

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Sixteenth Legislature
14th Day

Friday, February 21, 1969.

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

WELCOME TO STUDENTS

Mr. A.E. Blakeney (Regina Centre): — Mr. Speaker, I am speaking on my own behalf and on behalf of my colleague, the Member for Regina North West (Mr. Whelan) who is regrettably unable to be in the House today. On my own behalf I would like to welcome to this Chamber a group of students from the Regent Park school. They are seated in the east gallery. They are 29 students from the grade eight class of Regent Park school in the Regina Centre constituency. They are attending our Legislature as part of their social studies course. They have had a tour of the library and the rotunda. They are here with their teacher, Mr. Weimer. Also seated partly in the east gallery and partly in the west gallery are a group of students from the Coronation Park school in the constituency of Regina North West. They are 52 grade eight students and are led here by their teacher, vice principal, Morris Dolman. This is an interesting class. They have a parliamentary forum, they study civic affairs and today they are extending their knowledge of public affairs by this visit to the Legislature. They, too, have had a tour of the library and the rotunda.

Seated, also, in the east gallery and the west gallery are a group of grade 12 students from O'Neill high school, 56 I believe. They are here with their vice principal, Mr. Peter Fieger and their history and social studies teacher, Mr. Harry Berezny. I am sure that all Members join with me in extending to each of these three groups of students our best wishes for an enjoyable afternoon and our hope that their stay with us will be as profitable for them as it is pleasant for us.

Hon. Members: — Hear, hear!

Mr. B.D. Gallagher (Yorkton): — Mr. Speaker, it is my pleasure this afternoon to introduce to you and Members of the Legislature a group of 35 grade eight students from St. Mary's school in Yorkton. This group is accompanied by two of their teachers, Mr. Baliberda and Mr. Smith and their bus driver, Mr. Hilderman. I am particularly pleased to welcome them here today, Mr. Speaker, because if they stay long enough I understand that they are going to be able to hear the Premier speaking in the debate and also the Member for Hanley (Mr. Heggie). I was a little concerned yesterday, Mr. Speaker, when I thought that they were going to arrive yesterday and knowing who was going to be taking part in the debate yesterday, the Member who has just sat down (Mr. Blakeney) and knowing how innocent the minds of these grade eight students are, I didn't want to have their minds contaminated. But I am sure, Mr. Speaker, that they have chosen the right day to be here. We all want to welcome them here and wish them a most enjoyable day. I am sure that they will be richer for their experience in seeing the Legislature in action.

Hon. Members: — Hear, hear!

WELCOME TO AIR CADETS

Mr. A. Matsalla (Canora): — Mr. Speaker, it gives me pleasure to introduce to you and through you to the Members of the Assembly an outstanding group of 46 air cadets of the No. 566 Squadron from Canora. I am pleased to say that included in this group is my son, Leslie.

Hon. Members: — Hear, hear!

Mr. Matsalla: — I am proud to say that twice the Canora Squadron ranked second highest to winning the top Provincial award, and for a number of years cadets from this squadron won international and overseas exchange awards. Much of the credit, Mr. Speaker, is due to the community's positive spirit toward education and youth training, and of course to the conscientiousness of the teacher-instructors and the enthusiastic student-participation.

The air cadets are seated in the Speaker's gallery. They are escorted by their Commanding Officer, school principal, Mr. Victor Schigol and civic league members, Gentlemen Roman Kotelko and George Demchuk. Their bus driver is Adam Shabbits of the Canora School Unit. Prior to entering this Chamber they made a tour of the building. After visiting with us this afternoon, they will be conducted on a tour of the Saskatchewan Power Corporation Building and finally visit the Museum at the RCMP barracks. It is our hope that their presence here and their visit to our capital city will be informative and beneficial. I am sure that all of you will join me in expressing to the air cadets a warm welcome to the Legislature and a sincere wish for an exciting and enjoyable visit. We also wish them a safe journey home.

Hon. Members: — Hear, hear!

CONGRATULATIONS TO BOB MILLER RINK

Mr. G.R. Bowerman (Shellbrook): — Mr. Speaker, I am sure that you and all Members of this House will want to join with me in extending congratulations to the Bob Miller rink, or the Saskatchewan School-Boy Curling Champions that have within the last half hour, I understand, arrived at the very enviable title of Saskatchewan School-Boy Curling Champions of Canada.

Hon. Members: — Hear, hear!

Mr. Bowerman: — I also understand that they have attained some additional honors in this regard in that they have been the first team in some length of time to have retained those honors for the host province of the Canada games. The honor goes to four boys and their coach as these are the ones that make up the winning team and I want to place their names on the records: the coach, Paul Skopyk, teacher from the composite high school in Shellbrook; Bob Miller from Shellbrook; Lloyd Helm from the community of Holbein; Bill Aug from Parkside; and Roger Rask of Parkside. I want to send them my congratulations, and I am sure that the Members of the House will want to congratulate them as well.

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Hon. Members: — Hear, hear!

Hon. D.G. Steuart (Provincial Treasurer): — Mr. Speaker, before the Orders of the Day I would, on behalf of the Government, join with the Member from Shellbrook and pass along the very, very sincere congratulations of the Government to the rink from Shellbrook. I would point out to all these southerners that it was that good northern air that brought victory to Saskatchewan. We are all very proud and I hope that you will pass on to them the Government's good wishes.

Some Hon. Members: — Hear, hear!

ADJOURNED DEBATES

BUDGET DEBATE

The Assembly resumed the adjourned debate on the proposed motion of Mr. Steuart (Provincial Treasurer) that Mr. Speaker do now leave the Chair and the proposed amendment thereto by Mr. Blakeney (Regina Centre).

Mr. R. Heggie (Hanley): — Mr. Speaker, I said yesterday before I adjourned the Debate that I would have more to say about the allegations laid before this House by the Opposition's financial critic. I intend to deal with some of them today.

Now how does this Government plan for the Province's future? It balances the Budget, which although old-fashioned is still a sound premise from which to start. The business of government is no different from the business of a household. If you spend more than you make you will soon be in trouble. How does this Government plan for the future? It has cut out some outmoded and outdated programs which had outlived their usefulness. In other words this Government recognizes that featherbedding has no place in its policies and plans. Let me add that there will be plenty of new programs requiring government funds, where the public will derive some benefits. In the words of the Treasurer (Mr. Steuart) himself, "There has been over the years a very high birth rate in government programs, but the death rate has been almost nil."

How does this Government plan for the future? By expansion of the important Crown corporations for the orderly growth of agriculture and industry. I need only say that the total revenue of \$100 million for the Saskatchewan Power Commission is remarkable and reflects its orderly growth. The extension of the corporation into the north by way of the North Saskatchewan Power Company is ample demonstration that the corporation recognizes the potential of our northern regions, a far cry from the false allegation that this Government has deserted the North. Similarly Saskatchewan Government Telephones had a net profit of \$8.6 million, ample proof that this public utility is a sound enterprise.

How does this Government plan for the future? By devoting to education 32.5 per cent of the total Budget or \$121.4 million.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — Certainly this is not all

that educational authorities would like but it is up a respectable \$10 million and the highest governmental contribution in the Province's history. Area bargaining is a new and novel principle that looks ahead to improved teacher salary negotiations throughout the province. I predict that once area bargaining is completed this year, which is the critical and experimental year, a year of trial and error, it will run smoothly and more efficiently in succeeding years.

How does this Government plan for the future? By planning for expanded health programs which at last have been put on a sound financial basis. The fact that \$150 million will be spent on health, an increase of over 16 per cent over last year, will convince the people of Saskatchewan that this Government is not committed to scuttling the health plans.

It points up the difference in basic thinking between the Liberal and NDP parties. The latter by its idealistic, but woolly-headed thinking, compels its members to advocate impractical and over-comprehensive policies. The New Democratic party just cannot tie practical expenditures to practical policies. It had the opportunity in 1947 when it introduced hospitalization to this province, to make it work in a practical way. Had the old CCF party had the courage at the time to make patient-participation a part of its original scheme, the people of Saskatchewan would have welcomed it as a boon to persons who had the misfortune of going to hospital. The fact that the Government would pay the major share of a hospital bill guaranteed that no person or family would be faced with catastrophic hospital bills. But the old CCF was dedicated to free medical services. Nothing is free. Someone has to pay the taxes and it takes work, energy and increased gross national productivity to provide these services. Last year this Government had the fortitude to face the issue of rising health costs. The Government did what the majority of Saskatchewan people have since approved. It stopped the spiralling increase in health costs without destroying the health programs themselves.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — Although our Government took a good deal of abuse that we were taxing the sick, the legislation has been on the whole well received. In addition, utilization fees produced two other results, thinned out the overuse of hospital beds so that when a person is really sick he can get into hospital. To the sick person this is the important thing. It brought a realization to the people of Saskatchewan that at least one government in Canada could call a spade a spade and stand up and be counted in the face of the loss of some political popularity.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — The Budget Address indicates that a family ceiling of \$180 in utilization fees will be introduced. This is in principle like an adjustment in the deductible feature of an automobile insurance plan. I am sure, Mr. Speaker, that the families in Saskatchewan who are on low incomes and may have a particularly heavy load of hospital and medical bills in any one year will welcome this legislation.

How does this Government plan for the future? By building

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highways. Who in this province can deny that this Government is dedicated to “roads in our time”? This Government was elected on a commitment of a four-year \$300-million road program. Does the NDP financial critic overlook this kind of planning? \$60.2 million will be spent on roads and highways this coming fiscal year. As road builders, the old CCF Government were pikers. Whatever shortcomings this Government may have and they are few, lack of road building is not one of them. Ross the Road Builder could very well be our Premier’s nickname.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — I am thankful as a citizen and as a Member of this Legislature that the Treasurer has provided \$60.2 million to forward to Hon. Dave Boldt’s ambitious highway program.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — As the Member for Hanley, I want to tell the House that Hanley constituency has been fortunate in sharing in this tremendous road program.

