

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Sixteenth Legislature
41st Day

Tuesday, April 13, 1971

The Assembly met at 10:00 o'clock a.m.
On the Orders of the Day.

QUESTIONS

Homecoming '71

Mr. A. Matsalla (Canora): — Mr. Speaker, I should like to direct a question to the Minister-in-Charge of Homecoming '71. On Tuesday last I directed a question to the Premier and he assured me that he would give me an answer to it but I didn't get it as yet, therefore I direct it to the Minister. In view that the deadline date for submitting applications by municipalities for Homecoming projects was February 28th, that's about six weeks ago, and in view that many of the municipalities are presently setting their budgets for the year, would the Minister inform this House when the municipalities could expect advice from the Homecoming office whether or not their applications are being approved?

Hon. C.L.B. Estey (Minister of Industry & Commerce): — Mr. Speaker, all of the applications that are in at the present time, I think about 700, and some have been perused. The municipalities, urban, rural and LIDs are being advised via letter stating that they are eligible. These letters are going out at the rate of about 100 a day. If the Member will give me the rural municipality or the town I shall check and see if they have not received their letter in the last few days and give him the answer.

ANNOUNCEMENT

Wildcat Hill Wilderness Area

Hon. J.R. Barrie (Minister of Natural Resources): — Mr. Speaker, before the Orders of the Day I have an announcement I believe that will be of interest to the Members of the Assembly. I am pleased to announce the official establishment of the Wildcat Hill Wilderness area, the first major area to be so designated in Saskatchewan. The preserve encompasses approximately 40,000 acres of relatively untouched wilderness and is located in the Pasquia Hills northwest of the town of Hudson Bay. Within its boundaries the forest, lakes, streams and wildlife will be preserved and protected for the public benefit and enjoyment in perpetuity. No commercial development will take place within the wilderness reserve and for this we are indebted to the Simpson Timber Company of Hudson Bay, in part, for withdrawing their rights to timber harvest in the area. However, we have planned limited development for the refuge in the form of interpretive media, rough hiking trails and some primitive overnight shelters. The Government, my Department and myself have no doubt that this unique area will increase in value over the years especially for future generations of Saskatchewan people interested in the outdoor environment.

April 13, 1971

Some Hon. Members: — Hear, hear!

Mr. J. Messer (Kelsey): — Mr. Speaker, we are certainly pleased on this side of the House to hear that the Department of Natural Resources and the Government to your right have taken some moves in regard to establishing areas such as this in the province. I can agree with him that the area he has made mention of today is a unique area and it provides the wildlife and beauty that nature can provide in the Province of Saskatchewan. I thank him and I hope that they encourage and continue practices such as this. I, however, do not agree with him in regard to having to be indebted to Simpson Timber as this is Crown land. I think we should be able to do this throughout the province, any government, without having to have companies involved.

Some Hon. Members: — Hear, hear!

WELCOME TO STUDENTS

Mr. Speaker: — Before we proceed further with Orders of the Day, I wish to introduce to all Hon. Members the following students situated in the Speaker's gallery: from the constituency of Qu'Appelle-Wolseley represented by Mr. McFarlane, 78 students from the Fort Qu'Appelle School under the direction of their school teacher, Mrs. Taylor.

I am sure all Members will wish to extend to this group of pupils, to their teacher and to their bus driver, the warmest of all possible welcomes to the Legislative Assembly of the Province of Saskatchewan and to express the very sincere wish that they find their stay here educational, informative and pleasant and to wish them a safe trip home.

Hon. Members: — Hear, hear!

QUESTIONS

Legal Aid Assistance Clinic in Saskatoon

Mr. R. Romanow (Saskatoon Riversdale): — Mr. Speaker, before the Orders of the Day I wonder if I might direct a question to the Hon. Attorney General (Mr. Heald). The Attorney General will know that \$30,000 has been granted by the Federal Government to a legal aid assistance clinic in the city of Saskatoon. The clinic operates from within my constituency at Friendship Inn. I wonder if the Attorney General would indicate to the House if the Provincial Government is considering giving additional sums to the aid of the operation of this clinic; and secondly, if the Government is giving consideration to ways and means of integrating this very worthwhile project into the Saskatchewan legal aid system?

Hon. Mr. Heald (Attorney General): — Mr. Speaker, as the Hon. Member has indicated I am aware of the project and I am aware of the grant by the Federal Government. I think it is a very exciting project and I have had considerable discussion with the Dean of the Law School and with the people there who are going to be in charge of it. In answering your question specifically, I think we should want

to look at it in the light of the success or otherwise and, hopefully, the success of this project. I think the time to evaluate the project is after it has been completed and we are very, very interested in it and I can give the Hon. member every assurance that we shall be looking at the results of it from the point of view of perhaps considering integration into any extension of the legal aid plan which you and I have talked about for the future.

Now, on the question of funds, my understanding is that the project, the amount of funds that they asked for is the amount of funds they received from the Federal Government so we haven't had a specific request for funds for this project. The project is being funded, as I understand it, in its entirety by the Federal Government. So the answer to your question about funds from the Provincial Government is No. The answer to the other question, will we look at it — Yes, we certainly will. We are interested in it and we should like to evaluate it after it has been completed.

MOTIONS FOR RETURN

Return No. 133

Mr. R.H. Wooff (Turtleford) moved that an Order of the Assembly do issue for Return No. 133 showing:

- (1) The number of meetings that were sponsored or supported in part or in whole by the Government in 1970 at which the report of the Task Force on Agriculture was discussed.
- (2) The Government officials who attended each of these meetings.
- (3) The cost to the Government in respect of these meetings.

Hon. D.T. McFarlane (Minister of Agriculture): — Mr. Speaker, in order to give the Member the precise information that he requests and in order to pinpoint the organizations that took part in these meetings and to give credit where credit is due, I moved, seconded by the Hon. Minister of Highways (Mr. Boldt) the following amendment:

That subsection (1) be deleted and the following substituted therefore:

- (1) The number of meetings sponsored jointly by the Saskatchewan Federation of Agriculture, the University of Saskatchewan Department of Agriculture at which the report of the Federal Task Force on Agriculture was discussed.

Mr. Wooff: — Mr. Speaker, I am going to be very, very brief. In reading the amendment the Minister of Agriculture is doing nothing more or less than trying to wash his hands of any responsibility. There were members of the staff of the Agriculture Department at these meetings, the Agricultural Representatives were there. In most cases the farmers who, after all, should have been the chief people concerned with these meetings and the discussions, were there as listeners only and not allowed free questioning and discussion in these meetings. As I say,

April 13, 1971

the Minister is trying to wash his hands, that's all the amendment means as far as I am concerned.

Amendment agreed to.

Motion as amended agreed to.

MOTIONS

Select Standing Committee on Crown Corporations

Mr. E.F. Gardner (Moosomin): — Mr. Speaker, just a brief word of explanation on this motion. Many Members on the Crown Corporations Committee have felt that the Committee was perhaps larger than was necessary to do an efficient job, and this motion suggests it be reduced from 29 to 20 members. In fact, I think the Committee could do a better job if the membership was transferable as suggested in the motion; with this a greater number of members could therefore be able to participate in the committee. Members who are interest in a particular Crown corporation would be able to be present and question the Minister-in-Charge when that corporation was under consideration and this would apply to any Member of the Legislature. This would leave other Members free to attend to their increasing duties as a Member of the Legislature. So I should like to move, seconded by the member from Elrose (Mr. Leith):

That the Select Standing Committee on Crown Corporations be composed of 20 members.

That the membership be transferable on a daily basis by written notice signed by the official member and filed with the Chairman of the Committee.

That notwithstanding the foregoing, the position of Chairman and Vice-Chairman, shall not be transferable.

I so move.

Mr. J.E. Brockelbank (Saskatoon Mayfair): — Mr. Speaker, in view of the Member's comments, I beg leave to adjourn the debate.

Debate adjourned.

ADJOURNED DEBATES

RESOLUTIONS

Resolution No. 22 — Crisis in Hog Marketing

The Assembly resumed the adjourned debate on the proposed motion by Mr. G.R. Bowerman (Shellbrook):

That this Assembly, recognizing the crisis in hog marketing by the drastically reduced hog prices, urges the Federal Government to review support prices for hogs under the Federal Livestock marketing Program so that a realistic return based on costs will be assured to hog producers.

Mr. J. Messer (Kelsey): — Mr. Speaker, I briefly want to review some of the points that were brought forward by my colleague from Shellbrook when he introduced this Resolution in regard to the drastic situation that hog producers are confronted with in the province today.

He stated that in 1969 100 hogs produced by a producer in the province would return him \$1,000 profit. Under the prices and the cost of production for hogs in the province today, it would now take 300 hogs to return that same \$1,000 profit. This is three times as many animals needed to produce that same \$1,000 as some two years ago. It is three times the initial investment for animals that it takes to produce \$1,000 as it did several years ago. It involves three times the risk of loss through disease and other factors that a hog producer finds himself confronted with before he would receive his \$1,000 return. The problem compounds itself considerably and becomes serious indeed when you take into consideration the drastic price drop that producers are being confronted with daily in the last several months.

Now, the mandatory minimum base is based upon 80 per cent of the last 10-year average returns at Toronto. The Member for Shellbrook pointed out last week that the base at that time was \$23.70. At that time the pork was selling in Toronto far below the base price and in a week's time it had fallen even farther below the price that was established at that time. It is ridiculous to expect farmers to be able to operate under such depressed hog prices before aid or the base price applies. When the base price does apply what the Minister of Agriculture (Mr. McFarlane) or what some of the speakers opposite did not point out is that when the base price does apply to the hog producers in Saskatchewan the fact of the matter is that it only applies to the first 100 hogs that are sold. Now that may have been fine 10 or 15 or 20 years ago when the farms producing hogs not only in Western Canada but in all of Canada, sold 100 or 200 hogs per farm. In the type of operations that we see operating particularly in the Province of Saskatchewan now, 100 hogs is only a month or two or three month's production. The average sales of hogs per year, I should say, on most farms in the Province of Saskatchewan are 400 or 500 or better, many of them several thousand. Now if this base price only applies to the first 100, it's further ridiculous to think that there is going to be any real aid or stability provided to those farmers who are in need of it because of the depressed hog prices. This is bad enough in itself, but because of the cost of production and the capital cost that farmers incurred in order to expand or improve their hog operations, we find that it is economically impossible for them to make any kind of return even if a base price was put on those first 100 hogs.

In 1970 we find that the cost of production for a hog in Saskatchewan, according to the Department of Agriculture, was somewhere around \$29. The return for a hog at 155 pounds at 30 cents per pound was \$46.50. Now we know the cost of production of hogs has gone up since that time, it wouldn't be unfair to assume that the cost to produce a hog today would be around \$30 or better. We find that the price is fluctuating between 18 and 20 cents per hundredweight, making a return of some \$27 to \$30 per hog. This means that in many instances the farmer is losing money and in other instances he's only making a few cents on the production of that hog. Now, what causes these drastic drops is the increase in hog numbers? I know that the

April 13, 1971

Minister of Agriculture and the Government opposite say that they are not responsible, nor can they control the increased number of hogs. But I say that any government that has proposed and followed through with a program of grants and assistance to expand the hog industry — and I think the assistance is good — they have helped in the planning stages. I know the Department, especially the Family Farm Improvement Board, have done considerable research and have extended considerable help to farmers in regard to building and the mechanizing of hog operations. This is good and the grants are good, but I think when a Government does this and provides assistance through civil servants, provides grants that are actually taxpayers' money for establishing such enterprises they should go further than that. They should be responsible in regard to predicting accurately or projecting for the farmer what the future is going to be in regard to the number of hogs and the prices of those hogs. They should assume some responsibility in relation to the cost of production. I know the Government of Saskatchewan cannot control the prices of hogs, but if they can find money and time to assist producers to go into that enterprise, to expand that enterprise and indeed to help finance that enterprise, when the price drops to a stage where it is intolerable for some of them to make money, indeed some of them facing bankruptcy, I think that they should also show some responsibility in maintaining that enterprise for the farming economy of Saskatchewan. The Government to your right, Mr. Speaker, has not done that. But in the name of diversification they have launched a program in regard to expanded hog operations in Saskatchewan. It is now questionable whether it is going to be of any real value to farmers in this province or the farming economy of this province, mainly due to the depressed price of pork today.

