins, but when something more is needed, like an operation, then to give band-aids and aspirins and to delay action is probably dangerous. Indeed, to relieve the pain by a bit of aspirin here and there is deceptively, deceptively dangerous. And the fact that the Government has seen fit to prescribe nothing more than band-aids and aspirins certainly indicates that it has not diagnosed the difficulties well enough. Or if it has diagnosed them, it indicates its inability and its unwillingness to face the facts of the situation. And that is probably the most dangerous fact of all, that it is unwilling to face up to the situation. That, of course, argues eloquently for the need to replace this present Government.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — I found it interesting, Mr. Speaker, that in the Speech from the Throne this year there was no reference to private enterprise or free enterprise as that mystical presence which, if we just allowed it to hover over us, would solve all of our problems. If we laid enough gifts at the feet of this great god then all things would be taken care of. I can only conclude that the god has failed. At least he is not bestowing his blessings on the Province anymore in the way that he was. As a matter of fact the god is showing some disfavor, and the fact of disfavor is shown because of the number of activities, and the number of people and the amount of money which has moved out of this province in the last year in particular.

One has to say about the Speech from the Throne that the recommendations with regard to agriculture are unimpressive. The comments with respect to education are misleading. Employment or unemployment doesn't even appear. Read the Speech from the Throne from beginning to end and back again and you will not find the word "employment" or "unemployment" even mentioned. That indicates the sweep of thinking of the people over there. Not only is employment or unemployment not mentioned, health isn't mentioned, pollution isn't mentioned and population is missing altogether.

Let me talk for just a few minutes, Mr. Speaker, about some of this missing population from the Province of Saskatchewan.

You know, I go back to a quotation of the Premier when he was Leader of the Opposition when he was speaking to this Legislature in 1964, standing where I am standing now. He made this comment: he said, "The population figures are the acid test of growth." Population figures are the acid test of growth.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Well, let's apply this acid test, which the Premier has prescribed, to the Liberal performance. We can get the information, all that we need of it, if we go to the White Paper of the Government issued in December of 1969. That White Paper shows that in the three years up to 1964 the population increase was 12,000. It shows that in the latest three years the population increase was only 1,000. An increase of 12,000 in the three years before the Liberals were elected, and in the most recent three years of Liberal performance, 1,000. And if that's the acid test then it must mean that the CCF performance was 12 times as good as that of the Liberals.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — But that's not the whole picture either, because to get the full acid treatment you have to note what might have been. You have to note the natural increase that should have been available to us, because there are more births than there are deaths.

It is instructive to note the Liberals have been in office for about five years and three months up to the time we have population records. Five years and three months . . .

Mr. R. Romanow (Saskatoon Riversdale): — Five years too long!

Mr. Lloyd: — Five years and three months. If we consider our natural growth of births over deaths since that time, the population ought to have grown by 75,000 instead it has grown by only 14,000. In other words during that period of Liberal performance 62,000 people left the Province of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — About 1,000 every month have closed up shop and gone some place else to make a living.

As a matter of fact, that isn't all the picture either because during 1969, the most recent period, the rate of 1,000 per month leaving the Province has increased to 1,800 per month leaving the scene. Surely the question which the Government should answer is: are population figures still the acid test of growth? If so, Mr. Speaker, I suggest that the Liberal Government is very obviously on "acid." And the fact that it is on acid may account for some of the illusions of grandeur and even some of the violence which is sometimes displayed to certain groups in Saskatchewan.

You know it used to be said by someone, whom I won't be so unkind as to mention by name, speaking in Saskatchewan and the rest of Canada and the United States, that "Saskatchewan exports wheat and people." These are the two major exports. We export wheat and people.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — And so, Mr. Speaker, we elected a Liberal Government at Ottawa and we elected a Liberal Government at Regina and the result is we export less wheat and more people.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — That's the effect of that combination.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — Since the election of a Liberal Government at Ottawa and a Liberal Government in Regina, the export of wheat has slowed down to a trickle and the export of people has been stepped up to the momentum of a spring flood.

Mr. Speaker, this lost population has come to some very considerable extent, of course, from our rural areas. We just note some information which comes from the reports of the Department of Municipal Affairs. In the three years, 1964 to 1967, our loss of population, rural population, was almost 30,000 people, about 10 per cent. I have here a list of some 55 rural municipalities chosen at random in different geographical areas throughout the province. It shows that the loss of population in some cases as high as over 40 per cent. And that of course takes us into discussion of the difficulties and the problems of agriculture, particularly those which farmers have been exposed to because of the twin combination of a Liberal Government at Regina and a Liberal Government at Ottawa. I will

have quite a lot to say about that tomorrow, Mr. Speaker, I now ask leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 4:52 o'clock p.m.