1. 25 miles of first-class, wide-shoulder, four-lane, divided highway on No. 11 from Saskatoon to Dundurn, one of the best roads in Western Canada, and part of 146 miles of four-lane highway now completed in the province. 2. Grading of a further 10 miles of divided highway from its present limit to the town of Hanley. 3. Completion of a new fully paved expressway-type of highway from Saskatoon to Clavet. 4. The completion of the ultra-modern cloverleaf at the junction of Highways 11 and 14 just south of the Saskatoon City limits.

How does this Government plan for the future? By municipal assistance to the hard-pressed towns, villages and rural municipalities of Saskatchewan. In this regard I would like to remind the Opposition financial critic that if he did not see orderly planning in this program he must be, indeed, short-sighted. The Budget mentions the Municipal Financing Corporation. This was an election promise of the Liberal party. It will assist municipal governments in their quest for debenture money now only available at high interest rates. What about pollution control? This legislation will be of special benefit to Saskatchewan cities in making a start at control of air pollution and water pollution.

How does this Government plan for the future? By the extension of grid roads to the point where the Department can turn its attention to gravelling other municipal roads. This falls into two categories. 1. Towns and villages will receive assistance in the gravelling of their streets, and 2, commencement of construction of 15,000 miles of main farm access roads. Mr. Speaker, where is the financial critic’s valid argument that this Government lacks planning for the future?

How does this Government plan for the future? By the formation of a new Department of Indian and Metis Affairs.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — Here special emphasis will

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be given to the extension of agricultural projects for the native people. Mr. Speaker, I most heartily agree with this particular proposal. I had the privilege of accompanying the Attorney General (Mr. Heald) on a trip into Saskatchewan's North last August and I came away most convinced that something substantial has to be done to precipitate the native people to a program of self-help and self-reliance.

The old ways of the native people are gradually changing and something must be there to replace them. Farming and farming operations probably bear the closest relationship to the old ways of hunting and fishing. Therefore, if agricultural land and equipment can be made available to the Indian people, progress will undoubtedly be made in this direction.

How does this Government plan for the future? By an orderly development of our natural resources. I am pleased to note that \$100,000 will be spent in the Hanley constituency in 1969-70 for the further development of the Blackstrap Recreational Project, to meet the needs of the Saskatoon area.

Perhaps the crowning achievement of this Government in favor of Hanley constituency residents was the opening of the Blackstrap Lake as a summer resort and recreation area. On August 11, 1968, 10,000 enthusiastic people heard Premier Thatcher officially open the Blackstrap Reservoir, a real step forward for the solid Liberal centre of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — Mr. Speaker, I have covered 10 points of Government planning for the future of Saskatchewan. The Government indicates expenditures for many more exciting programs. Other Government speakers will deal with them in due course.

I now want to deal specifically with certain criticisms by the Opposition financial critic yesterday. To hear him speak one would have to conclude that Saskatchewan has literally gone to the dogs, in an economic sense under a Liberal Government. He says the boom is over and the horizon is dark and gloomy. He preaches gloom and doom for us all. He said diversification was a failure. He says the oil wells are producing less. He says the hard rock miners have given up. He says the farmers' granaries are full of only damp wheat. He says the milk cows are drying up. He says the pigs and the sheep will not breed. He says that the hens have stopped laying. He says, in fact, the only productive unit in the whole province is the Blakeney family.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — He made sure of that because he repeated it at least three times.

Yes, the financial critic used some catchy adjectives to describe the Budget, a pale grey dull picture of austerity. Mr. Speaker, if this is austerity in Saskatchewan then prosperity would be a virtual Utopia. The Opposition financial critic does not really believe a word he said. He knows it; he is too clever and well informed to believe what he told this House yesterday. Like a skilful lawyer plying his trade he twisted

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and weaved and spun the facts . . .

Some Hon. Members: — Hear, hear!

Mr. Heggie: — . . . to create a political picture for consumption by his supporters. He knows full well that the rank and file of Saskatchewan people have a different version of the facts. These are some of the statements he made. He said there was an appalling shortage of buildings at the University of Saskatchewan. Rubbish, I say! The Saskatoon campus is constructing new buildings at a pace never known during his regime.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — This Government has given more in millions of dollars to the University in a four-year period and will give \$36 million more this year. Here are some of the comparative figures. When this Government took over from the former one, the payment to the University was \$11,560,000 in 1964-65. The following year, 1965-66, it was \$16 million and the following year it was \$21 million. In 1967-68, it was \$27 million; in 1968-69, it was \$30 million; and 1969-70, \$36 million. In five years this Government has tripled the payment in millions of dollars to the University of Saskatchewan.

President Spinks is not crying about the rate at which new buildings are being constructed. The total construction for 1969-70, as I say, will be \$36 million. The financial critic of the Opposition says that grants to school units for construction of ordinary schools are down. Last year these grants were included in operating costs on page 23 of the 1968 Budget Address. This year they are not so included and the comparable figures are: 1968 - \$57,854,000; 1969 - \$62,310,000, an increase of \$4.4 million or 7.7 per cent. Let the financial critic disapprove that.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — He said that total construction was down over the province. Well I cannot fully account for Regina City's total construction but I can say that Saskatoon's was up over 1967. And although the actual number of units was less, the total value was up largely due to the program of public buildings at the University. Indeed, the Provincial Government kept up its part even if there was some shrinkage in the private sector. The financial critic knows full well, he knows as well as I do, that any shrinkage in private building including house building was affected by the high interest rates which prevailed across Canada last year.

He said yesterday that this Government was not spending enough and that the Budget should have been still larger. Last year he said in his Budget Speech that we put a tax on everything, nothing was sacred to the Provincial Treasurer. He cried that we "ground the faces of the poor" to balance the Budget. This year he says we should have spent more. What kind of double talk is he indulging in? He reminds me of Harry Hopkins, Franklin D. Roosevelt's special adviser. Hopkins said and I quote:

Tax, tax, tax; spend, spend, spend; elect, elect, elect.

Well, Mr. Speaker, with that kind of program we would have this Province in real financial trouble in no time. The financial critic knows this, yet he deliberately tries to confuse the issue by half truths and double talk. He said that the Attorney General's Department was shortchanging the city of Regina in its police budget. He claimed that the city had lost some \$4 million. More double talk, Mr. Speaker. As a lawyer, the Member for Regina Centre (Mr. Blakeney) ought to know that the maintenance of city police forces is not a Provincial responsibility and what he did not say was the important part. He did not say that by arrangement between the city of Regina and the city of Saskatoon for that matter and the Provincial Government, the cities collect the Provincial fines. Regina collected last year alone over \$313,000 in 1968. What kind of subterfuge is this for the Mayor of Regina, the Member for Regina South East (Mr. Baker)? Why does he not tell the people the whole story?

An Hon. Member: — Yes, Henry!

Mr. Heggie: — It was his Government that entered into these arrangements with the cities of Regina and Saskatoon.

Mr. Speaker, in concluding this part of my address might I say that the Member from Regina Centre (Mr. Blakeney), though eloquent as he usually is, lacked the conviction that he had last year. Last year was his big year and no doubt he made the most of it. He came out with all guns firing, salvo after salvo, and in a year of tax increases it was hard to blunt his attack. But this year in one hour and forty minutes his salvos went wide of the mark. Last year he had his colleagues sitting on the edge of their chairs, their eyes wide in expectation of taking over the Treasury Bench come a vote. But this year his colleagues sat fairly still. They applauded like trained seals at appropriate times, but there was no heart in it.

The mention of Kelvington does not even warm the cockles of the Opposition heart.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — I would say the Opposition is a pale, grey, dull, spiritless shadow of its former self.

Some Hon. Members: — Hear, hear!

Mr. Heggie: — A panic Budget, Mr. Speaker? I fail to see panic anywhere in the Budget. If good housekeeping can be called panic then maybe the definition fits. I would be inclined to call it a moderate Budget, a stable Budget. Certainly the individual taxpayer is not going to cry panic. There are no tax increases for individuals and only minor ones for corporations.

An Hon. Member: — A hold-the-line Budget!

Mr. Heggie: — I would not even say it was a hold-the-line Budget either, because it does reflect some imaginative programs in many directions as indicated in the Speech from the Throne.

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Mr. Speaker, I, like the Provincial Treasurer, am prepared to call it a responsible Budget and I will support it with enthusiasm.

Some Hon. Members: — Hear, hear!

Hon. W.R. Thatcher (Premier): — This afternoon, I propose to deal very briefly with only one aspect of the Budget, the proposal which is being made by this Government having to do with the estates tax. The Government contends that passage of this legislation is vital to the preservation of the family farm and it is vital to the preservation of many family businesses. As Hon. Members know on both sides of the House the estates tax is a Federal tax. It is not within the power of the Government or the Legislature to change the rates or amounts involved.

How is the estates tax applied? At the present time, the Federal Government levies a tax on the portion of the estate of a deceased person in excess of \$40,000. The Federal Government keeps 25 per cent of the amount and hands over 75 per cent over to the various provinces. Our Government has felt over the years that the estates tax was, in the main, undesirable for a number of reasons.

First, and I cannot emphasize this too much, we believe that that particular tax has worked real hardship on farmers. In the past decade, land values in Saskatchewan have gone up three times, four times and even on occasion five times. When a farmer died, the estate was valued by the Income Tax people at the inflated price. The heirs were left an estate consisting mainly of land but they were obliged to pay the estates tax in hard cash. Frequently this has meant that land has had to be sold to meet the tax liability.

Now in the second place, we have felt on this side of the House at least that the estates tax has been a form of unfair double taxation. It has been a device by which the governments have been able to dip their fingers into private savings. Let us remember that in essence the estates tax places substantial additional levies at death, upon earnings which have already been heavily taxed. The majority of estates, subject to death tax, are created through personal savings and through sacrifice. I believe that this particular tax discriminates against the thrifty and against the industrious. Surely from a social point of view it is extremely unfair when the state takes away capital from those who have made economic sacrifices only to use it to benefit those who have refused to make the same sacrifice.