It is also probable that this type of diversification is really a trend to highly specialized operations which actually take away the ability for smaller farmers to become diversified because the type of enterprises that are encouraged and because of the margins of profits being low now, if indeed there is a margin of profit, we end up with highly specialized operations which tend to drive smaller farmers off the farms because the opportunity for diversification is not left there for them.

I think the Government has been shortsighted in regard to its launching and conducting of the program. I think that it has been inactive since the prices of pork have fallen drastically. I therefore encourage the acceptance of this motion by all Members of this Legislature.

Some Hon. Members: — Hear, hear!

Mr. P. Schmeiser (Watrous): — Mr. Speaker, just a few words on this Resolution. In my area there are a great many hog producers and in talking with them they are very pleased with the hog programs and grants put forward by this Government. The grants paid to hog producers to help them to build new or enlarged facilities is well accepted and appreciated.

This gives them more of an opportunity to diversify and to use up their feed grains and to convert grain into cash. Hog producers who produce hogs the year round know that the price of hogs varies and to be profitable you must be in the raising of hogs continuously the year round. The main complaint on the lower price of hogs now comes from producers who go into the

raising of hogs only when the price is high and go out again when the prices drop.

Farmers who are in hogs the year round, even last year, averaged out a good price for the product. This is why the hog producers really appreciate the efforts of this Government in the help that was given to them to go into hogs on a permanent basis. Since 1954 the farmers have received the highest average prices for their hogs than in any other time in Saskatchewan's history. And with the announcement just lately by the Minister of the hog premium policies on an index of 103 or better, it will mean an additional amount of about \$500,000 to hog producers this year.

They appreciate very much this program announced by the Minister and we are the only province in Canada to have a policy such as this. It shows that this Government is concerned to have a healthy hog industry in this province. With the premium program farmers will try to raise a good quality type hog. This will also improve our export trade with such countries as Japan, knowing that we have a good quality type hog to offer.

The NDP are telling the farmers that the reason the prices are depressed is because the Liberal Government has given the 25 per cent hog barn grant and because of this grant the number of hogs went up. In 1944 when they were in power there were approximately 1,249,000 hogs at a price of \$16.41 per hundred. Twenty-six years later, Mr. Speaker, in 1970 we had about the same amount of hogs. But even with the lower prices in the last months of 1970 the average price was still \$30.14. If the Liberal program resulted in depressed prices of hogs, the NDP say, why don't they give us credit now for the good cattle prices because of the good cattle programs this Government has put forward? Mr. Speaker, I believe that we have good policies in regard to hog production in this province and so I should like to move, seconded by the Member for Arm River (Mr. McIvor) Resolution No. 11 be amended as follows:

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

commends the Government of Saskatchewan for taking early action in requesting the Federal Minister of Agriculture to amend the "Agricultural Stabilization Act" by increasing the support level for the price of hogs in order to give a higher return to Saskatchewan hog producers.

Some Hon. Members: — Hear, hear!

Mr. Messer: — Mr. Speaker, would you allow a question to the speaker before he takes his seat?

Mr. Speaker: — It is up to the Member if he wishes to answer.

Mr. Messer: — Does the Resolution take into consideration that the base price would only be extended to the first 100 hogs sold, or is there also representation made which would apply to all hogs or at least a level somewhat higher than 100 hogs?

Mr. Schmeiser: — Given to all number of hogs.

April 13, 1971

Amendment agreed to.

Motion as amended agreed to.

Resolution No. 4 — Shifting of Tax Burden for School Purposes

The Assembly resumed the adjourned debate on the proposed motion by Mr. E.I. Wood (Swift Current):

That this Assembly, mindful of the ever-increasing burden placed on property owners by the steadily-rising cost of education, recommends to the Government of Saskatchewan that it find ways of shifting a significant amount of the tax burden for school purposes from property to taxes more closely related to the ability to pay, in acknowledgment that property taxes should be for property services.

Hon. J.C. McIsaac (Minister of Education): — Mr. Speaker, Resolution No. 4 is one that was proposed by the Hon. Member for Swift Current and quite correctly draws attention to the Members of the House to the rapidly rising costs of education. It does so by pointing out that these costs are a burden to property taxpayers. We have heard the Hon. Member from Swift Current earlier in this Session outline his reasoning behind putting this Resolution forward. As usual he puts his arguments forth in a good, calm and logical manner. A week or so ago we heard from the Hon. Member for Canora (Mr. Matsalla) outlining some of his arguments in support of this Resolution and as usual they were not nearly so logical or sensible as we heard from the Member for Swift Current.

There are two key points, Mr. Speaker, in this Resolution relating to the costs of education that are not adequately covered in the Resolution as stated. First of all, there is an implication that the steadily rising cost of education has been borne to a large extent, if not entirely, by increasing taxes on property owners only. A look at the record will certainly show, Mr. Speaker, and I shall point it out later that this is really not the case. It is certainly true, of course, and nobody denies this, that until the last year or two property taxes in support of education in this province have definitely increased. What is not so well known is the fact that provincial grants in support of educational costs have also increased and by considerably more over the last few years as well. As a matter of fact, in the last few years the increase alone in provincial grants in support of education amounts to almost \$20 million.

So in the last two years the trend for higher property taxes for education has not only been halted but it has been reversed, Mr. Speaker. I suggest, therefore, that the intent of this Resolution is already being achieved to a large degree under this Government by two steps: 1. The increased millions of dollars in provincial support. 2. By the introduction of more equitable legislation for the distribution of provincial funds.

Now there is another key point in this Resolution in connection with educational costs and that is the suggestion or the implication that if we find some other tax system or any other tax base it will resolve all the difficulties in education

finance. The Resolution implies that if we can only find some other system to relieve the property owner of his burden, we could all sit back and close our eyes to the problems of educational finance as long as we can find some broader base for supporting educational services.

Putting it another way, Mr. Speaker, this Resolution that is before us doesn't really draw attention to the basic problems, and that is the very rapidly rising costs in education from grade one to grade twelve as well as university and technical school levels. As a matter of fact, I should suggest that it is just because of those rapidly rising costs that we have this Resolution before us.

The Member for Canora (Mr. Matsalla) spent some time last week in this House pointing out that the benefits of education as such do not relate very directly, if at all, to the amount of property that one may or may not own. Now there is nothing really new in this observation, Mr. Speaker. I suppose that I could ask my hon. friend from Canora, and I am sorry that he is not in his seat, at what time in history does he think that property taxes were an equitable basis for supporting the local share of education? There is certainly inequity in it today. There has always been inequity in that particular system.

I don't want this morning to get into arguments pro and con with respect to an overall theory of taxation for support of education. I think, certainly, it is very well known that there are very diverse views on this subject, not only held by the public in general but by economists and other experts, as to what does, in fact, constitute an equitable type of taxation to support education. I should suggest to my hon. friends opposite that they check on an article that was published in the April 3rd issue of the Financial Post which discusses on a national level some of the difficulties Canadian provinces all across the country are finding themselves in with respect to financing education. A quick glance at that pretty comprehensive article will show that there is no simple solution and there is no general agreement as to how the problem should be tackled.

Mr. Speaker, I should like to propose an amendment to this Resolution which I think will better state the present situation with respect to educational finance here in Saskatchewan, an amendment which I know will have the approval of all Members of the House. I should like, at this point, to read the amendment and then comment briefly on it. The amendment will be as follows and the motion with the amendment would read:

That this Assembly, mindful of the ever-increasing burden of the steadily rising costs of education, commends the Government of Saskatchewan for the measures which it has taken to shift the burden of increasing educational costs from the property tax to other provincial sources, and asks the Government to continue its efforts in this respect.

Now, I shall briefly review some of the steps that have been taken in this regard to support the basis for putting forward that amendment.

In 1971 we saw an even greater measure of local tax reduction than we did last year. Mr. Speaker, school boards who

April 13, 1971

choose to live within the budgets approved by the Department, and that is certainly the great majority of them, will be able to maintain their mill rates this year and in many cases reduce them for the second year in a row, by reductions of one, two, three and four mills, in many areas of the province. Mill rates will be lowered in practically every rural school unit. There are a few exceptions, a handful of cases, where the mill rate is already low — 35 mills or lower — or in other systems both rural and urban where they have seen a considerable increase or expansion in educational services in the last year or more.

In short, Mr. Speaker, this Government has made it possible by increased grants and by a better method of distribution for overall mill rate reductions for the second year in a row. I suggest that this is the first time that this has ever happened in Saskatchewan. This year, also, Mr. Speaker, the Homeowner Grant is being increased to \$70.

Now how was this accomplished, Mr. Speaker? I want briefly to review some of the steps that made this possible, particularly for the benefit of the Members opposite and for the benefit of the financial critic opposite, who I see is not in his seat this morning either.

Increased grants last year to school boards were the largest in the history of the province — \$11.3 million. This year's increase in the Estimates that we voted just the other night of over \$8 million will bring the two-year increase in school grants to the neighbourhood of \$20 million by way of an increase, at a total of over \$80 million today going from provincial sources to school boards in Saskatchewan.

I might remind my hon. friends opposite, Mr. Speaker, that the best year they had with respect to provincial grants to schools was \$38 million. Now these increased grants are coming from provincial tax sources. And what about this provincial tax base? We have had another example in this current Session of the Socialists across the way talking one way and acting another. We brought in a piece of legislation a short while ago in this Assembly to establish the Athabasca pulp mill, which will undoubtedly increase many of the provincial tax fields. It was very clearly spelled out at that time in the debate by the Provincial Treasurer (Mr. Steuart), the sales tax, the provincial income tax, resource revenue, industrial property tax assessment increasing in fields, Mr. Speaker, that are essential if the province is going to continue to pick up more of the cost of education.

Now we know, of course, what the Socialists said when we brought that Bill in to expand those tax fields. They opposed it right down the line. They voted against it and they are still working against it every day. On the one hand they want us, here in this Resolution, to find more money from provincial sources to cover even more of the costs of education, to take it off the local property taxpayers and at the same time they are saying, no, to every move proposed by the Government to expand our own provincial tax fields.

Earlier in this Session, Mr. Speaker, the financial critic opposite (Mr. Romanow) was reported in the press that he did not believe this year's Estimates in education would be enough even to hold the tax line in mill rates in this province. Now I can only assume that he apparently believed that because expenditures

increased by \$13 or \$14 million a year some years ago, that that same rate of increase should keep going up forever! And, indeed, how fortunate we are that the Government has better sense than to follow the irresponsible approach advocated by the Member for Saskatoon Riversdale (Mr. Romanow). We believe that expenditures need not continue to skyrocket to provide quality education in Saskatchewan. We believe that the rate of increase can be controlled and at the same time that education services cannot only be maintained but expanded and improved as well. I believe, Mr. Speaker, that the budget review process has been very effective in this regard. I must say that the degree of success in this respect, the budget review process, has certainly exceeded the expectations of the Government and of the school boards. Again, as I pointed out earlier during the course of this Session, a great deal of the success has been due to the co-operation that we have received from practically every school board in Saskatchewan. I think that the responsibility shown by school boards can be illustrated no better than by the fact that last year almost every board in the province wound up with a surplus in their 1970 operations. In other words, last year's school grants were sufficient not only to hold the line in property tax rates, Mr. Speaker, and reduce many of them indeed, but they enabled the great majority of the boards to show surpluses for the 1970 operation — surpluses totalling very closely to \$4 million in one year of operating. The implementation of an improved teacher-pupil ratio policy has certainly brought much greater equity in educational opportunity across this province.

Classes for retarded children are recognized in this particular policy. Indeed this year school boards are implementing facilities where they didn't have them before, in many cases, to provide for educational services to handicapped children and are able to do this because of the steps we took to contain the rising costs. Classes, as I say, for retarded children are recognized in the ratio, vocational and technical classes are similarly recognized with lower ratios. The sparsity of population in the rural areas is very much a factor that is taken into account in calculating teacher-pupil ratios in some of the rural units. Today there is very much less disparity in the ratios of school boards across this province as a result of this policy. I might point out once again, Mr. Speaker, that the ratio across the province today is still considerably lower than it was at any time when my hon. friends opposite were the government.