I am going to suggest in the third place that the estates tax rates which we have had in the past have caused a flight of capital from Canada and the Province of Saskatchewan. Unfortunately our extreme climate exerts a strong pull for retired persons to leave this province. They move to British Columbia, or they move to the United States, in some cases to the Bahamas. Usually they take their money with them. Now in addition because of the very high estates tax rates in the past, numerous prosperous people have determined to escape from this form of legal pilferage. They have established domicile out of the country, and have transferred their wealth from Saskatchewan to areas where tax rates are either lower or non-existent. I am sure Hon. Members can think of many examples, I mention only two. In the city of Moose Jaw we had a man called Mr. Hal Berry who

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was formerly president of National Light and Power. He moved to the Bahamas and took his whole estate with him. I think of Mr. Bob Kramer of the city of Regina, one of our wealthier citizens, again who moved to the Bahamas. I suppose mainly to avoid paying the very high rate of estates tax. I suggest that removal of such estates is an economic hemorrhage which capital-short Saskatchewan can ill afford to lose.

In the fourth place, the present estates tax contributes considerably to the growth of foreign control over Canadian industry. I am sure my hon. friends opposite wouldn't want that to continue. Up until yesterday, many prosperous business owners were faced with the demand for payment in cash within six months of death, in order to meet impending taxes. To make certain that the estate is liquid, they have felt obliged to sell their business. In far too many cases, they sold out to Americans, because the American companies had the required cash. There have been some minor modifications in the latest legislation as far as time limits are concerned, but in my opinion they are still inadequate.

I think in the fifth place, Hon. Members should realize that death duties rob this country and rob this province of many experienced managers and entrepreneurs in their prime of life. They simply move to areas where the taxes are not so high. It is inefficient and uneconomic to create a situation that encourages able people to withdraw from active participation in business long before they should when the country is so short of skilled managers.

I am going to suggest to you finally, Mr. Speaker, that the estates tax even as it was destroys incentives, because what small businessman, what farmer will spend money to improve and expand his operation, if by so doing he is simply subjecting his property and his heirs to a crippling tax payable on his death? Surely this situation encourages economic stagnation, rather than stimulating the growth which Canada needs so badly.

Estate taxation is often justified by the contention that redistribution of wealth is good for the country as a whole. I contend that there can be no permanent gain to anyone through the mere scattering of existing wealth. I understand that the Opposition critic of this Budget suggested that abolition of the estates tax would just help the wealthy, that it wouldn't do much for the poor. Let me say, and I hope that I can give figures later on, that there will be few farmers in this province who will not be affected by the recent changes in the estates tax which were brought in by Ottawa.

One only needs to look to history to find proof that nearly every past civilization hastened its ruin through its dissipation of capital by taxation. Surely modern Britain is the horrible example. A Socialist Government over there imposed unrealistic inheritance taxes which have simply worked havoc with the British economy.

A year or so ago the Ontario Government set up an Ontario Economic Council to investigate the whole estate tax system. They looked into 14 different countries, Canada emerged as the nation levying the highest percentage of tax on capital. This dubious honor was achieved even before the recent changes brought in by the Federal Government.

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In a capital-hungry country, in which we need capital so urgently, where we need an import of capital, one would expect that our economic system would favor private capital formation and retention. Instead, the opposite is true. I might say, Mr. Speaker, that the Ontario Economic Council suggested that Ottawa should remove itself completely from the estates tax field. What irritates me about this particular tax is that, despite all the harm it does, the revenues which Ottawa gets is relatively minor, relatively insignificant.

A short time ago, I think it was two years ago, Alberta recognized some of the problems involved. It passed legislation which rebates the province's 75 per cent share. The Alberta Act provides that rebate can be to any estate where the individual is domiciled in Alberta for at least 183 days of each of the three years immediately preceding death. There can be little doubt about the success of the Alberta legislation. A fairly substantial number of corporations and individuals from Eastern Canada, and even from the United States have moved to Alberta and established residence. There have been about a dozen new stock transfer agents located in Alberta. We have lost numerous citizens who have moved from Saskatchewan over to Alberta simply because of their estates tax legislation. I would like to just quote one line from the Lethbridge Herald of March 8, 1968, and I quote:

An Alberta businessman who had reached retirement age and was considering going to live in the kinder climate of the Pacific Coast, changed his mind almost overnight. He said simply, 'I can't afford to leave this province.'

May I suggest to the House this afternoon that, since Alberta made this move, it is all the more important for Saskatchewan to take similar action, if we are to prevent a further exodus of our people and our capital.

Last October 22, the whole Canadian estates tax picture was abruptly altered, because on that day the Minister of Finance at Ottawa announced far-reaching changes. He proposed savage increases in both the gift and estates tax rates. A levy which was already harmful to the country in my opinion has become almost unbearable. The Government of Saskatchewan has taken the strongest possible exception to the Benson proposals. We have vigorously protested them, both privately and publicly. I personally believe that the Federal Estates Tax Bill to be one of the most iniquitous and heavy-handed pieces of legislation ever introduced into the House of Commons. The rates of taxation almost approach confiscation.

I don't know whether most Hon. Members are aware of some of Mr. Benson's proposals or not. I would like to mention two or three of them this afternoon. Formerly on estates of \$40,000 or less, no estates tax was paid. His October proposal was that the exemption should be reduced to \$20,000. There were tremendous protests which went up across the country, and as a result, Mr. Benson did backtrack somewhat on that suggestion. He introduced amendments which will free from taxes all those estates of \$50,000 or less. However, on estates worth more than \$50,000, we'll say \$51,000 for example, there will be tax on everything above \$20,000, instead of the present \$40,000.

Mr. A.E. Blakeney (Regina Centre): — No!

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Mr. Thatcher: — Yes, that is right!

Mr. Blakeney: — False statement!

Mr. Thatcher: — All right, check it out. That's the way I read the legislation and that's why I say there is not a small family farm in this province that won't be affected by that legislation.

But even if it were \$50,000 it would still be a very critical situation. Now the remainder of his Bill in my opinion is even more unacceptable to Westerners and to farmers. Under the former regulations, estates of \$1½ million and over, paid the 50 per cent. Under the new Federal legislation the 50 per cent rates will apply to the portion of estates which exceed \$300,000. The overall rates almost without exception are sharply upwards. I ask my hon. friends opposite to note that formerly gifts which were made during the lifetime of the individual were not taxed in excess of 28 per cent. Today gift tax will escalate to a maximum of 75 per cent. This clearly means that the making of large gifts will simply stop. I say again, that in my opinion, Mr. Speaker, this legislation despite its modifications is outrageous. How can any government which pays lip service at least to the private-enterprise system, proceed in such a manner? No Socialist administration could have been more arbitrary. I don't think even Tommy Douglas would have brought a bill in like that, because certainly most of the Socialists in Ottawa spoke against this Bill. Now, are our estate laws designed to chastise or to welcome investors and job creators? We contend to this side of the House, and I think a lot of Hon. Members opposite feel the same way, whether they say it or not, that the Federal legislation poses a real and serious threat to thousands of individuals and small businessmen across Canada. But on the Prairies, in addition, it could spell the end of family farms and a large number of them.

Now I have been in politics, Mr. Speaker, on and off, for about 25 years. I have never seen on the Prairies a piece of Federal legislation cause such an outcry. Farm spokesmen have been particularly vociferous in their opposition. I quote A.M. Runciman, President, United Grain Growers Ltd:

The tremendously high levels in the proposed new estate tax and the limitations in the gift tax will take a lot of the will to expand from many fathers and from the sons too.

I wonder if my honorable friends would accept a quotation from Roy Atkinson, president of the Farm Unions. Roy had this to say:

The effect of the present estate tax structure will hasten the demise of the family farm which is disadvantaged because of the lump-sum type assessment.

Mr. Charles Gibbings, president of the Saskatchewan Wheat Pool:

I deplore the estate tax effect on agriculture because of the already formidable obstacles in the paths of young people interested in the business of farming today.

Mr. Alf Gleave, NDP Member for Saskatoon-Biggar:

Young people are already leaving the farm, and if we

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insist on handing them a load of debt that takes eight to 10 years to repay then they will continue to leave.

Mr. Gleave said this new rate will make it difficult for small farms and businesses to continue.

The SARM unanimously passed a resolution strongly condemning the proposals.

Mr. Speaker, our Government particularly objects to the manner in which the Minister of Finance introduced the new Bill, because several years ago, his predecessor, Mr. Sharp promised a degree of consultation with the Provinces before major tax changes which affected them were introduced. That pledge has been completely ignored. Even though Ottawa only gets one-quarter of the revenue, even though the Provinces get three-quarters, there was absolutely no consultation. I say that the arrogant and inconsiderate way in which this new tax was imposed is inexcusable.

One can only have the frightening impression that the Federal Government today views all capital and income as much as the Socialists do, being the property of the state. One is allowed to keep a portion of it as if it is purely a gesture of munificence from on high. Surely it is unbecoming and saddening to see a so-called private enterprise government imposing upon a young country competing for world markets and risk capital, such savage taxation.

Now most people will welcome the provision that permits a husband to leave an estate to his wife without taxation during her lifetime. But let everybody be very clear as to the effect of that provision. This provision represents a deferment, not a tax exemption. In the longer run, as between parent and child, or from generation to generation, the aggregation of gift tax and estate taxes, as proposed by Mr. Benson, represents as I said earlier, little short of confiscation.

Now, Mr. Speaker, for several years our Government in Saskatchewan has been considering abolition of the Provincial 75-per cent share of the estates tax. That proposal was contained in our last election platform. The recent Federal changes have rendered such action infinitely more urgent, more imperative. Thus, as the Provincial Treasurer said in the Budget Speech, we intend to proceed with such legislation at a very early date.

Some Hon. Members: — Hear, hear!

Mr. Thatcher: — The Bill will shortly be introduced which will permit the Province to refund the entire Provincial share of the Federal tax. Make no mistake, we intend to continue and try to persuade Ottawa to abolish the tax completely.

All the mechanics of the rebate will be relatively simple. Under Federal law, each estate will still be required to pay the full tax to Ottawa. Our Government will accept the Federal figures. The Provincial Government will rebate to the estate 75 per cent of the total tax within 90 days, after it has been credited to us by Ottawa. In cases where the assessment is being appealed, the rebate will probably be made after the appeal is disposed of. The residence requirement will be

virtually the same as in Alberta, 183 days roughly for three consecutive years. The regulations governing this legislation will be administered by the Director of Estates Tax Rebates in the Saskatchewan Government Treasury Department.

Mr. Speaker, I think tax reduction is welcome at any time. You have had a lot of it since the Liberals took over five years ago. However, I suggest that the tax reduction proposed by this new estates tax legislation will be particularly valuable to the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Thatcher: — The Bill will help maintain the family farms and the family business. If my Socialist friends want to do that, they better vote for this Bill. The legislation will help stop a flight of capital out of Saskatchewan. Indeed hopefully it will help attract much new capital to our province. If the Socialists want that objective attained, they had better vote for this Bill. The legislation will alleviate a form of unfair double taxation. The Bill will remove the worst effects of the new discriminatory Bill which was passed by the House of Commons yesterday.

As the Provincial Treasurer pointed out in his Budget Speech, we expect that tax rebates in the first year will cost the Treasury \$1½ million. In future years we expect it will cost us about \$4 million annually. We anticipate that rebates will be eligible on estates where the owner has died, on and after April 1, 1969. We expect that this expenditure will be offset to a large extent by the tax revenues accruing to our province, as a result of the capital attracted and retained in our province. I commend this legislation to Hon. Members on both sides of the House as being in the overall interest of the people of Saskatchewan and particularly in the overall interest of the farmers of Saskatchewan. I simply know that not even a Socialist could vote against this Bill.

Some Hon. Members: — Hear, hear!

Mr. E.I. Wood (Swift Current): — Mr. Speaker, in rising to take part in this debate, I would first like to express my congratulations and best wishes to Mr. Barnhart in taking over the position of Clerk Assistant in the House. I would also like to extend my compliments to the Hon. Premier for being able to take part in this debate. We were sorry he wasn't able to take his usual place in delivering the speech on the Speech from the Throne Debate, but we are glad to see him with us here today. I think I noted, Mr. Speaker, that he wasn't quite his usual ebullient self. It didn't appear to me that he took off on quite his usual height of oratory about Socialism. Really, Mr. Speaker, I can't say that I object particularly to that, but I hope that it is not due to ill-health. What he said about the Liberals reducing taxes made me rather suspicious that possibly he wasn't quite as well as he could be at this time.

From the Hon. Member from Hanley's (Mr. Heggie) remarks to us, I might say that I was quite delighted to hear what he said about the health schemes now being on a sound financial basis. I hope that this means that we will not be faced by further cuts in services. I hope he didn't forget what has been said about the cuts in X-ray services and lab services and

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physiotherapy services when he was making these remarks. I also would like to point out to him that in regard to what was said about the comparative grants to universities under the former CCF Government and the present Liberal Government, I think we are all well aware that in the days when the CCF was the Government of this province the University grants from the Federal Government went directly to the University and were not included in the grant from this Government. In these days, it is different. The grant is sent directly to the Provincial Government and is then passed on to the University. Speaking of the \$36 million that was in the Budget this year, when you consider \$23 million coming from the Federal Government in regard to post-secondary education, this doesn't look nearly so big as it does otherwise.

Mr. Speaker, I would like to have a few words to say about the Liberal Government opposite and the position it has taken in regard to the taxing policies, especially concerning this Government's. I would like to say that in the past the Liberal Government has said a great deal about reducing taxes. I would like to give you a quote if I may, Mr. Speaker, from a speech given by the then Leader of the Opposition (Mr. Thatcher) in the 1964 session of the Legislature. He says:

Mr. Speaker, I assure the House and the people of Saskatchewan, that, if the Liberals form a government next June, one of our primary, consistent and determined purposes will be major tax reduction. One, we will reduce the five per cent sales tax immediately to four per cent, and in our first four years of office, will endeavor to get it back to three per cent.

If I may say, Mr. Speaker, not immediately but some eight months later, it did take off the one per cent of the tax but it was again put on again last year. They never did get around to doing anything about bringing it down to three per cent. To continue the quote from Mr. Thatcher's speech:

Two, we will increase the list of goods exempt from sales tax, to include such items as clothing, shoes, which are after all necessities of life.

Well, I'm afraid, Mr. Speaker, they never quite got around to that. They did take the sales tax off turkey saddles, but they put them on soap and detergents, hotel and motel rooms, restaurant meals, etc. Instead of reducing the basis of this tax, they increased it. Returning to the Hon. Member's from Morse speech at that time:

Three, we believe that some method must be found for reducing taxes on land and property, and we will find some method.

Well I guess maybe they are still looking, we hope.

Fourthly, we will permit farmers to use purple gas in their farm trucks. Something my hon. friends year after year have refused to do.

This is one promise they have kept, Mr. Speaker.

Five, we will reduce personal and corporal taxes to a level where at least they are not higher than similar

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taxes in other provinces.

Well they did reduce the income tax, I'll have to say that because after all a lot of their best friends pay a good deal of income tax.

And then he went on to talk about the population figures of Saskatchewan. Those days, Mr. Speaker, all Liberal speakers liked very much to speak about the population statistics in Saskatchewan. In the last few years we haven't heard quite so much about this since the people are shown that they are more inclined to flock out of the new Saskatchewan instead of into it. They are not quite so prepared to speak about these things.

I also have here a quote if I may, Mr. Speaker, from the Hon. Senator A.H. McDonald, who was then the Liberal Opposition financial critic in the Budget Debate of the same session back in 1964. This is the quote:

Mr. Speaker, we have complained about high taxes. They have taken \$20,000,000 away from the taxpayers of the people of the Province of Saskatchewan, more than even they estimated they would. Taxes in the Province of Saskatchewan have hit an all-time high. They are becoming unbearable for many of our citizens. We have people in Saskatchewan today, Mr. Speaker, and I am sure the Minister of Social Welfare knows and if he does not he should get on his horse and get out into the country and see it, for every time a taxpayer goes into a store and pays the five per cent tax, he is paying it with money that ought to be put into food and clothes. And if the Minister of Social Welfare does not know where to find these people, I invite him to get into my car, at my expense, and I will drive him into the communities and take him to visit the homes where this exists.

This was the attitude in those days, Mr. Speaker, that the Liberal Government had toward high taxation. Then Mr. MacDonald went on also to talk about the population statistics in Saskatchewan.

In April of that year the Liberals were elected to form the Government of Saskatchewan. They kept on talking about reducing taxes during their first 3½ years of government and made a really big production of it, until they had cleaned out all the surplus funds left them by the former CCF Government and the people of the province had paid some \$32 million more in property and provincial taxes than they would have if the old rates under the CCF had remained in effect. During their first term of office, Mr. Speaker, they increased the hospitalization and medicare premiums. They put on a new tobacco tax and twice increased liquor prices. They three times increased auto insurance rates and put a 1-cent per gallon tax on gasoline. They raised telephone and fire insurance rates and three times increased university tuition fees. They extended the education and hospitalization tax to cover soaps, detergents, bleaches, etc. They raised grazing leases and a host of other fees. In addition, local property taxes jumped phenomenally during this period.

In all fairness, Mr. Speaker, I must point out that they brought in several tax decreases. They reduced the education and health tax from 5 per cent to 4 per cent. They exempted

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newlyweds from paying the education and health tax on the first \$1,000 of household items. They gave tax-free purple gas for farm trucks. The income tax surcharge was reduced from 6 per cent to 5 per cent and they gave a homeowner grant of a maximum of \$50 per home owner. But all the tax increases exceeded by a considerable amount the tax reductions. But they still kept on talking about tax reduction and how well Saskatchewan was doing until the fall of 1967.

But they couldn't keep up the pretense and keep the true facts from the people of Saskatchewan any longer so they called an election in the fall of 1967. Enough Saskatchewan people believed them to enable the Liberals to squeak back into office. They had played that tax reducing theme just about to the limit. A lot of people were beginning to wonder whether their pocket books would be able to stand the sort of tax reductions given them by the Liberals, but they hadn't seen anything yet.

The new Liberal Government got a new Treasurer and a new taxing policy. They forgot all about the fancy speeches and promises about reducing taxes. They put on a new front. They called this responsibility in government. Whatever they called it the 1968 Budget was a savage increase in taxation. They raised just about every tax in the book except the ones that would hurt the big money people. They didn't raise income taxes or corporation taxes or royalties paid by big companies or anything like that. But they raised by 25 per cent the sales tax, that hits the little people harder than it does the big ones, and extended it to cover motel and hotel rooms, restaurant meals over \$2, telephone, telegraph, teletype, etc. They put a new 2-cents a gallon tax on farm fuel which would raise the price of diesel fuel by about 20 per cent for the hard-pressed farmers. They raised the gasoline tax by over 15 per cent and drivers' licenses by 100 per cent. They increased registration fees for cars, trucks and buses. They again raised the tax on tobacco and cigarettes. They put a tax on sick people going to the doctor or lying in hospitals. They put a tax on cancer patients. They taxed the families of the people in mental hospitals. And the policy of taking millions of dollars from the Saskatchewan Power Corporation and putting it into government revenues instead of giving tax reductions meant that in reality they were putting a tax on the use of the electrical power.

Some Hon. Members: — Hear, hear!

Mr. Wood: — Their policy of starving the schools for funds means a rise of property taxes of I don't know how many million dollars. I am quitting trying to make estimates on current raises in property taxes. Last year I made a guess that property taxes would rise by about \$10 million in 1967. The other day they got the report of the Department of Municipal Affairs and it shows that property taxes went up by not \$10 million but \$12½ million during that year. I may say on this point, Mr. Speaker, that the figures that I made out of this, there was a rise of \$13½ million, but I note that the Department of Municipal Affairs people have said that it was \$12½ million and I think possibly they would know more about this than I would — I might ask the gentlemen in the press gallery to change that figure in my speech if they don't mind — it made me look like such a piker. I said \$10 million. It is actually \$12½ or \$13½ million. It made me look like such a piker that I've quit trying

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to guess how much Liberal policies are costing the property owners of this province.