I think, Mr. Speaker, I can summarize very briefly by saying that budget reviews have been highly successful as a means and a method of ensuring better utilization of educational tax dollars, whether it comes from local property tax sources or provincial sources, it doesn't matter and it shouldn't matter. Rates of expenditure on education in Saskatchewan have certainly been brought under a much greater degree of control. Grants to school boards have been increased by the largest amount in the history of the Province last year. Mill rates have been lowered and will be lowered again this year throughout the Province and I suggest that the property owner has certainly been relieved, Mr. Speaker, to some degree of some of the burden that the otherwise would have had to bear. Therefore, I move, seconded by the Member for Shaunavon (Mr. Larochelle) this amendment to the Resolution before us:

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

of the steadily rising costs of education, commends the Government of Saskatchewan for the measures which it has taken to shift the burden of increasing educational costs from the property tax to other provincial sources, and asks the Government to continue its efforts in this respect.

Mr. M. Kwasnica (Cut Knife): — Mr. Speaker, I hadn't really intended to enter the debate until the present amendment was proposed which really states a case that is not really so. The Minister has said that there have been great reductions in school mill rates and there are going to be great things coming in the future. Of course I am pleased for any mill rate reductions that the people of Saskatchewan might get. But after six years of massive oppressive property taxes, it is about time something was done by this Government.

I should just like to review the last six years of oppressive taxation for educational purposes. In 1964, what was the record? The average school mill rate was 34 across the province. In 1965, up it went under this Government to 35, the average across the province. In 1966 it was raised again to 36 mills. In 1967 the average across the province was 39 mills, it jumped 3 that year. In 1968, up to 42 mills, another 3 mills. In 1969 a 45 mill average across the province. These figures are taken from municipal annual reports of their own governments. That is an increase of 11 mills in six years; roughly 2 mills a year. The total increase of the last six years of CCF Government was only 3 mills in the same number of years, in other words, a half mill increase a year. With such a sad record from a Government that was elected on a promise to reduce property taxes, it is about time we got some reprieve from this deplorable high taxation.

Yet it is the same old game here, Mr. Speaker. Increase mill rates savagely for six years, taking our hard-earned money, then now, finally just before election, a few decreases just to make it look like a generous move by this Government. This is a typical Liberal technique as definitely exposed by a certain individual by the name of Wilf Gardiner who said in a radio broadcast, quote:

The Premier believes in a policy of starting a battle with every conceivable group, then when he makes up with them appearing to be a generous man.

I want to warn Liberals on the other side that the present Minister of Education (Mr. McIsaac) has been well trained by the Premier. The Minister has allowed taxes for educational purposes to skyrocket, thus causing the public to become angry and fed up. Now, just before an election the Minister has been able, through devious means, to force school boards to reduce mill rates slightly, thus he appears to be a generous man.

Just how generous is this man, Mr. Speaker, that he has brought about a puny reduction in mill rates. He has done it by packing more students into the classes — we know that story. We've discussed it in this House before — increasing the students in every class, therefore closing schools and cutting staff. Thus we have had poorer achievement by thousands of students across this province. Students in larger classes become programmed to regurgitate material. There is not too much time for real honest discussion and true learning. You have got an

assembly line production going across the province now with these larger classes.

Mr. Estey: — Can we quote you on that . . . statement?

Mr. Kwasnica: — Now the Minister has brought about this puny reduction in mill rates by controlling budgets, which he has admitted to all school boards across the province. They haven't got any more decision making power than a flea. School boards have been forced to deplete reserves, school boards have been forced to reduce staff and if they don't reduce staff, they get threats in the form of reduction of grants the following year. By all these methods he says, now you got a mill rate reduction of one or two or three and maybe a few more coming in the years ahead. No one can tell us that the quality of education has not suffered. Furthermore, this generous Minister has brought about a puny mill rate reduction by forcing school boards — he even goes one step further — to delay repairs to school buildings. He says, "Oh no, don't do it this year, it is election year, you better save the money for another year." He has gone so far as to suggest to school boards to reduce their supplies. He says you have to cut back on your paper stocks, janitorial supplies and I suppose even toilet paper. Pretty soon we'll have the kids going to school with a little catalogue under their arm. Now it is just right down the line, right down to every certain little detail. The Minister says that we have reduced taxes, it is a wonderful program and there haven't been any reductions in programs at all by all these methods.

I have just taken a very thorough survey in my own riding because that's what I know best, and I think that the same will apply to most other units across the province. It really shouldn't be that much different. I should like to itemize for the Minister his boasting about a two mill reduction in the Lloydminster unit. Let us see what has happened. How has he done it? I should like to point out in the town of Marshall they lost two staff members since this policy started. The end result of this was the grouping of three grades into one room, which is really quite a backward stop. Grades one to three, grades four to six. Three grades in one room! This is quality education? This is going backwards, you are not going ahead at all. That's what happened in the town of Marshall. In the town of Marshall the ratepayers had a meeting, they sent letters to the Minister and he smirks at local people having meetings and suggesting that maybe this shouldn't be done. At any rate, nothing was done, the Minister held to this line and said, "No sir, you must reduce your staff," that's what they got in Marshall.

Let's go to the town further down the line, Highway No. 5, town of Waseca. This town lost its grade seven and eight classroom last year because of the arbitrary pupil-teacher ratio imposed by the Government. Lost that room seven and eight, and the parents there were very concerned. They said they would like to keep their children with them. No sir, not this Minister, you must cut that classroom because I must reduce the mill rate a mill or two. Let's go down further, Marsden in my constituency has also been hard hit, losing three teachers, resulting in multiple grades in each room. Same old story, two or three grades in a room. Let's go to Neilburg. It lost two teachers resulting also in multiple grades per room and a reduced guidance program. In other words, no guidance at all for

April 13, 1971

the students there. The Maidstone Public School lost one staff member which meant larger classes, 28 students in grade one and this is the most important year of the students' lives. 28 to 1 now is the ratio there. In Lashburn, another town in my constituency, staff reductions have led to two grades per room; putting in two grades instead of the one that they had before as well as the loss of oral French program and a loss of music. The Minister is saying, "No music for you little kiddies, gotta reduce the mill rate. You had better get down to the three Rs and study hard and see how interested you can become." This is what is happening.

I want to submit, Mr. Speaker, that my constituency is no different than any other across the province and this has happened lock, stock and barrel across the province.

Some Hon. Members: — Hear, hear!

Mr. Kwasnica: — I want to say also, about the Minister boasting of reduced mill rates, as far as I am concerned, these reductions are not genuine. They will mean in the next year or two, drastic increases in property taxes as we witnessed in 1968 after the 1967 election. Really, there is going to be pressure from local boards to get back some of these services and programs which they have lost, immediately following an election. Something must be done. I submit that this Government is only whistling Dixie when it says, "Well, we are going to broaden the tax base to other provincial sources." I don't see any such program in any of their platforms anywhere. Where do they say as we do, point blank, in our "New Deal for People" that we will drastically reduce property taxes for educational purposes. We will do it by several ways. We state point blank: (1) we will have to go to personal and corporate income taxes to broaden the base. But not the Members opposite, they went for personal income tax increases but not corporate tax increases; (2) we would propose that we get much more from our royalties, for our potash, oil and use some of that for the benefit of all our citizens and shift the tax from property for educational purposes.

Mr. Estey: — . . . potash royalties?

Mr. Kwasnica: — Furthermore we should like to see better government management in areas such as highways — we can get a lot of dollars there and we can really diversify or get our money for educational purposes from other means.

Mr. Speaker, I just want to say that this amendment which is congratulating the Government for some type of a policy that really is detrimental in one way and yet beneficial dollar-wise — so they say — in the long term has really ruined the best system in education we ever had. I can't see this Government really putting forth a plan which will broaden the tax base. They are just doing it as a short-term goal, just prior to an election. Therefore, I can say that we on this side of the House cannot support the amendment.

Some Hon. Members: — Hear, hear!

Mr. W.A. Forsyth (Saskatoon Nutana South): — We have heard some very peculiar financial comments from the Member opposite. I hadn't intended to say anything,

but really I think there are one or two basic facts in the financing and the administration of education in this Province that should be brought to the attention of the House.

I just happened to be looking over some figures for the years 1960-61 and I find that the total enrolment of students at that time was 208,000 — rounding out the figures — and in 1969-70 we had 247,000. What really we are doing here is increasing the number of students by approximately 39,000 and increasing the number of teachers by approximately 3,200, which meant there was an increase in the number of teachers hired. This really represented one teacher for every 12 persons, yet the Member is talking about teacher-pupil ratios taking such a terrible nose-dive. What actually happened, if you take the entire province between those year, the teacher-pupil ratio in 1960-61 was 23.77 and in 1969-70 was 22.02.

If you take the matter of operating grants, they rose in 1960 from \$25 million to some \$73.5 million in 1969. The teaching staff at that mid-peak time of the NDP government was receiving an average of \$8,393. You can see exactly where the cost of education rose and it rose in your salary, Mr. Member from Cut Knife (Mr. Kwasnica). I don't think for one minute that the teachers' salaries should have remained at the low level they were in 1960-61. But if you want to keep on increasing teachers' salaries, which is the largest item on any school board budget, you are going to have an increase in mill rate unless you have the offsetting item which the Minister of Education has just been trying to tell you about. This offsetting charge against the total Province of Saskatchewan and remitted to the local boards has enabled them to turn the mill rates back for the first time, back two mills which in the city of Saskatoon is not a small or pitiful amount. It is a reversal of a trend which was very firmly established in your term of office. Now we reverse that trend despite the fact that we are paying the highest teacher salaries that have ever been known in this Province.

Some Hon. Members: — Hear, hear!

Mr. J. Messer (Kelsey): — Mr. Speaker, I don't think Members of the House dispute the fact of steadily rising education costs. If we are going to continue to provide the type of services that the education system requires in order to meet the quality of education, the costs are going to continue to rise even further in years to come. The fact of the matter is, and the problem is, how are governments going to find and raise the money to pay for education costs? The resolution that was moved by my seatmate states that it should be related to the ability to pay, and we feel that this is the only real way that you can properly and fairly assess taxes for education, especially when it is the major tax that taxpayers are burdened with in the province. The amendment that the Minister of Education (Mr. McIsaac) has brought forward takes away the entire intent of that original resolution. His resolution states that we commend the Government of Saskatchewan for the measures it has taken to shift the burden of increasing educational costs from the property tax to other provincial sources and ask the governments to continue efforts in this respect. There is absolutely no guarantee or assurance that it will not still be related to property which in many instances, in fact in a large percentage of instances, has no relation in regard to the ability to pay by the individual

or the owners of that property. If we follow a scheme such as outlined in the original resolution whereby it is related closer to the ability to pay, we thereby think that through such a system we shall be assessing a fairer tax on the populace of Saskatchewan and consequently we shall be servicing not only the people who are paying the tax, but in all probability, shall be able to provide the type of money for education in a much better way than we would be sticking to a property tax assessment.

Mr. W.J. Berezowsky (Prince Albert East—Cumberland): — Mr. Speaker, I think there is a basic difference in our thinking and the thinking of the Government opposite and I have said so on many occasions. It seems to me that once again we have a Government that is living in the 18th century. If we recall a couple of hundred years ago, and maybe not as far back as that, anyone who wanted education for his children provided it at his own expense. But the world went on and progress came and people began to realize that they are interdependent. And so evolved a system of public education at the cost of the public purse. But it is very difficult to break old habits. One of the first changes was the provision of funds for the purpose of education had to come from the people who had property. And this is related to the old set-up where the man, the lord or the Baron or whatever he was called, who was well off and was able to provide for the education of his children, paid for that cost. The next development was just a step ahead saying that everybody who had property should pay a tax. But, Mr. Deputy Speaker, education isn't just for those who have property. Education is a form of defence for the country. I could say that the country is only as strong as the weakest link in a chain. And therefore education became the responsibility of all people of Canada and all the people of the Province of Saskatchewan. And it should not be paid entirely by the man who has property because it is quite possible, as has been pointed out by my hon. colleague who just sat down, there might be people who might have property which is not income-bearing and they may be saddled with high costs of education. And this to me seems essentially wrong. What we have tried to do is suggest a fairer way. The Minister opposite doesn't agree with that. He wants to perpetuate this old system that we've had for years and years and I can understand that being a creature of habit he cannot see the future.

Mr. McIsaac: — Did you read the amendment?