And believe me they have cost the property owners plenty. During the last six years in which the CCF were in office, property taxes rose by a total of two mills. We do not have the figures for 1968, but in the first four years under the Liberals the property taxes in Saskatchewan have risen by 10 mills, a rise of two mills in six years under the CCF and a rise of 10 mills in four years under the Liberals. Last year, Mr. Speaker, last year, 1967, alone they rose three mills. Never, I think, has there been such an increase in taxation perpetrated by a government that was elected on a basis of tax reduction. And I would like to say, Mr. Speaker, that in actual fact, the property owners of the province are the ones who are paying a good proportion of the costs of the highway program.

Mind you I'm not really criticizing the Liberal Government so much because of the taxes. I'm surely not criticizing the local governments for increasing mill rates. If you have to have the services, we have to pay for them. And even under a Liberal Government, Mr. Speaker, I think we get about as good a return for our tax dollar as for any money we spend. But I think they could be a good deal more selective in what taxes they raise. I think they might well have raised corporation or income taxes or raised royalties on oil or minerals rather than taxing the sick, cancer patients and the families of people in mental institutions. I do think that all the huge increases in tax levies sit rather strangely on a government that was elected on the strength of promised tax reductions. It is things like this that gives politics a bad name.

Then we come to this year's Budget. This Budget has been described as a "hold-the-line" Budget. And that it is. It has held the line except in a couple of instances and I am not here referring to the increase in the acreage tax on mineral lands. I mean the ceiling of \$180 placed on deterrent fees charged to people going to doctors or lying in hospital. From now on they will have the comfort of knowing that, if their family is sick enough or lies in hospital long enough, they will again receive free services after they have paid the Government \$180.

There has also been some relaxation in regard to rebating 75 per cent of the estate tax. This will be much appreciated by those trying to hold the family farm together as well as by the heirs of small businesses, but it will be much more appreciated by the inheritors of the much larger estates.

But otherwise, Mr. Speaker, this is a "hold-the-line" Budget. The Provincial Treasurer (Mr. Steuart) has held the line on the sales tax. He has allowed no reduction in the tax on farm fuels. He has kept the tax on liquor and tobacco. He has not seen his way clear to reduce the 17-cent tax on gasoline. He has held the line on power rates which must be about the highest in Canada. Instead of making reductions as the CCF did six times during their term of office, he has raised from \$3 million to \$4 million the amount taken into Government revenues from the Power Corporation. In the great majority of cases he has held the line on the tax on the sick including cancer patients. He has firmly held the line in regard to collecting the cost of keeping patients in mental hospitals. He has held the line on agricultural lease rentals and on drivers' licences.

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He has held the line in regard to his treatment of our educational institutions. As the Hon. Member from Regina Centre (Mr. Blakeney) has pointed out, the paltry rise in the amount allocated to education will certainly not cover rising educational costs and there cannot but be another rise in the property taxes across the province. As I have said I have quit trying to make an estimate of this but it will undoubtedly amount to several million dollars.

Mr. Speaker, the Liberals would like to have the people of Saskatchewan believe that homeowner grants are the answer to rising property taxes and that they are not made out of taxes but from the increased revenues received from industrial expansion. I consider that they are wrong on both of these counts. In the first year that the homeowner grant as introduced, theirs was an increase in property taxes in the province of some \$9 million against which this \$8 million of homeowner grants could be considered as in a general way. Of course these grants didn't always go to the taxpayers that were paying the most money, which is possibly a good thing, but they could be considered in a general way offsetting the rise in property taxes. Since that time, however, there have been further increases each year in property taxes, but the homeowner grant has remained the same. If in the coming year the homeowner grants were to keep up with the property tax increases since the grant's inception, it would have to be at least four times that which is contemplated in this Budget.

Some Hon. Members: — Hear, hear!

Mr. Wood: — Yesterday the Hon. Member from Regina Centre (Mr. Blakeney) showed how the rate of increase of Government revenue from industry has slowed down. Actually instead of being paid from these sources the homeowner grant is paid out of the receipts of taxation just as much as any other Government expenditure.

Some Hon. Members: — Hear, hear!

Mr. Wood: — Mr. Speaker, this is certainly a hold-the-line Budget. I don't think it brings a great deal of credit to a Government that has made such big talk in the past about tax reductions. And I am about up to here, Mr. Speaker, in hearing about this being the fifth balanced Budget by this Liberal Government. It conveniently forgot about the various Government funds set up by the former CCF Government and cleaned out by the Liberals to make its first three Budgets appear to be balanced. Paying as you go, Mr. Speaker, is a new-found virtue for this Liberal Government. But it was nothing new for the former CCF Government. In our 20 years of office we had not five but 18 balanced Budgets. And one of these, Mr. Speaker, that was introduced, not a balanced budget, was balanced before the year was out. Besides this we cleaned up \$157,307,000 of dead weight debt left to us by the former Liberal Administration and we left net assets of \$33 million besides some \$12 million in the Medical Care Insurance Fund, the Students' Loan Fund and the Saskatchewan Public Administration Foundation. This is what I call paying as you go.

The other evening speaking on television, the Hon. Provincial Treasurer (Mr. Steuart) said, "Saskatchewan was in the best

financial position of any province in Canada and that this was a result of policies of this Liberal Administration". Mr. Speaker, he certainly has a short memory.

Some Hon. Members: — Hear, hear!

Mr. Wood: — Mr. Speaker, much has been said in the press and elsewhere about the wheat situation in this province, but I fail to find any item in the Budget that would indicate that this Government is going to take definite and active steps to do something about it. I realize that this situation is probably not nearly so bad in that part of the province which I represent. But inquiries have come to me as to the availability of dryers, and I have made rather extensive inquiries and have been unable to locate a single commercial dryer for rent or hire in the whole area. Undoubtedly one main reason for this has been the lack of effective demand by the farmers themselves. Very cold weather and blocked roads have made action on their part difficult. There may also be a wide-spread feeling that the situation is really not serious there in regard to damp grain. But in other ways it is certainly not good. Our shipping point has a 2-bushel quota and this quota has not been delivered. The last time I inquired, which was just the other day, not one car had come to the Pool elevator since the middle of last December. North of the river in parts of the area of the Hon. Member from Elrose (Mr. Leith) the situation is even worse.

I am as sure as I want to be that when the weather warms up, there will be many farmers in our area that will be wanting to do something about protecting their grain. When that time comes, I hope that equipment will be available to allow them to put their grain in condition without insufferable hauling costs. I don't think all the responsibility for this should be left to the grain companies and the farmers themselves. I fully realize that the Government opposite makes no claim to being a Socialist government, but it can hardly use that for an excuse for shirking its responsibilities entirely.

Some Hon. Members: — Hear, hear!

Mr. Wood: — I'd also like to say something at this time, Mr. Speaker, about hog production facilities and crop insurance. Two items in the Budget upon which I would like to comment are the grants for improvement of hog production facilities and contributions to the Saskatchewan Crop Insurance Fund. I am pleased to note that the first has been continued at \$350,000 and the latter increased from \$500,000 to \$727,000. I would like to point out, however, that neither of these is available in the great southwest. The grants for hog production facilities are only available to farmers in what has been classified as the area under the Agricultural Rehabilitation and Development Act, and that does not include the southwest. It is true that the Federal Government only assists with these grants in the ARDA areas, but there are many young farmers in our part of the country who would like to get started in hogs, but this assistance is not available to them. I think that the Government should be able to do something about this inequity out of their own funds without going to Ottawa.

Much the same situation exists concerning crop insurance. This program is a good thing, and I do not wish to detract in

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any way from what has been done by this Government and the former CCF Government in this regard. I realize that there are problems involved in making it available to all the farmers but the Southwest is where they really need such a program. We don't have it and are not able to get it. I am sure that the Liberal Members from Shaunavon, Maple Creek, Gravelbourg, Notukeu-Willowbunch, Elrose, Kerrobert-Kindersley, and Morse will support me in this.

Some Hon. Members: — Hear, hear!

Mr. Wood: — After all, if we have millions of dollars to help mining companies and to bring in other industries, why not something for the farming industry?

Another thing in this Budget with which I am pleased is the \$15 million provided for the Municipal Finance Corporation. For many years the Government has been buying local Government Board issues with monies from various funds at their disposal, which has been a tremendous help to these organizations in disposing of these issues. However, especially, in the late years the demand for financing of municipal construction, schools and hospitals has been such that local governments have been forced to go to the Eastern money markets to sell their debentures. There they were unknown. No one knew whether they were a good risk or not, and it is difficult for them to dispose of their debenture issues, even at higher rates of interest than that at which Provincial bonds could be sold. For some time the municipal organizations have been asking for a set whereby the Provincial Government would borrow the money at lower interest rates than at which they could obtain it and lend it out to the local governments. Even if the Provincial Government charged for the cost of providing this service it would mean cheaper money for local capital programs.

A couple of years ago our CCF Provincial Convention passed a resolution asking the Liberal Government to do something about this. About the same time the Liberal Provincial Convention asked the Government something along this line. Two years ago the Hon. Member from Cannington (Mr. Weatherald) brought a Resolution into the House asking for the consideration for such a program and it was unanimously carried. Last year the Hon. Member from Regina South East (Mr. Baker) brought in such a Resolution which I seconded and it was approved unanimously by the Legislature. Still the Government took no action. Frankly I could see no reason for the delay. It costs the Government little or no money. The money which would be provided would not be an expenditure but an investment in the schools, hospitals, streets and water and sewage installations of the province which would be of real benefit to its people and for the payment of which local governments would take full responsibility. I am pleased, however, that the Government has finally seen the light and is now providing in this Budget to borrow \$15 million for this purpose.

Mr. Speaker, I am very interested and more than somewhat pleased with the Provincial Treasurer's (Mr. Steuart) announcement regarding the calling of a Provincial-Local Government Conference to discuss municipal reorganization dealing with boundaries, responsibilities and revenues. As some will recall, I was very much involved in these things a few years ago. I can't brag about the job I made of it, but I have not yet been

convinced that we were not on the right track. Talking to municipal people and others throughout the province, I find that there is a definite trend to this kind of thinking. The words of the Provincial Treasurer in announcing this conference, were considerably different in tone from speeches made by Liberal candidates in the 1964 election. I believe that there is a growing realization that some reorganization of our 60-year-old municipal system is becoming past due. I am glad to see the Government face up to its responsibilities in this regard and I wish it success. I hope it is not thinking of only some sort of haphazard patchwork of municipal amalgamations, but a framework of boundaries and responsibilities that will be acceptable and serviceable to the people of the province for many years to come.