Mr. Berezowsky: — Yes, I read the amendment or I heard it anyway. What I say to the Government is that the time has come in this province and this country where education must be completely a public responsibility, just as defence of the country is, just as other things are. Therefore, people should pay according to ability. And the Minister has really no new ideas. We are suggesting in our original motion that there is a fairer way and once we form the government, we will do it. We will show you there is a fairer way. But the Minister is trying to perpetuate the old set up to only tax the people who have property.

I should like to point out to him that I know many people in my constituency who are like myself, old age pensioners. They may have a nice little house and the only income they have is the pension and maybe some social aid, in some cases. Yet they are required to pay hundreds of dollars towards the cost

of education. And I do not think that is fair because during their lifetime they have worked hard, they have paid for the cost of education and so I think it should be based entirely on ability to pay. And let's give the children of Canada the right to become educated whether we have the money or not. Let's find the money. That's the job of the Government. That's the job for you, Mr. Minister, to find the money and not penalize those who are not able to pay, but get the taxes in a just and honest way according to ability to pay. And that's what I suggest.

Hon. A.C. Cameron (Minister of Mineral Resources): — Mr. Speaker, I have only one observation that I think should be made here. I recall listening to T.C. Douglas making the same statements as made by the Member over there and as made by the member from Kelsey (Mr. Messer), back in 1944. I believe it was in the town of Gull Lake. With all the power at his command, he was saying the very same thing. He said education is the responsibility of all and one of the first things a CCF government will do is to assume this responsibility by the provincial government. He said that for too long the government has passed the buck on to the backs of the municipalities and that a CCF government will see that this ceases and elect us and education for all, the rich and the poor and all alike shall be free. Twenty-six years ago. Now they are reverting back to their platform of 26 years ago. It is interesting to note that in the interim period that same man and his group had 20 years of government in which to do it and now they are saying that this is the way it should be done. It seems strange, you know, programs have been enunciated, pledges have been given, 20 years of government, slipped under the rug, and now they resurrect it and say this is the way we should go now. I would ask you, look back at your pledge and ask yourself why didn't you do something about this in the 20 years you had in which to do it?

Mr. E.I. Wood (Swift Current): — Mr. Deputy Speaker, if I may, I should like to have a few words to say in regard to this amendment. As other speakers this morning have said, they hadn't intended to speak in this debate but they suddenly find themselves urged to.

I feel that this amendment that is brought in by the Hon. Minister of Education (Mr. McIsaac) changes the content of this resolution a good deal. It does, in the first place, commend the Government for measures it has taken to shift the burden of increasing educational costs from property tax to other provincial sources. We can't argue with that. We commend the Government for what they have done there. The increase of, I believe, some \$9 million in the Budget this year for education is not to be spoken against. We are glad to have that. And the amendment goes on to ask the Government to continue its efforts in this respect. Again, we certainly cannot criticize these words. We think the Government should at least continue to keep on what it was doing. But I think the whole tenure of this amendment says that what the Government is doing is good, that it is sufficiently good and that all that we may look for is a little more of the same.

And I say, Mr. Speaker, that this is just not good enough. It isn't what the original motion said and this changes the intent of the motion entirely.

Now, the Hon. Minister of Education, spoke about how the

increased aid to education this year was going to result in the reduction of mill rates. Now this may be. There may be some reduction in mill rates in different parts of the country but I don't know whether we can look for an across-the-board reduction in mill rates this year any more than we could back in 1967 when we had an \$11 million increase in the education grants. And for that year we have the returns that have come in and we have found that in that year even with an \$11 million increase in the aid to education, property taxes continued to go up. And we have the proof of this. It's in the financial reports in the Department of Municipal Affairs.

Mr. McIsaac: — Look at the annual report!

Mr. Wood: — Pardon me, if the Hon. Member . . . if I may continue, the Department of Municipal Affairs' Annual Reports will show that the property taxes rose for education, rose in Saskatchewan in 1967 when we had an \$11 million increase for that year and yet property taxes continued to rise. There may be some press reports and there may be some other things out in regard to this year but we still don't know what the overall picture will be. As I say, the \$11 million in 1967 didn't do the trick and I doubt very much if the \$9 million will do it this year. I hope it does.

But I want to say that last Saturday night I was attending a couple of hockey games. You've been hearing over the radio about the tournament of champions in Swift Current (this is just a little plug we're putting in here, Mr. Speaker. I hope it's not out of order). They had them all the way from Vancouver to Winnipeg down there. The midget teams, some of the midgets were 6 foot, 2 inches but it was a very interesting situation. I understand Flin Flon won and so I can't assume any credit here this time. But while I was attending this game, I got into a conversation with the Secretary-Treasurer of the Swift Current School system and he told me that so far as the Swift Current Comprehensive School is concerned they are getting some \$37,000 less this year than what they did last year. He said that the fees — they don't get grants from the Government, I believe the Hon. Minister will recognize this — but they do collect fees from the contributing schools. And the fees that they are allowed to charge this year have been reduced. And so far, he says, there is nothing but a deficit in front of him, unless they discontinued giving certain supplies to the students which they have done in other years. And he says it seems ridiculous to do this sort of thing, and if they do this, they are still going to be in the red. He says that, maybe through the fact that the assessment at Swift Current has gone up, they may not have to have a rate increase but he says they are surely not having any help to reduce any mill rates in the city of Swift Current. And I'm afraid, Mr. Speaker, that if you go across the country you're going to find a good many other places that aren't getting any assistance. The city of Swift Current happens to be an important one so far as I'm concerned. And I have the straight facts on it from the men concerned. They are not getting assistance this year in regard to their comprehensive school to hold down the mill rate there and I'm afraid that you'll find the same situation in many other places in the province. And we shall have to wait for some time before the returns are all in to know whether this assistance this year is sufficient to hold down the mill rate increase across the province.

This amendment, Mr. Speaker, that has been proposed takes

out the words and mention "of shifting a significant amount of tax burden". It is complimenting the Government on what they have done to shift the tax burden but what this Resolution speaks of is moving a significant amount of the tax burden. And I contend, Mr. Speaker, that up to this point this has not been done in the Province of Saskatchewan.

Now the Hon. Member for Maple Creek, the Minister of Mineral Resources (Mr. Cameron), referred to promises that were made by Tommy Douglas and others years ago. This, of course, is going back into rather ancient history but I still say if this has not been done up to this point it is time this Legislature, irrespective of what government may be in power, is prepared to take a look at that situation. And I maintain, Mr. Speaker, that irrespective of what has gone before, that at the present time there is a situation in the Province of Saskatchewan that is not being taken care of by this amendment which we have before us. This is too weak and it's too little and it's too late.

Mr. Speaker, the McLeod Commission — I mentioned this earlier in the House I have to admit, but I think it is applicable at this time. The McLeod Commission advocated strongly that the cost of education be taken entirely off property taxation and I think it's time that we began to take a hard look at this thing. I think it's possible. I do know that it's not the easiest thing. McLeod, in his report, set out ways in which he thought this could be done. At the present time it looks as though these suggestions that he made would not be enough but I still maintain that it can be done, that he gives some good reasons and that those reasons are well known by the House, that education has benefits that are not tied in any way to the property on which the money is raised to support the programs from which those benefits are derived. I think it is time that this Legislature or this Government in the Province of Saskatchewan is prepared to take a hard look at doing something substantially to take the costs of education from property taxation.

As we well know here, the Saskatchewan Association of Rural Municipalities has come out very strongly in regard to this. They are proposing a program which has been mentioned here earlier to do something about this. To take the cost of education entirely off the property tax and put them on to some other form of taxation that is more closely related to the ability to pay. And this, Mr. Speaker, is one real shortcoming of the amendment that is proposed. It says nothing about shifting costs to the ability to pay. And I think this is an important thing. I think it is very, very important to the farmers of this province at the present time who find themselves taxed to the place where they are paying 30 per cent of their income into property taxation over the last two years. And I think, Mr. Speaker, the farmers of the province are very interested in having some kind of taxation that is related to the ability to pay. Farmers in the province who have two or three sections of land have a certain amount that they have to contribute to the funds of the municipalities in order to keep up education. This has nothing to do whatsoever with the amount of money they take in. They may have a complete crop failure or the price of grain may drop drastically as it has in the last two or three years. The amount of grain they have to sell may be cut in half and yet they are still expected to make the same contributions towards the cost of education in this province. And I maintain, Mr. Speaker, that it is high time we took a look at this situation; that the ability to pay proposition is something that

must be taken into consideration. And this amendment that we have before us just doesn't mention that sort of thing. And I maintain, Mr. Speaker, that the people of the Province of Saskatchewan at this time are looking for something just a little more than what is proposed here. I think that we in this Legislature should be prepared to do something about this. Now I am not saying there is any easy way out of it. I'm not saying that the proposal by the Saskatchewan Association of Rural Municipalities is entirely acceptable. I think that there are some things about it that have to be looked at rather closely but they are proposing that the Government consider it. They say that they do not have the requisite finances, they do not have the requisite people or the abilities to give a close study to this and that even if they did make a close and detailed study of the proposal that by the time they were through with it, the Government would also have to do the same thing. They wouldn't be able to sit back and say, well, okay the Saskatchewan Association of Rural Municipalities has looked into that so it is not necessary for us to do it. No matter what the Saskatchewan Association of Rural Municipalities did along this line, the Government would also have to look at it as well.

What they are asking is that the Government now take a good hard look at their proposal and see if there is not something of benefit there to the people of the province that something could be worked out where there could be a significant tax shift from property on to some base that was more closely linked with ability to pay, and that something should be done about this immediately. I'm not saying that we have to move immediately in this direction but we should be prepared to take a look at it immediately and this is what we're asking in this Resolution, that something be done to make some significant change in regard to the taxing policies in this province.

Mr. Speaker, I say again as I said a few minutes ago regarding the McLeod Report, that there are some suggestions in there which I don't say are sufficient but I think that we could use these as a base, we could look at the situation or the proposals of the McLeod Commission. We could look at the proposals of the Saskatchewan Association of Rural Municipalities and we could see if something could not be done that will significantly remove the property tax as a basis of taxation for school purposes.

Mr. Speaker, I maintain that this amendment which we have before us does not constitute a suggestion for some action taken on the part of the Government to take a hard look at these things and definitely move in the direction of doing something about it. It's just a palliative thing that says, well, we have given some \$9 million this year, which is good, it's not as much as we gave back four years ago but — and that wasn't enough to do the job — we think it's good and we ask the Government to continue in the same way. I say, Mr. Speaker, that this just isn't good enough in the face of the demands of the people of the Province of Saskatchewan at this time.

I should ask the House to vote down this amendment and vote for the Resolution as it was originally proposed.

Some Hon. Members: — Hear, hear!

Amendment agreed to on division.

Motion as amended agreed to on division.

Resolution No. 1 — Early and Effective Action to Fight Unemployment

The Assembly resumed the adjourned debate on the proposed motion by Mr. W.E. Smishek (Regina North East):

That this Assembly recommends to the consideration of the Government of Saskatchewan early and effective action to fight unemployment, provide jobs and stem an alarming migration of workers and their families from Saskatchewan to other Provinces, as well as accompanying heavy losses to the Province's economy, on lines that would include:

- (1) Publicly financed or assisted public housing, and public assistance for the construction of schools, hospitals, public parks, recreational programs and similar projects;
- (2) Improvement of labour standards protection, including the minimum wage, to assist the buying power of thousands of people on low incomes;
- (3) The institution of special methods to aid industrial development and expand technical, and vocational training and upgrading.

And the proposed amendment thereto by the Hon. Mr. MacLennan:

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

commends the Government of Saskatchewan for taking early and effective action to fight unemployment and provide jobs, by means of the following measures: (1) publicly-assisted public housing, and public assistance for the construction of schools, hospitals, public parks, recreational programs and similar projects; (2) improvement of Labour Standards protection, including the minimum wage; (3) the institution of methods to aid industrial development and expand technical and vocational training and upgrading.

Mr. Smishek: — Mr. Speaker, I want very briefly to reply to the speech made by the Minister of Labour (Mr. MacLennan) the other day and the amendment he moved to the Resolution I originally proposed.

I want to tell the Minister of Labour that governments are judged on performance not self praise. They are judged by things they do for people not by self aggrandizement. Only a vain government can get satisfaction out of moving a frivolous amendment to a meaningful resolution and then go on saying that all is well with the world, for if they only would open their eyes, they would have to admit that all is not well. Particularly all is not well for those who are unemployed and who are desperately trying to find jobs.

Mr. Speaker, to try and sweep the problem under the table does not mean that the problem is going to disappear. May I suggest to the Minister of Labour and his colleagues that good government and modern governments do and must listen to people. They listen to people when they try to identify problems, listen to their ideas and their recommendations. In other words, they

April 13, 1971

are responsive to the needs of people. They listen to organized labor, to farmers, to teachers, community organizations, economists, and their critics. It is only out of these ideas and criticisms that we can find the best solutions to problems our economy and our people face.

Mr. Speaker, knowing the seriousness of the Saskatchewan and Canadian unemployment problem, I proposed a Resolution, not of condemnation of the Government but of recommendation to the Government. I ask the Minister of Labour to take note of the Resolution that I propose. It states in part this:

That this Assembly recommends to the consideration of the Government of Saskatchewan early and effective action to fight unemployment, provide jobs and stem an alarming migration of workers and their families to other Provinces, as well as accompanying heavy losses to the Province's economy.

These are statements of fact, Mr. Speaker. New jobs are needed and needed badly. 103,000 people left Saskatchewan in the last few years because of lack of job opportunities. With their migration we lost about \$1 billion in investment in people's skills. We are losing millions of dollars in production losses because of unemployment. Retail sales have been on a steady decline since 1967.

Government Members quote incomplete figures of unemployment and keep repeating that the unemployment problem in Saskatchewan is less severe than in other provinces. This is little satisfaction to the unemployed.

Mr. Speaker, the Minister of Labour (Mr. MacLennan) admitted yesterday that thousands of people living on Reserves and other remote parts of Saskatchewan are not included in the jobless statistics. Neither are those included who are employed only on a part-time basis.

Mr. Speaker, let us examine the Government's crash Public Works program and see how much has been spent and how many jobs have been created so far. Let us take a look at public housing. We are told that the program this year will cost in excess of \$2 but the facts are that so far not a single penny has been spent, Mr. Speaker. Last year over \$1 million was appropriated for subsidized housing but only \$382,000 was spent. In 1969-70 \$1,456,000 was voted and only \$950,000 spent. The year previous to that, this Legislature voted \$1,450,000 for subsidized housing but only \$939,000 was spent.

Mr. Speaker, in other words in the last three years there was an underexpenditure or money that was not spent in excess of \$1.6 million. Let us take a look at school construction. Last year, Mr. Speaker, this Legislature approved an expenditure of \$12.8 million for new school construction but only \$6.3 million was spent — less than half the amount that we approved. In hospital construction, again last year this Legislature approved a hospital capital program in excess of \$4 million but by year end only \$1.9 million was spent — less than half of what we approved.

Much was being said of the proposed \$6 million College West Residential complex in the city of Regina. Let us check the expenditures. Up to February 15th the Government has said \$6 million to be spent but up to February 15th only \$93,000 has been spent. Examine Public Works capital programs and here is what

the picture looks like as provided to the Hon. member for Saskatoon Mayfair (Mr. Brockelbank) by the Minister of Public Works (Mr. Coderre).

Take the Moose Jaw court house, capital construction program of \$100,000 — not a single penny has been spent so far; Swift Current court house, \$50,000 — not a cent has been spent; Weyburn psychiatric services renovation, \$117,000 for capital works — no money has been spent; North Battleford fire safety renovations, \$166,000 proposed — no money spent so far; Turnor Lake School, \$107,000 — nothing has been spent; in Ile-a-la-Crosse, school gym, \$225,000 — only \$133,000 spent; LaLoche School, \$133,000 appropriated — only \$11,000 spent; replacement of two nursing homes, \$1 million — the Minister talks about, but so far nothing has been spent.

And all you have to do is go down the list and the story is the same, that what the Government is talking about in terms of expenditures on the so-called Public Works crash program, very little and in most cases nothing has been spent. So the so-called \$17 million crash Public Works program has not got off the ground and the question is whether it ever will. Hardly an “early and effective action to fight unemployment,” Mr. Minister.

We can take a look in Public Accounts for the year previous that we have before us, take in agriculture, an under expenditure in Public Works — \$930,000. Even in the case of highways, Mr. Deputy Speaker, \$2 million was unexpended. In Public Works \$1.7 million was unexpended and the story continues year after year. The facts are that what the Government is proposing in terms of capital works and what becomes a reality are two different things.

Mr. Speaker, the Minister of Labour says this Government has improved labor standards including minimum wages. Well, Mr. Speaker, the Minister must have blushed when he wrote this particular amendment and this particular section. The record of this Government in the field of labor law is indeed dismal, to be polite in its description. They promised to maintain and improve labor standards. In 1964 Saskatchewan had the highest minimum wage in Canada. Today it is the lowest. If this Government kept its promise to maintain the highest minimum wage as it did in 1964, then Saskatchewan's minimum wages should have been \$1.75 or \$1.85 per hour not \$1.25 and less per hour as it is at the present time.

The same is true in regard to average wages. Saskatchewan's rate is \$113 per week compared to the national average of about \$130 per week; again the lowest average wage west of the Maritime Provinces.

Industrial growth during the last seven years has been less than impressive. The potash industry is operating at 45 per cent of its capacity. Oil production is down. Business closures are the order of the day — a record of 164 business failures in 1970 in the city of Regina. Numerous others have and are slated for closure since January 1st of this year. Go down 11th Avenue in Regina and check the number of places that have closed since the first of the year because of the depression that we are facing and the failure of this Government to take effective action to do anything about it, Mr. Speaker.

This Government should hide its head in shame when it talks about vocational and technical training, Mr. Speaker. The

April 13, 1971

Federal Government announced a few days ago that \$18,037,000 is available from the Government of Canada for Saskatchewan vocational and technical school construction over the next two-year period. In the coming year \$10 million is being made available but this Government proposes to take these funds into consolidated revenues to finance other programs. They say a new technical and vocational school will be built in the city of Regina but there are no plans even though \$2 million is appropriated. I have very grave doubts whether much will be done this year to get construction on the way with respect to the vocational and technical school in Regina.

Mr. Speaker, let us take a look at the Government's record of capital construction in regard to vocational schools for last year. The city of Weyburn, the vocational school there — \$950 was only spent and that was Federal money, no Provincial money. The Moose Jaw Technical School, a Provincial expenditure of \$23,000, Federal \$19,000. In the case of the Saskatoon Institute, \$15,000 by the Provincial Government, \$6,000 Federal. In Regina only \$712 was spent last year and this Legislature approved a capital expenditure for the Regina Institute of \$175,000, but only \$712.82 was spent. In the total technical and vocational school construction plan less than \$65,000 was spent in capital expenditures, Mr. Speaker. Out of this amount \$38,000 came from the Government of Canada.

Look at Sessional Paper 177. Again this year I asked for information in regard to the number of persons denied the opportunity to take technical and vocational training. Here is the answer — those rejected because of academic standing 313; lack of space 1,082; other reasons 192. In other words, 1,585 students were rejected because of lack of space and because of academic standing because this Government does not have a program for upgrading people. For other reasons, I think the major reasons here are financial ones because the Government is not providing adequate assistance. The same gloomy picture is revealed by the Minister of Labour in respect to apprenticeship training. At the end of 1970 fiscal year we had only 5,727 certified tradesmen in the province and 2,591 apprentices. Since then, hundreds of tradesmen have left the province in search of jobs elsewhere. Last year's enrolment, in the case of apprenticeship, dropped by 25 per cent. Mr. Speaker, in the case of actually certified tradesmen and apprentices, all we have is 8,320 men and women; about 3 per cent of the total labor force. Compare that with teachers where we have about 11,000 in the province. Yet in the total trades field in the province we have slightly better than 8,000.

Mr. Speaker, had the Minister of Labour (Mr. MacLennan) checked the facts of his Government's record of failure to do anything meaningful about creating new jobs, he would not have introduced this amendment. It is a record of complete disregard of human suffering caused by unemployment.

Mr. Speaker, the original resolution that I proposed does recommend positive actions to create employment and stop the exodus of people from our province.

Mr. Speaker, this Government is going to be judged, as I said, by the workers on its performance, not by its frivolous and meaningless amendments introduced to resolutions which have some import to deal with the problems. Its failure to provide much needed jobs; its anti-labor record is unsurpassed by any provincial jurisdiction. A Government Member said just last

night in this House that Liberals don't want any support from labor, Mr. Speaker. Your record demonstrates . . .

Mr. Speaker: — Order, order!

Mr. F. Larochelle (Shaunavon): — Last night in this House I did not say 'we don't want'. I said 'we did not need'. Will you check it.

Mr. Smishek: — Well, Mr. Speaker, did not want or did not need — it is very much identical.

Mr. Larochelle — There's quite a difference.

Mr. Smishek — Mr. Speaker, the record of this Government demonstrates conclusively that they do not deserve any support from the wage-earners of this province during the next coming election. I hope, Mr. Speaker, that they reject this Government and its dictatorial and tyrannical approach to the problems of the working people.

Mr. Speaker, I ask the Legislature to reject the amendment proposed by the Minister of Labour (Mr. MacLennan) and to support the original resolution.

Some Hon. Members: — Hear, hear!

Amendment agreed to on division.

Motion as amended agreed to on division.

Resolution No. 7 — Independent Electoral Boundaries Commission

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

That this Assembly, recognizing that the most recent redistribution of legislative representation is in many cases grossly unfair, recommends to the Government immediate establishment of an independent electoral boundaries commission, such commission to present its completed report to the Legislature for implementation before the next provincial general election.

Hon. L.P. Coderre (Minister of Public Works) — Mr. Speaker, in view of the fact that I have completely lost my voice and I certainly would like to speak on this Resolution, I beg leave to adjourn this debate.

Resolution No. 9 — Abolishment of Deterrent Fees

The Assembly resumed the adjourned debate on the proposed motion by Mr. W.E. Smishek (Regina North East):

That this Assembly calls upon the Government to immediately abolish hospital and medical care deterrent fees, because deterrent fees place an unfair burden on many citizens requiring health care, especially those least able to pay.

Motion negatived on the following recorded division:

Yeas — 21
Messieurs

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

Nays — 29
Messieurs

Thatcher	Howes	McFarlane
Boldt	Cameron	McIsaac
Guy	Barrie	Loken
MacDougall	Grant	Coderre
Larochelle	Estey	MacLennan
Gallagher	Hooker	Heggie
Breker	Leith	Radloff
Weatherald	Mitchell	Gardner
Coupland	Charlebois	Forsyth
McIvor	Schmeiser	

Resolution No. 5 — Prairie Grains Cash Receipts Stabilization Program

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

That this Assembly is of the opinion that the proposed Prairie Grains Cash Receipts Stabilization Program does not provide Saskatchewan farmers with a minimum acceptable net income that would have continuing relation to cost of production;

And that this Assembly favours a program, based on a minimum guarantee of net income, that is flexible enough to provide for sound land practices and that gives incentives to the Federal Government to reduce costs of farm inputs for Western grain producers.

And the proposed amendment thereto by Mr. Leith:

That all the words after the word “Program” in the second line be deleted and the following substituted therefore:

Will assist farmers in adjusting to changing farm conditions and will provide a degree of stability in years of low production and limited markets; and particularly that the \$100 million payment to farmers, expected this spring, will be welcomed by the agricultural community at this time.

Mr. W.J. Berezowsky (Prince Albert East-Cumberland): — Mr. Speaker, in speaking to this motion, I think the

first consideration should be to assess our present economic agricultural situation. I say to the House that in spite of large surpluses of grains in some parts of the Province of Saskatchewan — larger farms, particularly, maybe at Rosetown or Elrose — the sad fact is that the smaller farm units have little, if any, grain for marketing. And even where grain is available and if all the surplus were to be sold there would still not be enough cash left in the farmers' hands to meet the current long-term debts which they have. I'm borne out in my contention — if we look at the report of the Minister of Agriculture (Mr. McFarlane) which I have before me. We find on page 12 where it says the lands revenue for the year has dropped over \$1 million which certainly indicates the plight of the farmers in Saskatchewan. And I should say that never, Mr. Speaker, since the last depression of the Thirties have we seen such a tragedy of low incomes, of poverty and of suffering on many farms as we see today under this Liberal Administration, both in Ottawa and in Saskatchewan.