I notice there is an item of \$1,068,000 included in the Budget for the setting up of an Indian and Metis Department. I certainly welcome anything that will help these people. Their situation is becoming a continuing festering blight upon our society and our economy. No society can be a happy one when such a large segment lives in squalor and deprivation. And no economy can be considered prosperous when so many have a substandard living. There is little doubt that we all would be a little better off if all our citizens were able to partake in and contribute fully to the general good. If the setting up of this department can help to do this, I am all for it. I sincerely hope that the established rights of the Indian people are not interfered with, and that neither our Indian nor Metis people find that the setting up of such a department worked in any way against their being brought more fully into the mainstream of the life of our community.

Mr. Speaker, one item that I notice lacking from the Budget is provision for paying the Province's share of a winter works, incentive program. I am quite sure that the Government opposite is not included this year, but it is because its blood-brothers in Ottawa decided to scrap the program.

As a former Minister of Municipal Affairs and a member of the Public Accounts Committee, I realize that there have been some difficulties in administering this program. But these difficulties are surely not insurmountable, and taking them into consideration, this program in the past has meant a good deal to the people and municipalities of this province. Without it many good and worthwhile public buildings and work programs would not have been undertaken. Certainly its lack has been reflected in the unemployment situation this winter, and in many other ways it will be missed. I believe the Federal Government has made a mistake in discontinuing a valuable institution.

Mr. Speaker, reference has been made to the implementation of the Saskatchewan Plan for Psychiatric Services. If the Weyburn Mental Hospital is to be phased out there will be much greater need of psychiatric services in other places. I would suggest to the Minister of Health (Mr. Grant) that a very suitable place for such would be in connection with our Union Hospital in Swift Current. We now have a very good mental health clinic there under the guidance of a regional director, and it would be very logical to have a psychiatric wing in our Union Hospital. I sincerely hope that the Minister has this in mind.

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Another item which I would like to draw to the attention of the Minister of Education (Mr. McIsaac) is the matter of regional libraries. I note there is an item of \$273,000 in the Budget for this, but I have heard no mention of the Chinook Regional Library. The people in the Southwest have done a great deal of work on this and they are all ready to go. I sincerely hope a regional library for the Southwest is included in the Government's plans.

Now, Mr. Speaker, I am rather sorry the Provincial Treasurer (Mr. Steuart) is not here at this time, but I would like to read a letter, if I may — I am prepared to table it if the House wishes — which I received the other day:

A few lines to suggest that you take the first opportunity to chastise the Deputy Premier of Saskatchewan for his callous disregard of the feelings of the Premier of New Brunswick at the Federal-Provincial Conference of Premiers just recently concluded. Mr. Steuart went out of his way to deride the people of the eastern provinces who sent so much in the way of food to the people of Saskatchewan during the hungry years. He mentioned that New Brunswick had sent a few carloads of dried fish and that . . .

All right laugh, that reveals something.

he could send them a few carloads of damp wheat in repayment, if that would make the eastern people stop from mentioning their helping of the people of the West in that way.

Mr. D.M. McPherson (Regina South West): — That was Woodrow's idea.

Mr. Wood: —

During the discussion which I happened to be watching when the above subject came up, I distinctly heard someone, presumably from Saskatchewan, in a sneering way say, 'Dried apples,' when the New Brunswick Premier mentioned the aid to the West. I personally helped to distribute some of the cases of food that were sent to Waldeck and Rush Lake and delivered some of them to some people, who had no transportation, in my old Model "T" car. These people, including my own family, were very glad to receive the foodstuffs.

When the SFU tried to arrange gifts of money or grain to help the farmers in Ontario and Quebec where they had just come through the fourth year of drought in 1967 . . .

He says here:

I did not hear of the Saskatchewan Liberal Government doing anything to alleviate their distress.

I'll table this letter if you wish me to, Mr. Speaker.

Now, Mr. Speaker, I would like to say that, because the Budget which we have before us has failed to remove gross inequities in taxation and because it can be calculated to even more heavily increase the burden of property taxation throughout the province, I will support the amendment but I will not support

the motion.

Some Hon. Members: — Hear, hear!

Mr. F. Meakes (Touchwood): — Mr. Speaker, in rising to take part in this debate on the 1969 Budget, I think the best word that I can think of to describe is ‘insipid.’ I am reminded of the quotation from Mark Twain when he was talking about Mrs. Jones’ soup in which he said that the soup had been boiled in the shadow of a pigeon that had starved to death. I look at this Budget as the representative of Touchwood, I look at it in the light of what it would mean to the people of Touchwood. I find it wanting on many scores. I believe that the emphasis of the Budget in many ways is in the wrong way. But I want to examine it for a few of these things in detail.

I want to mention first, one of the great problems of Touchwood and that’s the problem of high taxes and particularly on property. I know that last year alone the taxes on my house jumped over \$50. For four years now there has been this same trend, up, up, up. The increase in taxes in the last four years has been much greater than the annual homeowner grant and I want to ask this House why all these increases. I want to suggest first that it is because the Government is really starving the municipalities; it is not giving enough to education. And because of this all the costs continue to rise for both local governments.

I want to also suggest that one of the reasons for the increases is that this Government over the last four years has been squandering the taxpayer’s money. It has squandered in building ivory towers for the Ministers; it has squandered it in building highways. The questions last year answered by this Government showed that it issued tenders, it accepted tenders and then later it went on paying great sums of money, much more than what the tender was. It went on indiscriminately building four-lane highways, and I suggest that this is one of the places where the priorities as far as I am concerned are wrong. We would all like four-lane highways in all parts of the province, but I want to point out that a good many of my constituents never drive on one for the whole year. The poor taxpayer is just loaded for bear. I would like to quote, Mr. Speaker, from certainly not a Socialist paper, but Canada Monthly, and I think it describes very well the situation of the taxpayers in Saskatchewan. It says, quoting Tolstoy:

I sit on a man’s back, said Tolstoy, choking him and making him carry me and yet assure myself and others that I am very sorry for him and wish to lighten his load by all possible means, except by getting of his back.

This is the attitude of this Government across the way.

I think one of the greatest burdens on any of the people of my constituency is on the old age pensioners and on those of fixed assets, fixed income. In talking to them, and I talk to lots of them, many of them tell me that they are eating less, there has been no decent rise in their allowance. They tell me because of deterrent fees they are going to the doctors less. Some of them are getting their taxes in arrears on their houses. As one of them said to me, “We are the forgotten ones.” These people slaved for 50 years opening our country, paying the taxes

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and now they are kicked in the teeth. I want to say that there is money apparently in the Budget for four-lane highways, for executive airplanes, increased Cabinet Ministers' salaries. I want to point out I noticed this fall it was for over two months that the people were working on the Minister of Public Work's Office (Mr. Guy). All these things seem to be more important than old people, or those "bums", "cheats", and "no goods", that the Premier (Mr. Thatcher) one time referred to. I want to suggest that this is a typical Liberal attitude; they have always been thus.

I'm tempted to tell this House about back in my early childhood, the teenage part of my life, to tell about the cruelty and the callousness of a Liberal Government through the 1930s and 1940s. I lived through those years when farmers were kicked off their farms and whole families lived on \$5 a month. I am not going to go into details, I just say that this present Government is just no different.

Some Hon. Members: — Hear, hear!

Mr. Meakes: — I want to deal with the state of agriculture in my constituency. In a previous debate I talked about the complete bungling of damp grain by this Government and the Government in Ottawa on damp grain. But I want to point out, Mr. Speaker, to this House that damp grain is but a small part of the whole problem facing agriculture. The whole agricultural industry is sick. Damp grain will be the straw that broke the camel's back or rather breaks the camel's back for many farmers.

I want to report again that over 60 per cent of my farmers haven't sold a bushel of grain since the first of August. Some of them have been borrowing to dry their grain. As I said before they have already taken out their \$1 a bushel advance. They know right now that they are going to be in the hole because their wheat will only bring them about \$1.07 a bushel. They are still owing on their fuel and repairs, and their credit is cut off. The fuel dealers, machinery dealers, the storekeepers, these people have been good and they have carried them, but now these businessmen are forced to refuse any further credit. In many cases they are on COD. In the year when the crop was under the snow, I believe it was 1959, a CCF Government spent \$6 million towards helping the farmers. You know, my hon. friends across the way are always screaming about Socialism. Well if that was Socialism then I am proud of it and proud that I am a Democratic Socialist.

But this is not the only problem of agriculture. The high cost of production is going higher and higher year by year. What has this Government done about it? Well, property taxes have increased every year since 1965. I can remember in this House and all over the province in 1963 and 1964, and as my hon. friend, the Member from Swift Current (Mr. Wood) quoted, the Liberals went out screaming that property taxes were getting outrageous and that the Liberal Government would reduce taxes.

At this point, Mr. Speaker, I would like to quote some figures on what taxes have done in one of my municipalities since 1964. This is the RM of Garry No. 245.

Mr. B.D. Gallagher (Yorkton): — How much money they . . .

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Mr. Meakes: — That didn't do them much good when you look at the taxes.

Mr. Gallagher: — Tell the whole story.

Mr. Meakes: — If my hon. friend would just keep his mouth shut and his ears open, as I told him last time, he might learn something. I challenge him, I will go with him anytime into that municipality, because that municipality lies within both our constituencies and we will debate it with the council and see who wins out. I'll take a half section of land with an assessment of \$5,850. In 1963 the tax on that half section was \$420.07; in 1964 it increased by \$7 to \$427.88; in 1965 it went up to \$468.69; in 1966 it went up to \$512.71; in 1967 it went up to \$518; in 1968 it went up to \$526.50, an increase from 1963 to 1968 of \$106.43. Let me take another example, a half section of land with an assessment of \$3,800. In 1963 the tax was \$269.67; in 1964 it was \$268.51; in 1965 it was \$295.11; in 1966 it was \$323.61; in 1967 it was \$331.12 and in 1968 it was \$342., an increase of \$72.35. And I don't care how my hon. friend from Yorkton (Mr. Gallagher) wiggles and twists, he cannot deny that those taxes have increased and the \$50 homeowner grant is just peanuts, including the . . .