Speaking for farmers in my area, I should say they are suffering and have suffered for some years from the price-cost squeeze. I have some knowledge because many of them have come to me and asked me to prepare their income tax returns. I remember one that I filed for a man who has a three-quarters section of land and some cattle and what not, just a few days ago. His net income, Mr. Speaker, was \$91 and he is not a lazy farmer; he is a good farmer. But, that is all he received, \$91. I could show you others who have had deficits. I am not a good farmer and I have had some considerable deficits over the last few years. This is the situation. Many farmers for some years have had nothing but deficits and that is one of the reasons, I think, that we can say, Mr. Speaker, why a large number of the rural population have left the Province of Saskatchewan and gone to provinces such as British Columbia, Ontario and Alberta. I shall admit that for some years now, back as far as 30 and 40 years ago, governments have tried to cope with this problem of farm income. I even remember Mr. J.G. Gardiner tried to do something about it and he suggested mixed farming and diversification. I remember when we had the Bennett Government in Ottawa when the Government decided that to resolve the economic problem of the farmers that they would pay 5 cents a bushel of a bonus. I recall when we had a Diefenbaker Government in Ottawa, every second year — I don't know why it was every second year — a \$2 to \$4 payment per acre was made for summerfallow. Of course these were piecemeal efforts. The latest one we had was, of course, the program last year which was called LIFT. We warned the Federal Government in Ottawa that LIFT would not resolve the problems of the ordinary farmer but they proceeded with it, and we find it has not resolved the overall economic situation.

These policies have failed to stem the overall bankruptcy of the farmers of Saskatchewan because I say, Mr. Speaker, that most of these plans have been ill-conceived, ill-advised, and although they did put some money into the Western economy these programs failed to give help to those who needed the most help. A recent attempt we know of, by the Government, was to appoint a Task Force to study the Canadian agriculture of the 70s. So we come back to the motion and we ask ourselves this, "What, after all, are the Government goals for agriculture?" The Minister of Agriculture (Mr. MacFarlane) speaking only yesterday said how friendly the Government was to farmers. I should like to remind the Government that one of the first things they did to prove how friendly they were to the farmers of Saskatchewan

April 13, 1971

was to increase the price of grazing land and other Crown land by 60 per cent in cost. They also increased pasture fees since they have been in Government. They loaded farmers with taxes which should not have been placed on them, as on petroleum products. They have imposed new taxes, they have been responsible for increasing taxes and as a result we find that farmers are worse off than they have ever been before.

The Government has withdrawn from certain programs while the programs which they have brought in, such as loans to farmers, were intended to help financial interests of this country, the vested interests. They did not bring in programs such as would have given grants, as they have given to pulp mills and others. Their programs have been gifts and guarantees but the farmer was required to pay seven per cent or more. The only grant programs were those initiated by the former CCF or NDP governments such as assistance to improve the farmstead and farm homes.

Apparently this Government doesn't agree with the motion brought in by my colleague and that is very clear. I only say that instead of going to a higher level of reasoning for better social and economic levels, they appear to be prepared to drop to a lower level, suggesting this amendment which they have brought before us. I can only say, on behalf of all my colleagues here, that we on this side clearly desire to sustain the family farm because of social values and because of community values which are essential to the development of this Province of Saskatchewan.

Technologists such as the Task Force do not so regard the problem, Mr. Speaker. I have read the report. The Task Force point of view or perspective is the perspective of the Government opposite, which I don't think is a social one or a community one but strictly an economic one. The report speaks in terms of the large farms as being more economic than normal farms. They do not have the vision of the kind of Saskatchewan where we would have good communities, happy people and a province worth living in.

It seems to me that I could use a fable to illustrate what I have in mind. I think of farmers as being pressured like the Arab who had a camel. Agri business corporations are the camel. You know the story, Mr. Speaker. First of all, the camel stuck his head into the tent because he wanted to get warm. Then he got his feet in, by permission, and then eventually he got all in and, of course, the Arab got out. This is the kind of situation we have in Saskatchewan. It won't be very long until the farmers will all be gone.

Mr. Speaker, the Economic Council's Report suggests that Canadians must have higher incomes for at least a minimum standard of living. This is what I believe farmers are entitled to. To me it means that farmers must have higher net incomes and not just high gross incomes. We have had some of the lowest net incomes in the history of this province in the last two or three years. In order to obtain higher net incomes there must be stable farm prices. I think that we all recognize that, as farmers, we have responsibilities such as finding lower production costs — and you may call that efficiency if you like. We try to get high yields and make better use of our land. Certainly I think that we as farmers should be concerned with the conservation of our land and concerned with possible pollution of our resources.

I think that I can safely say, Mr. Speaker, that the farmers are efficient, the most efficient people in any industry today in Canada and possibly in the North American continent. So there isn't much more than we can do in that field.

In plain words I think, Sir, that we must do our best, but once we have done that much surely we hope that our incomes would be stable and satisfying for the work that we have done. Many of us believe that a government should not expect farmers to subsidize business or consumers here or overseas forever. For example, as Members know, we recently had an increase in bread prices by three cents but did the farmer get anything? It was at one time suggested that we should have an increase of the sale of bread. But bread is too high in cost as it is. Yet farmers did not get the three cents out of a loaf when the companies by collusion raised the price by three cents. These are the kinds of things that are happening. Implement dealers are doing the same thing. If you don't pay, one per cent per month is added to your bill just because it is unpaid. These are the difficulties that farmers have and this Government hasn't done very much about it.

We have had temporary overproduction and we have had a price squeeze. I say to this Government, and to the Government at Ottawa, that it is not up to the farmers to keep on subsidizing this country and the people of this country. It is about time that the farmers were able to sustain themselves as other people do.

So I say there must be stop-losses through price support. Why should farmers work and not get paid for their work? Everyone else gets paid including the Hon. Members in this House. Why should farmers have to drain their resources and live year after year on capital cost reserves, as I know they are doing, and on very limited farm incomes?

I say that it is essential that programs of farm income security make provisions for some kind of income insurance, not only crop insurance which doesn't go very far as we know in this province, because I know in my part of the country we have gone into production of other than wheat and course grains, yet we cannot get insurance on rape seed or flax, for example. There should be more insurance of that kind and other kinds.

Certainly there should be a two-price system and there should be all kinds of extensions of credit to overseas purchasers of our farm products. And not at the expense of the farmer, as was suggested, because as I said farmers have already subsidized this country more than this industry can bear.

Now the Economic Council summarized some of the goals by saying that there should be goals set in Canada for full employment, for a higher rate of economic growth, a reasonable stability of prices and balances of payments, that there should be equitable distribution for viable incomes. Now that sounds good and I am sure that every farmer in Western Canada agrees with these goals. I am sure that every normal person inside and outside this House will agree that these are excellent goals. This is what I am talking about. Farmers are entitled to the same kind of treatment as is suggested by the Economic Council that should be made available to everyone in Canada.

April 13, 1971

To make it clear, Mr. Speaker, as to what I speak about, may I say this: these are goals for farmers of Western Canada, of Saskatchewan, and not for farmers of Europe, France, China or Peru. These are the goals that are expounded by Western farmers and farm organizations. These are the goals that I believe in and this is the direction that I believe we must move. But because I believe I am in accord with the goals of the Economic Council, I do not propose, as does the Member for Elrose (Mr. Leith) as he did the other day, to say that we are entirely happy with the progress made by the Federal authority so far.

So I submit that the original motion has much more meat in it because of its intention to correct the inadequacies of the Task Force recommendations on the provision of a stabilization fund. I agree, Mr. Speaker, that the proposal could provide \$100 million to farmers now, and that it is essential. Of course, it is if we are to stop further erosion of the agricultural industry in Saskatchewan but it is only a stop gap, Sir. It is an imperative subsidy. It is the least any government could have done under any circumstances but it is no more than a blood transfusion, the same as was LIFT of last year. The difference is, Mr. Speaker, it is a blood transfusion by which all farmers will benefit in a minor way and not just a few as the Hon. Member for Elrose benefited from the program LIFT or some of the farmers in the southern part of the province who had large holdings.

I can tell you this, that in our part of the country we didn't benefit, only to a very small degree. This subsidy is, I think, and I am referring to the \$100 million subsidy, is made for the purpose of allowing the farm industry to continue just a little longer. These are temporary measures, Mr. Speaker. They will not cure any patient. I say that there must be a permanent cure or else the patient will die. There must be effected a stability on prices obtained in order that farmers will have standards of living comparable to that of other people with similar investment in capital and resources and with similar contributions of time and effort.

This means stable prices, guaranteed prices, higher net incomes, which, Mr. Speaker, must be balanced by payments from some kind of stabilization fund directly from the Treasury of Canada. A fund was set up of some \$240 million or \$250 million many years ago but it has never really been used to date. Let me say this, Mr. Speaker, that our farms have subsidized this society for too long and we feel that we are entitled to have the same kind of security as do other individuals or corporations in our land.

May I say further that a stabilization fund which considers only gross income of farmers can often penalize the farmers by requiring the compulsory arbitration of an additional two per cent as is being suggested in the Act. I should like you to think, Mr. Speaker, of farmers like the ones whom I represent, depending on what they grow, suffer losses year after year. I ask: why should they contribute to the fund on gross income while experiencing deficits over the years in the operations of these family farms? Because then they are worse off than when they were before and where does this plan help them? Where does it help such farmers? Yet the Member for Elrose (Mr. Leith) and the Members opposite say that it is the answer to our farm problems.

I say this is where the stabilization plan fails. I am surprised that the Member for Elrose and the Minister of Agriculture do not see this particular point. I can say that they can only see beyond their noses. They only see what is evident to them in their own periphery. They certainly don't see what I see in my part of the country. I say that the original motion did try to find some answers but the amendment does not. It should not be supported, Mr. Speaker.

Now, Sir, if we desire to stabilize farm incomes and help the family farms then I ask: what does this Act that we refer to do to help the farmers, who, encouraged by this Provincial Government, borrowed money for capital structures and for acquiring livestock, and who in the cycle of transition from grain to hogs find themselves now in a difficult position due to the unfavourable hog market? Where are they? And it is the same for the man who turned to egg production and it is the same for the farmer who has turned from grain to beef production or any other type of farming other than grain. Because essentially, Mr. Speaker, under the system that we live in, under supply and demand, as soon as there is over-production in one segment then the prices fall. This is admitted. The Hon. Members opposite admit that, everybody admits that, because this is the kind of system that we live in. And that is why it is so essential to have some kind of guarantee, some kind of subsidy. It is no use telling us that if there are too many hogs, quit producing hogs and go into cattle. Because, as my hon. Colleague says, any damn fool can tell you that it is a stupid step. We don't need any experts to tell us that.

Neither is it correct to say that if there are too many cattle, then get back into grain. Because it isn't quite that easy to get out of cattle after you have invested thousands and thousands of dollars. And if there is too much grain it is not correct to say, "well, stop growing grain". As I remember one member of a commission some 15 years ago said, "Well, all you have to do is to stop growing grain and go into cattle." Just easy like that! These are nonsensical statements. We have to try to plan and organize our whole agricultural processes, to produce the kind of products that are best suited to a particular area. And then if the prices, because of supply and demand are not what they should be, then it is the prerogative of the Government and the duty of the Government, Federal or Provincial, to do something about it. I am glad to see that they are doing something about it in Manitoba.

This proposed amendment by the Member for Elrose says that the farmers are happy with The Stabilization Act and the few millions which will be provided as a subsidy. The Member for Elrose may be happy. He got paid by LIFT. He will get paid by The Stabilization Act because he has not gone through the kind of transition that I am talking about. He is sitting in a safe soft spot at the cost of those who tried to co-operate with Governments here and in Ottawa. He cannot see his irrationality any more than the Minister of Agriculture. But I say to them that their point of view does not represent all the farmers. It may represent the grain farmers and no one else. And the Government have failed to indicate in their amendment the overall economic agricultural crisis in our province.

Let me tell you, Mr. Speaker, that more knowledgeable people and organizations don't agree with the Hon. Members opposite. I want to quote from the Leader-Post of October 30th, page 12, the opening paragraph, and I quote:

The grain receipts stabilization plan proposed by the Government Thursday is meant to ensure that the industry as a whole doesn't have to tighten its belt all the way to the spine even in a disastrous year.

Now, isn't it strange that this paragraph is exactly what I have been trying to say for the last few minutes. The Ottawa Administration doesn't want the farmer to be completely eliminated because they would be in trouble. Is that not a good reason for supporting the main motion, to accept our arguments rather than giving bouquets for what is essentially only blood transfusions for the farm economy? Commending the Governments, this Government and the Government of Ottawa, for doing nothing hardly befits any Hon. Members in this Legislature!

Arguments, Mr. Speaker, of the Hon. Members opposite, if they support this amendment, indicate that they believe our Canadian farm economy must be tightened some more, right down to the spine. That's what they believe in! In other words, they really say what is unsaid in this amendment, namely, that we are getting enough of stabilization now and enough support. And the suggestions in the original Resolution will be too expensive for our national purse. But let me remind the Hon. Members here that if you look at the statistics of the Dominion Government, you find that they are assisting private industries such as pulp mills and mining companies, to the tune of 14 per cent of the national budget, as incentives, as gifts and as grants. Yet for an industry such as agriculture, which is the most important industry in this country, what do we get? Next to nothing!

In this province, too, Mr. Speaker, we all know that this Government is willing to spend unlimited cash and credit for pulp mills which are only in the planning stage but for farmers who build homes and schools and communities, there is to be a contributory plan paid by the farmers, based on the check-off system. Mr. Speaker, Liberal proposals are not designed for a guaranteed minimum income for farmers or for individuals, they are designed for agri-business, if anything. They are designed to destroy completely the farmers of the Province of Saskatchewan.

Now I admit that the Federal proposal may help to stabilize the income of larger holders of land, as I pointed out, such as the Hon. Member for Elrose (Mr. Leith), but it will assuredly fall short of stabilizing the individual incomes of farmers whom I represent.

Let's look at some of the other points. In addition, Mr. Speaker, this plan will discontinue the policy of paying for the storage of grain in excess of 178 million bushels of wheat. This will mean a further demand of approximately \$40 million upon the wheat producers which they can't afford to pay. On top of that the wheat growers will be required to pay much of the interest charges for export sales to countries needing credit, unless it is a long-term sales agreement, over three years, in which the Federal Government would take some responsibility. So in the face of ever-increasing production costs, this plan proposes to load the farmers down with even more costs under the stabilization policy. This is entirely in line with the Task Force proposals in which it is suggested that in the transition farmers will have to stand against the wheat-producing world alone on their own feet. I say this policy is wrong. We have governments and we have a society in Canada which must

recognize that agriculture is an essential industry and farmers should not be required to stand alone. That's what the Task Force has said.

I say, Mr. Speaker, this would be tragic. I believe that the Minister of Agriculture (Mr. McFarlane) in a moment of truth agreed with me, because in an article in the Star Phoenix January 18th of this year it is reported, and I shall read it.

The Minister of Agriculture, who is now defending the amendment, was a bit conscientious about the development at the time and he was referred to as having said the following, quote:

D.T. McFarlane, Saskatchewan's Agriculture Minister said grain producers in this province in the face of this year's sagging income would be hard-pressed to contribute even one per cent to the fund.

He doesn't talk that way now. I think that the Premier has spoken to him and he has fallen in line with the rest of the Members opposite. That's what he said then. But that is not the real story today. Certainly, Mr. Speaker, the attack by the Member for Elrose against Manitoba's Agricultural Minister, Sam Uskiw, has no justification in fact. The Member cannot show how this stabilization plan can assure the farmers of Saskatchewan the guaranteed annual income if it is based on the entire region and on the gross farm incomes rather than net incomes of the wheat farmers. And this is exactly what concerned Mr. Uskiw. It also concerns me and it concerns the Members on this side of the House. And it is because of this that Alf Gleave, Member of Parliament for Saskatoon-Biggar, our New Democratic Party critic at Ottawa, put it pointedly, Mr. Speaker, and correctly when he said the "the Federal Government cannot set up this policy of getting out of paying substantial subsidies to farmers". They can't do it, otherwise they will destroy this country.

Mr. Speaker, the Hon. Member for Elrose based his argument against the motion on three main points and I'd like to analyse them. He first said that the benefit of the Manitoba plan, which he criticized, would be restricted to farms of 500 acres or less. And the Member said this would increase production. And I ask, Mr. Speaker, so what? So what? Is it not considered efficient farm management to get the greatest possible production from our land resources. Are you against that, Sir? Member for Elrose (Mr. Leith), is it not recognized that more intensive farming is better than large-scale mining of the soil? If the farmer George Leith does not agree with these facts then he disagrees with all the agronomists and farmers who promote efficiency, conservation, and wise use of our lands.

Secondly, the Hon. Member argued that by intensive farming of 500 acres or less, the production on the excessive acreage would be lower. He argued that this would encourage arrangements to divide up farms among relatives and tenants. And I say that his argument on excess land use is weak because it cannot be proven by past experience. I think that I could argue that by dividing huge farms into smaller units is a realistic and positive move for social and economic development of our Province of Saskatchewan. And this is something Liberals forget. I might agree that in Saskatchewan the ideal farm unit may not be 500 acres. This was a unit set up as more or less ideal for Manitoba. And I say this because of our different weather and soil conditions. For Manitoba a 500-acre restriction may be

April 13, 1971

ideal for Saskatchewan it may be 800 or it may be 1,000, and the Hon. Member should have mentioned that. He took the figure of 500 acres, made it apply to Saskatchewan and then he criticized everything that Mr. Uskiw said.

I say that as far as the size of farms is concerned, which would be considered ideal, is something that could be worked out by experts. That's why we have experts in the Department of Agriculture and in the various co-ops and elsewhere. But the principle of assisting farmers other than oversized farmers is essential for the public good, and is, I think, a sound principle and that is what is intended in our motion.

Then, Mr. Speaker, the Member for Elrose raised a third point. He said that the Manitoba suggestion would cost the Treasury \$318 million a year. He didn't say what year. I did some research on the point. I studied the Uskiw plan and the statement is incorrect, because the formula worked out by Mr. Uskiw indicates that in 1965 and 1966 there would have been no costs to the program, non whatsoever! In 1967, about \$150 million, and in 1968 and 1969 about \$318 million, the figure he quoted, for each of those two years. Now, Mr. Speaker, surely the Hon. Member for Elrose and the Minister of Agriculture or any Member opposite know that these situations must be averaged out. And this is what I did. And I took the average for seven years. I found that the cost would be \$130 million a year. The five-year average is only \$150 million a year, which is assuredly not an unrealistic sum of money when you consider that we have \$240 million sitting in Ottawa.

Mr. Speaker, generally speaking, I think we must direct our minds and our hearts towards the real issue which is an adequate income for our agricultural society. As a matter of fact, there is considerable poverty there and we must be very careful that any programs that are brought into being by the Federal or Provincial Governments have an emphasis towards helping the needy rather than towards the moderately well off. Herein is the difference between my arguments and the arguments of the Hon. Members opposite. They do not think in this kind of terms. And I should suggest to Hon. Members that they should do some reading and get out into the country and do some research and talk to farmers and check on their incomes and then maybe they will get some of the real answers.

Because, Mr. Speaker, when we talk about poverty, it isn't just a matter of low incomes. There have been studies in my part of the country which have indicated, as I have said on numerous occasions, that we have poor housing. We still have some poor schools. We have lots of promises for schools. In Prince Albert and other places, they haven't come forth. Certainly, I could say there is inadequate plumbing and supply of water to our rural homes and we have tried to correct some of this by grants. Certainly the conditions on many of the farms are discouraging for people who like the land. And so I say, we must be concerned with the social aspects of any program we may propose in order that there should be more social and economic values established into the farm society. Because if we do not, then what we essentially do is breed continuing substandards of living, of education, and it is very difficult — as we have learned from experience — to break and reverse such a trend. And when we talk about poverty, let me give you some figures. In the 1960s, statistics show that a Canadian urban family's income was close to \$6,000 a year. Contrasted with this, the

farmers' income averaged at \$3,645, just a little over one-half. A difference of 37 per cent, Mr. Speaker. And I think the purpose of our motion is that governments base any program of assistance on the net income of farmers so that we can bring their incomes up to a higher level, something comparable to the urban dwellers.

Now it isn't that I disagree with everything that has been recommended to the Government by the Task Force or others. As a farmer, I agree with the Canada Agricultural Congress of last November which said they welcomed the readiness of the Federal Government to make a long-term financial commitment to Western grain producers. Good! I think I could say I welcome the Federal contribution to undertake market research and development. I think that all of us farmers welcome attempts by governments to update marketing information so that we can have an early announcement of prices on Western grains. I would go so far as to say that the Temporary Wheat Reserves Act should be replaced with a commitment by the Federal Government for the financing of the normal carryover of grains. In my part of the country we grow a considerable amount of rapeseed, Mr. Speaker. And I think the time has come when there should be a referendum placing the marketing of grains such as rye, flaxseed, rapeseed, under the Canadian Wheat Board. These steps I do agree with and I think these are steps in the right direction. Let's get at them.

But I am not entirely happy, Sir. And I can make some analysis of the Prairie Grain Cash Receipts Stabilization Program and say that the plan will not accomplish what the Hon. Member for Elrose says it will accomplish in his amendment, a form of income security, because the evidence shows that, first of all, it is only a short-term plan and what we require is a long-term plan or planning for the people on the land, so that benefits will go to the people who are in the rural areas. I believe too, and I want to make some comments that there may be major problems of administration in such a plan. But, as pointed out by Mr. Uskiw in Manitoba, so do we in our motion recommend a guaranteed net income on a basic quantity of production on a normal farm. As well, I'm agreeing with the Manitoba plan. I want to make my position clear, that the plan should not be detrimental, Mr. Premier, to efficient practices or destructive of initiative.

Thirdly, I agree that the plan must be conducive to sound land use practices and providing for flexibility among crops. Finally, I think that the plan should be such that it is in the financial interests of the Government of Canada and of the people of this country. We need to take effective measures to reduce the costs of implements to Prairie farmers as well. I could spend an hour on that, it already has been mentioned by the Hon. Member who moved the motion.

However, basically this is what Mr. Uskiw's plan is and I think mainly that is what our motion says. It says: to safeguard the future of our agriculture. I think this is good and I think these suggestions are good alternatives to what Mr. Lang's program is. Let me say, Mr. Speaker, that anything which is less than what is suggested in our original motion can only be regarded by the farmers of Saskatchewan as a disservice to all of them, the producers of grain in this province, if the amendment should carry. I can assure you, Mr. Speaker, that I for one will have no part in approving anything less than is suggested in our motion.

I could ask a number of questions of the Hon. Members who are considering the amendment and the motion in this debate. I could ask them if it is fair for the struggling grain growers that they should fail to support a program which will give them guaranteed adequate incomes? I could ask whether they really think income stability can't work unless it is applied generally? I believe it can work if it is applied on an individual basis. I can ask whether they think it is fair for producers to maintain grain on hand to meet future markets, for what? I think that all grains, be it coarse grains, wheat, flax, rapeseed, should all come under the Wheat Board. I should like to ask whether friends opposite consider it fair for farmers to subsidize bread companies and other corporations as well as consumers generally, which we have been doing because of the kind of legislation that we have in this country for some decades? Do they expect farmers to take on a greater burden at this time, when the Minister of Agriculture himself admits how hard up they are? Do Hon. Members opposite want agriculture in Saskatchewan to be big corporation farmers, mining the soil, to take more from the soil than common sense dictates? Do Hon. Members want to be a part of this insidious process which is slowly eroding and destroying our whole social structure, as suggested by the Task Force Report in the study, Canadian Agriculture of the 70s, do they want that? Do they agree with the Hon. Member from Elrose, who suggests that we must reduce production when at the same time we know that millions of people go hungry in the world, is that what they want? Do they believe that agricultural subsidies, as well as price supports, should be phased out in order that business may grow? And that farmers who are unfortunate, poor, or unlucky must be moved into the slums of larger cities? Finally, do they agree with the policies and programs that will make of Saskatchewan a great technological rural area of baronial estates, while the poor people are concentrated in three or four large cities to live, and how? In poverty and in slums and in unfavourable social conditions. I regret to say that there has been some tendency of this Government to approve just that, to suggest to some of the farmers in my area — I can prove this — telling them, why do they suffer on a farm, "You are not making anything so move into the city and be looked after," they say but I can't see it that way. If this is the kind of Saskatchewan that Hon. Members opposite envision, then, of course, they could do nothing more but vote for the amendment, praising the Government — here and the Government of Ottawa — for the inadequate steps they are prepared to take or have taken to date. On the other hand, Mr. Speaker, if they can see the kind of Saskatchewan that I have been talking about and the kind of Saskatchewan that I should like to see, then, of course, they will vote with us on this side of the House for the original motion, Mr. Speaker, as I intend to do.