Mr. Gallagher: — Mr. Speaker, I wonder if the Member (Mr. Meakes) would mind telling the House who gave him the figures, if it was the Municipal Secretary Mr. Kuziak.

Mr. Meakes: — Yes, it was.

Mr. Gallagher: — Well, I don't know if the figures would be right.

Mr. Meakes: — If my hon. friend over there would like to insult the councillors of Garry municipality in accusing that the secretary controls them and increases the taxes. It so happens my hon. friend knows that the majority of the councillors of Garry municipality support his party and not mine, or they did, but they won't from now on after this. What I am really trying to say, Mr. Speaker, if this is a reduction, what would it be if they were increased?

The other side of the coin is the returns to farmers, their returns have decreased in the last 20 years. Wheat is actually lower than it was in 1947. Machinery costs have gone up three or four times as much as they were in 1947. So what has the Liberal Government here or in Ottawa done about it? Mr. Speaker, I want to suggest to you that they just buried their heads in the sand.

I want to also suggest, Mr. Speaker, that we are facing the whole problem of grain not being delivered, not getting to the market, I want to suggest that this Government and the Government in Ottawa don't really want to solve this problem. They don't really want to solve it. Why? Because they believe really in monopoly capital. They worship at the shrine of corporate enterprise. And I want to suggest that a Liberal Government will never act to assist the farmer or the worker. Rather it will try to drive a wedge between these two groups of

people.

I want to point out that in my constituency and all across this province, the small farmer, the quarter-section farmer, has vanished. The small farmer has vanished and the family farm is gradually vanishing. And when that comes then will come corporation farming, corporation farming such as you see in some parts of the United States which has completely destroyed whole communities. In my opinion, Mr. Speaker, this is really what this Liberal Government wants. It really doesn't want to have the small farmer around, he can raise too much trouble. He is too much of a bother. I would like to challenge the Minister of Agriculture (Mr. McFarlane) to really cite one thing that this Government in the last four years has done to help the little fellow out. All it talks about is production, but it doesn't talk about who will do the producing. Apparently its goal is to produce as much agriculture products as possible, period. It doesn't matter if it is produced by large corporate monopoly farms or whether it is produced by the small farmer.

Now let us look at what a Liberal Government in Ottawa has done. It has bungled the movement of grain to the market. Here we find out after months that the elevator terminals were empty or they had the wrong grain on hand; ships had been waiting to be loaded and no grain to fill them. It seems to me that the railways have been dragging their feet and I want to suggest to this House that the main reason they dragged their feet is that there is too much money in shipping potash and other things. They are not worried about whether we get our grain to the terminals or not. Our markets are being lost to other countries, and the eloquent Prime Minister (Mr. Trudeau) of ours shrugs his shoulders and says, "It's the farmer's job to sell the wheat." I want to suggest that if ever the Liberal party showed its true colors, it's now. Is this the famous private enterprise it worships? If it is, then I am proud to be a Democratic Socialist. And I am not alone in what I think. I want to point out that on February 12, a press release of Charles Gibbings speaking in Saskatoon, called for an agricultural committee of Parliament to come out west.

I want to also point out that we called for this back in September. A New Democratic executive meeting in Regina over the weekend sent a telegram to Prime Minister Trudeau:

The executive of the Saskatchewan New Democratic party regrets the lack of any useful reference in the Speech from the Throne to solve the immediate problems of unsold wheat. We urge that an agriculture committee of Parliament hold immediate public hearings in the Prairie Provinces. This will assure that the Parliament is fully aware of all the grave problems facing the prairie farmer and indeed our whole economy.

Then the Minister of Agriculture (Mr. McFarlane) and the Premier of this Province rush around talking about diversification. The financial critic (Mr. Blakeney) yesterday very eloquently proved with the Government's own figures that the boasts of this Government are not true, that the programs of this Government have failed, and that diversification has not bolstered the economy of this province.

I want to ask why diversification hasn't grown the way that it should. The farmers know that without price stability

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that they can lose their shirts by expanding into either pork or beef. Records show that every time in the last 15 years, for instance when the price of pork rose, farmers went into more production and immediately the price fell. So I want to suggest to you that diversification hasn't been successful.

I am reminded of an old friend of mine a long time ago talking about the policies of the Liberal Government, which was headed by the Minister of Agriculture (Jimmy Gardiner). He was talking about how he always listened to Jimmy Gardiner's advice. "You know," he said, "when Jimmy Gardiner tells me to grow wheat, I don't, because I'll make money, and when he tells me not to grow wheat, I grow wheat because I know I'll make money."

Until a farmer is guaranteed a fair price for his product he cannot diversify with safety. This Government can lend all the money it wants in programs, but unless there is some stability in the price for the product he is liable to lose his shirt. And I want to suggest that the record of this Government is a disgrace. The Minister should resign. It is interesting to note that this is why this Government doesn't call an election in Kelvington. They would lose their deposit.

Indeed, I notice that they hide the Kelvington seat in the men's washroom amongst the garbage barrels. This is what they think of the people of Kelvington. This is a Government doomed to oblivion and defeat. We have heard the Members opposite speak of elections. This one complains about the results of the recent Regina civic election, the next one talks about the New Democratic election defeats in 1962, but, Mr. Speaker, the election they are not talking about — the election they wish would go away — is the Kelvington election of 1969. They fear that election, for good reason they fear that election, they know they are doomed. Since this Government was elected in 1964 in not one single by-election has it improved its position. It's been all down hill, it has seen large majorities dissolve like snow in the spring, but in Kelvington there is no majority. It knows it is doomed and this is why it is not calling an election. This is no excuse for depriving the people of Kelvington of a Member to represent them in this Legislature.

I would like to turn now to say a few words about the sick tax. You know the Premier (Mr. Thatcher) and the Minister of Health (Mr. Grant) have been rushing around making wild statements that deterrent fees, or sick tax as I think of it, would reduce the financial problem for the province. We prophesied a year ago what would happen and we were right. I can't help but think, Mr. Speaker, of the two months every day that I spent visiting at the Regina General Hospital this summer. My mother was sick and I didn't miss visiting her a day for two months. I remember some of the stories I heard and the people I talked to. It makes me feel like crying.

I think of two or three old age pensioners who told me that, even while they were paying the \$2.50 a day, they still had to pay their rent on their dwelling in which they were living. I think of a mother that I talked to who had two children in the hospital at the same time. They had already been in 21 days and she was paying \$2.50 for each one of them. I think of the victims of a car accident, three in one family, paying \$7.50 a day. I think of a young mother hovering near death for over 10 days, and her husband driving over 100 miles

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back every night so that he could work the next day and come back and visit her the next night and paying the \$2.50 per day.

I want to suggest that there is only one name for a government of this kind. I used it last year and I'll use it again. It is a blood-sucker government. As I said a year ago, it is a Robin Hood in reverse. It takes from the poor and it gives to the rich. I want to point out that the sick tax only deters the poor from going to the hospitals. People who are wealthy go. We hear of some of them who enter regularly.

I want at this point to just review the Liberal record over the last few years. In 1959 the then Premier of this province, T.C. Douglas, announced a plan in this House. The Liberal Members who were then in opposition laughed at it. Again in 1960 they went around this province laughing at it. In 1961 the Liberals opposed the legislation but voted for it on second reading and against it on third reading. In 1962 in May we found Liberal speakers including one now Senator MacDonald who went around speaking to KOD rallies. In June, the then Leader of the Opposition and now the Premier (Mr. Thatcher) kicked the Legislature door. What happened by 1964? The Liberals became a "Me too," government.

A "Me too, we are in favor of it," they said. Ever since they have been sabotaging the plan, gradually eroding the benefits, benefit by benefit, X-rays, physiotherapy, deterrent fees, anything to destroy the plan. And I suggest it is all aimed at turning over medical insurance to their friends, the private insurance companies. Mark my word, the Liberal party will suffer for this. They will suffer for their sabotage of the plan. You know, Mr. Speaker, I tried and I thought and I thought how best to describe the actions of this Government. My mind went back to that poem that was written in 1903 by Robert Southey. "The Inchscape Rock." With your permission, Sir, and with apologies to the author, I would like to put it on the record:

No stir in the air, no stir in the sea,
The ship was still as she could be,
Her sails from heaven received no motion
Her keel was steady in the ocean.

Without either sign or sound of their shock,
The waves flow'd over the medicare rock;
So little they rose, so little they fell
They did not move the medicare bell.

The Saskatchewan CCF block
Had placed that bell on the medicare rock;
On a buoy in the storm it floated and swung,
And over the prairie its warning rung.

When the rock was hid by the surges's swell
The people heard the warning bell;
And then they knew the perilous rock,
And blest the Saskatchewan CCF block.

The sun in heaven was shining gay,
All things were joyful on that day;
That sea-gulls scream'd as they wheel'd round
And there was joyance in their sound.

The buoy of the medicare bell was seen

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A lighter speck on the prairie green,
Sir Ross the Rover walk'd his deck
And he fixed his eye on the lighter speck.

He felt the cheering power of spring,
It made him whistle, it made him sing;
His heart was mirthful to excess,
But Sir Ross's mirth was wickedness.

His eye was on the medicare float;
Quoth he, 'My men, put out the boat,
And row me to the medicare rock,
And I'll plague that Saskatchewan CCF block.'

The boat is lower'd, the boat men row,
And to the medicare rock they go;
Sir Ross bent over the boat,
And he cut the bell from the medicare float.

Down sunk the plan with a gurgling sound,
Deterrent fees rose and burst around;
Quoth Sir Ross, 'The next who comes to the rock
Won't bless that Saskatchewan CCF block.'

Mr. D.M. McPherson (Regina South West): — Well read, Frank.

Some Hon. Members: — Hear, hear!