Some Hon. Members: — Hear, hear!

The Assembly recessed from 12:30 p.m. until 2:30 o'clock p.m.

WELCOME TO STUDENTS

Mr. Speaker: — I wish to introduce to all Hon. Members 31 students from the River Heights School in the constituency of Morse, represented by the Hon. Premier (Mr. Thatcher), seated in the Speaker's Gallery, together with their teachers and bus driver.

I am sure that all Hon. Members will wish to join with me in extending to them an extremely warm welcome to the Legislative

Assembly of the Province of Saskatchewan and express the very sincere wish they will find their stay here enjoyable and educational and wish them a safe trip home.

Hon. Members: — Hear, hear!

The Assembly resumed the interrupted debate on Resolution No. 5.

Mr. B.D. Gallagher (Yorkton): — Mr. Speaker, I was astounded this morning to hear from the Member for Prince Albert East—Cumberland (Mr. Berezowsky) that they would be opposed to the \$100 million Federal money going to the farmers of Saskatchewan. That is exactly what the Member for Prince Albert East—Cumberland said. Anybody in this House, Mr. Speaker, who votes against the amendment to the Resolution is opposed to the farmers of Saskatchewan getting \$100 million of Federal money.

Some Hon. Members: — Hear, hear!

Mr. Gallagher: — All Members of this House, Mr. Speaker, and all farmers in Saskatchewan, know that the grain farming industry in this Province has had its ups and downs in the past 40 years. If it is not markets, it's the elements, if it is not the elements, it is markets. Over the last 30 or 35 years, the Governments of Canada — usually Liberal Governments — have tried to take some steps to alleviate some of the problems of the grain-growing industry. Measures such as The Prairie Farm Assistance Act, The Prairie Farm Rehabilitation Act, deficiency payments, floor price programs, The Temporary Wheat Reserves Act, and many other programs were initiated by Governments in Ottawa to try and do something about the farm problem.

When you stop and consider, Mr. Speaker, that in the Province of Saskatchewan we now have a little bit less than five per cent of the Members of Parliament of Canada and if the Government at Ottawa does anything that is good to help the grain-growing industry, it must be considered that the people who sit on the Government side have a great deal of influence on that Government. You know, Mr. Speaker, in the years between 1958 and 1963 when Mr. Diefenbaker was the Prime Minister of our country, Mr. Diefenbaker had all but one seat from this Province on the Government side of the House. Those were the years, Mr. Speaker, when the farmers of Saskatchewan, the grain growers of Saskatchewan, got \$1.00 an acre on half of their cultivated acreage up to a maximum of \$200. Surely, Mr. Speaker, this wasn't a very substantial sum of money. My friend from Prince Albert East—Cumberland said that we were only concerned with the land barons. Well, Mr. Speaker, under the Act that is going through Parliament now, The Prairie Grains Cash Receipts Stabilization Program, we are not looking after the land barons. This \$100 million that the Federal Government is going to pay into the pockets of Saskatchewan farmers this year has a maximum on it, a maximum so the land barons wouldn't get the great benefit. The maximum is \$1.50 an acre up to 640 acres. Now, surely, Mr. Speaker, nobody in his right mind can say that we are looking after the land barons. You know, Mr. Speaker, I think this is the first time in my memory, and I was born and raised on a farm, that a government in Ottawa has really done anything substantial for the agricultural industry.

Some Hon. Members: — Hear, hear!

April 13, 1971

Mr. Gallagher: — Really, Mr. Speaker, it must hurt those people on the other side of the House. We did this, Mr. Speaker, with the Minister from Saskatoon-Humboldt and the late Member from Assiniboia on the Government side of the House, just one per cent voice in the Government. I think it speaks pretty well for the late Member from Assiniboia and the Member for Saskatoon-Humboldt who got this through the House of Commons, and got it through the Liberal Caucus. Mr. Speaker, when you stop and think that in the Wheat Board area, if there is a 15 per cent deficiency in cash receipts from Wheat Board marketings, every single grain grower with a permit book is going to get that same percentage of a stabilization payment based on his last three year's grain income. Surely, Mr. Speaker, this is the first time in the history of this country that the Government of Canada has really recognized and done anything substantial to deal with this problem.

Some Hon. Members: — Hear, hear!

Mr. Gallagher: — I can tell you, Mr. Speaker, if the farmer Members on the other side of the House think that their farmer supporters aren't quite appreciative of this \$100 million that Otto Lang and the Government of Canada are going to pump into the Saskatchewan farm economy this year, they are sadly mistaken and they are going to find out so on election day.

Some Hon. Members: — Hear, hear!

Mr. Gallagher: — Mr. Speaker, I beg leave to adjourn debate.

Adjournment agreed to on the following recorded division:

Yeas — 30
Messieurs

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

Nays — 22
Messieurs

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

REPORT OF COMMITTEE ON PUBLIC ACCOUNTS

Mr. E. I. Wood (Swift Current) moved, seconded by Mr. W.S. Howes (Kerrobert-Kindersley), That the First Report of the Select Standing Committee on Public Accounts and Printing be concurred in.

He said: Mr. Speaker, I had not intended to take up the time of the Legislature with . . .

An Hon. Member: — Feel free, we've got lots of time!

Some Hon. Members: — Hear, hear!

Mr. Wood: — I feel rather tempted but . . .

I really haven't a speech prepared on this and I hadn't intended to give one. I might say, Mr. Speaker, that our Committee met some 13 times and assisted by the Provincial Auditor, we endeavoured to see that the authority of the Legislature is upheld by jealously guarding the control of the Legislature over expenditures. This we did by endeavouring to see that the expenditures are not made or accounting procedures used without proper legislative authority.

What we did along this line is set out in the Report which I think is quite self-explanatory. Thus, I should so move, Mr. Speaker.

Motion agreed to.

RULING BY MR. SPEAKER

Deputy Speaker: — Mr. Speaker, during consideration of the Estimates the Hon. Member for Saskatoon Riversdale (Mr. Romanow) used the phrase "closure" in describing certain actions of the Assembly. I ruled that there was an imputation of false or unavowed motives and I asked that the phrase be withdrawn which the Hon. Member has not done.

Mr. Speaker: — This situation is governed by a proper procedure as laid down in the authorities. This is a motion which the Chair is called upon to put when a thing of this nature arises in a Committee of the House but before I put the motion, I have a few brief words which I intend to say.

The Chair is not supposed to have any cognizance of what takes place in Committee. However, it would have been virtually impossible for the Chair not to have heard the allegation that was made in Committee. Let me draw the attention of all Hon. Members to the fact that when a breach of order occurs, the proper time to rise on a point of order is when that breach does occur. According to the words of your Chairman (Mr. Howes) a breach of order was alleged to have occurred in the formal Session of the House this morning.

The allegation was made that closure has been imposed. Now, I am going to read to you from the rules of this Legislature, Rule No. 31 on page 24, headed Closure, and this is the rule; quote:

Immediately before the Orders of the Day for resuming an adjourned debate is called, or if the Assembly be in Committee of the Whole or of Finance, any Minister of the Crown who, standing in his place, shall have given notice at a previous sitting of his intention to do, may move that the debate shall not be further adjourned or that the further consideration of any resolution or resolutions, clause or clauses, section or sections, preamble or preambles, title or titles shall be the first business of the Committee, and shall not further be postponed and in either case such question shall be decided without debate or amendment; and if the same shall be resolved in the affirmative, no Member shall thereafter speak more than once or longer than 20 minutes in any such adjourned debate; or if in Committee, on any such resolution, clause, section, preamble or title and if such adjourned debate or postponed consideration shall not have been resumed or concluded before 1 o'clock a.m., no Member shall rise to speak after that hour but all such questions as must be decided in order to conclude such adjourned debate or postponed consideration shall be decided forthwith.

Now, that, gentlemen, is the rule of this Legislature in regard to closure and I bring to your attention and to the attention of the public in order to make absolutely sure everybody knows that no motion of closure was moved in this House. To say that it was is an unfair reflection on the Chair and I am going to tell you why. It is the undoubted prerogative and it is also the responsibility of the Chair to refuse to accept a motion if the Chair considers that it is an unfair infliction of this Legislature. Had anybody moved closure on that particular motion, I can tell you in no uncertain terms that the Chair would not have accepted it and I should have been prepared to take the consequences for the action.

I bring this to your attention in order to make it absolutely sure and clear and in no uncertain terms that there was no such thing as a closure motion presented to the Chair this morning.

Now, I turn to deal with the question that has been raised by your Chairman. He, I understand, made a ruling in Committee which he has reported. The traditional motion that I put to you at this time is: "Shall the ruling of the Chair be sustained?" That's the motion that is before this House.

Mr. R. Romanow (Saskatoon Riversdale): — Mr. Speaker, on the motion . . .

Mr. G.T. Snyder (Moose Jaw North): — On the motion, Mr. Chairman.

Mr. Speaker: — It is a non-debatable motion.

Mr. Romanow: — Well, Mr. Speaker, on a point of personal privilege.

Mr. Speaker: — On a point of personal privilege, very well.

Mr. Romanow: — Mr. Speaker, I took the position in Committee, without undue reflection on the Chairman, whom I know and respect, and I take the position before you, Sir, that the words I used in

the course of the preamble were this: that the proceeding “has the effect of closure”. I did not say that there was a closure motion and I submit to you that the statement “has the effect of closure” is not unparliamentary.

Mr. Speaker: — The Hon. Member should have made his statement in Committee. There is only one question before the House and the question is: “Shall the ruling of the Chairman be sustained?” And I ask . . . and you’re supposed to listen . . .

Mr. E. Kramer (The Battlefords): — Mr. Speaker, on a point of order. The Member raised that with the Chairman before the decision was made, as a matter of fact, that’s what he said and I . . .

Mr. Speaker: — Order, order!

Mr. Kramer: — . . . distinctly heard what he said. He said, “the effect of closure”.

Mr. Speaker: — Order, order!

I’m sorry. It is immaterial to the motion what the Member said in Committee. The fact of the matter is that the Chairman has reported that he asked the Member to withdraw certain words and he did not do so. Now there is only one question before the House. The question before the House is “Shall the ruling of the Chairman be sustained?”

Some Hon. Members: — Hear, hear!

Mr. Speaker: — Order, order! I ask Members to stop these unseemly outburst of “agreed”, “agreed” and other cat-calls back and forth!

Now the question before the House is “Shall the ruling of the Chairman be sustained?”

Mr. Snyder: — Before the vote is taken, Mr. Chairman, could I direct a question to you personally?

Mr. Speaker: — Yes.

Mr. Snyder: — I wonder if I might ask you, Mr. Speaker, under the circumstances which we are labouring at the moment, whether the question of the allegation is indeed one that is unparliamentary and under what circumstances may the Member be required to withdraw a statement, because I submit to you that the statement that the Member made may be incorrect but it certainly isn’t unparliamentary and I think the Chairman has been in error in making this point and I want your judgment on this if you would be so kind.

Mr. Speaker: — Order, order!

It is not for the Chair to question the judgment of the Chairman. The Chairman has made his judgement and it has been appealed to the House. Now, we’ll deal with this later as we go along. The proper procedure now is to put the question,

April 13, 1971

which is a non-debatable motion, “Shall the ruling of the Chairman be sustained?”

Motion agreed to.

Mr. Speaker: — Order, order! I declare the motion carried.

The ruling of the Chairman is confirmed and I ask the Member from Saskatoon Riversdale to comply with the request of the Chairman and of the House.

Mr. Romanow: — Mr. Speaker, I am a Democrat and the majority voted that the ruling of the Chair is sustained and the comment was unparliamentary. Therefore, I withdraw that statement.

Some Hon. Members: — Hear, hear!

The Assembly adjourned at 10:05 o'clock p.m.