Mr. Meakes:

Sir Ross the Rover sail'd away
He scour'd the world for many a day;
And now grown rich with plunder'd store,
He steers his course for Saskatchewan shore.

So thick a haze o'erspreads the sky
They cannot see the sun on high;
The wind hath blown a gale all day,
At evening it hath died away.

On the deck Sir Ross takes his stand
So dark it is they see no land.
Quoth Sir Ross, 'It will be lighter soon,
For there is the dawn of the rising moon.'

'Canst hear,' said Davey, 'the breakers roar?
For methinks we should be near the shore.'
'Now where we are I cannot tell,
But I wish I could hear the medicare bell.'

They hear no sound, the swell is strong,
Tho the wind hath fallen, they drift along,
'Till the plan strikes with a shivering shock —
Oh heavens! It is the medicare rock."

Sir Ross the Rover tore his hair;
He curst himself in his despair;
The people rushed in on every side,
They won't let the plan sink beneath the tide.

But even in his dying fear
One dreadful sound could Sir Ross hear,

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A sound as if with the medicare bell,
The voters below were ringing his knell.

Some Hon. Members: — Hear, hear!

Mr. Meakes: — Fairly good, isn't it?

Hon. D.G. Steuart (Provincial Treasurer): — Then the people rang the bell and the CCF went out of office.

Mr. Meakes: — That doesn't rhyme, though, Davey.

Some Hon. Members: — Hear, hear!

Mr. Meakes: — I've got lots of time.

Some Hon. Members: — Hear, hear!

Mr. Meakes: — Right now, Mr. Speaker, to turn to another subject, social welfare. It seems to me that the social welfare program, not only in this province but in Canada, is geared to make it hard for those in need to get assistance. It seems to me, but I think of some recipients and it seems to me that the field staff at times either have very little heart or very little knowledge of how some people have to live. It seems to me that the people who need help, feel they really have no friend to turn to. They're expected to appear at a regional panel. I know of one case who was never told that she might have to take somebody with her to have assistance. I can't help but feel that regional administration is not as good as when local people administer it, although if it is to be this way, then I suggest that regional administration should seek a lot more advice from local people, for they know the local individual cases.

I turn to nursing homes. There's such a great need. There's so many old people in need. I'll admit that this Government and before this Government, the previous Government had done something, but it seems to me that it is not doing enough. It's just too costly for many of the old age pensioners. Now I want to give great credit to many church organizations that are working in this field. It seems to me there's need of more of them in rural areas so that people can be closer to their families.

I want to talk about my own case, my own mother who was first in Qu'Appelle House and later in Santa Maria. I want to pay tribute to these people in charge of these homes. I couldn't help but think, when she was there, if only there was more room for old people who needed this care. When I look at the waiting list at Pioneer Village and other homes, it certainly proves that there isn't enough of these homes. Looking at the Budget, it seems to me — and the Minister (Mr. Steuart) can correct me if I'm wrong — there's going to be less money, that the homes will receive less money in the way of grants and maintenance. I hope I'm wrong but I see the figures reduced. It certainly looks to me that there's going to be less money for capital building. I hope I'm wrong but I want to point out again, as I did before, that there's money for executive airplanes for the Premier to rush around the province and the cost of that one airplane would have gone quite a way towards another home.

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I understand there's a possibility that the Provincial Government may be taking over the Indian Social Welfare. I don't know whether this is true yet. I know that there's been some work on it. All I can say is I hope we can do a better job than what Ottawa has done. Certainly the rations program of Indian Affairs in the last 30 years, there's only one word for it, and that's a disgrace. It seems to me that the sooner the decisions on social aid are put in the hands of the band councils and the Indians themselves, the better. Too long the white man has done all the thinking and all the deciding. Some social worker going out with a \$300 fur coat on the reserve to talk to Indian people is only going to make them this much more self-conscious. It seems to me that unless we give the Indian the responsibility to run his own business, we may well face the same problems of the ghettos of the United States. It seems to me — and I'm not now talking about this Government, I'm talking about us as a whole — we have tried to mold the Indian into the shape and into the square of the 'mooneas' or the white man. I often wonder why, because their way of life is in some ways superior to ours. I see there's a Bill on our desk forming an Indian Affairs Department, I'm prepared to go along with this, although I sure hope that this department will do a lot better job than the Indian Affairs Department has done for the Indians of Canada through the years.

I don't know, I say this, I don't speak for my party, I speak for myself, it seems to me that in setting up this Department of Indian Affairs that we also plan for its demise in X number of years from now. Some time in the future all the services that Indians get should come from the same department as we would get it from the white people. It seems to me that the important thing is that we give these people an opportunity to support themselves, an opportunity for the Indian to face the sun and say, "I'm my own master."

I know that on two of the reserves in my constituency, a PFRA pasture is now being planned and worked on. I was happy to see that the Indians were given the job of cutting the lines for the fences. I only hope they'll get the job of fence-building and I hope they may become the herdsmen in the pasture in the future. I hope that we can evolve programs that will allow the Indians to use those pastures themselves. All this would be so much better than social aid.

Another area that I want to mention is that I certainly hope that we take over the child welfare of Indian Affairs. We in the Saskatchewan child welfare have quite rigid rules in the care of foster children off the reserve. It seems to me that this must be on the reserves also. Living beside a reserve, as I do, I see the many waifs wandering around who are given foster parents with very little check-up, if I may use that word, to see that the children are being properly cared for. What's happening is that you're seeing children becoming criminals at the age of 18. I want to say that we should be listening to the Indians for once and let them say what should be done. And I've had Indians say these kinds of things to me.

We need to encourage industry on the reserves. While I was in North Dakota, I was told about an industry sitting right close to an Indian reserve in one of the towns. This industry was the Bulova Watch Company and the Indians were practically all employed and they were cutting diamonds.

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The Indians are saying to me they need old folks homes, they'd like to develop summer resorts and golf courses for hire. I think we must have agricultural grants. What I'm really saying is anything to make a reserve a productive place. Placing the Indian in a job is not good enough unless he's first prepared for his new life. If he moves into a city, he has to learn to rise at 7 o'clock and punch a clock at 8 o'clock. He has to learn to work five days a week. If he doesn't he loses his job. He has to learn to live in an urban society and this is so different from the reserve. I think that unless we train these Indians to know what they have to face before they come into our urban societies, he'll only return in despair to their reserves when he can't meet these new problems. The next time, it'll be this much harder to get him to come out again. If we can only make the reserve a place of activity instead of a place of residence, we're going to need many community workers among both the Indians and the local white community.

Now, Mr. Speaker, I'd like to turn to another subject, the guaranteed income. We're moving into an age of automation. It is estimated that by 1970 in the United States there will be eight million jobs a year vanishing caused by automation and cybernation. By the year 2000 it is estimated that two per cent of society will produce all the durable goods. What will the rest do? I suggest we're going to have to learn to live with leisure and have a new concept of life. I'm reminded of reading about Walter Reuther who was taken on a tour by American Motors of their new plant, a plant in which the block of steel went in and 12 minutes later it came out a finished motor. After it was over, the people who were showing Walter Reuther around said, "You won't be able to sell union memberships to those machines." Walter Reuther's answer was, "Yes," he said, "but I won't worry about that as much as you should be worrying about how you're going to sell automobiles to these machines."

I think that we, in our society, are going to have to work toward a guaranteed income. I'm not alone in this, I want to quote now from the Prairie Messenger of February 5, 1969, an article by Rev. Martin Murphy. I'm not going to read it all but he deals with this in part:

Moreover, three out of four of those below the poverty level receive no public assistance whatever. In some areas a maze of eligibility barriers is set up to discourage the needy. In fact, even if you receive welfare, nowhere in the United States, not even in New York or California, does the welfare grant bring you over the poverty level. The Invisible Poor. The poor man has then become the invisible man in the American scene.

I want to suggest the same applies in Canada.

This should sound alarming to the Christian conscience. For the rich man in the gospel story was not condemned because he was rich or feasted daily but because he could not see the poor man at his very gates. The advocates of the assured income plans ask that Lazarus become visible, that the poverty problem be viewed in its depth and seriousness both in regard to what poverty does today to the individual person and the American society.

Further on it says — I suggest that everybody should read the

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whole article, it's well worth-reading:

Milton Freedman of the University of Chicago, a long-time advocate of the guaranteed income argues that the plan does not destroy incentive to work. Persons on welfare today, if they obey the law, generally lose a dollar in relief for every dollar they earn. Hence, they have no incentive to earn the dollar. Under his plan, such a person would keep 50-cents of each dollars he earns. This would give him a far greater incentive than he now has. Moreover, taking up the argument, aid from government corrupts; are the poor the only ones who receive from government? What about the grants to agriculture, to urban housing, to education? What about the grants made to industry by the very fact of protective tariff of any kind? What about the subsidy to transportation, railroads, airlines and buses? The iron horse has been well fed and watered at public costs, hundreds of millions of dollars and 184 million acres of public land, almost one-tenth of the land area in the United States.

Further on it says:

In other words if America is to be true-blue, America must have a large-hearted compassionate policy towards those who are the least amongst us, least able to market their work and skills for goodly returns.

One more short quotation I'd like to quote from the Canadian Labour, December issue, 1968, in which they point out:

The other big push towards guaranteed income has come from the re-discovery of poverty.

It's about time too, just for a reminder here are a few facts:

The average life expectancy of an Indian woman is 25 years. The last census showed that 3,700,000 families in 1961, 23 per cent of the population, had annual incomes under \$3,000. One in eight had an income under \$2,000. About 250,000 families with a female head over half had incomes of less than \$3,000. Almost two-fifths lived on less than \$2,000 and one-fifth on less than a \$1,000. The median income of men in their late 60s was \$2,000, falling to \$1,500 in the early 70s, and to only \$900 in their late 80s. For women, the incomes were just over half of men. Only 5 per cent of Canadians get public assistance but 21 per cent of Canadians age 65 to 69 got it at the time of the last census.

I think that something we have to look at is our conscience. It seems to me that in this kind of society that we're heading into, who can be blamed if there's no job for him. It's now estimated that the average school child of today will be retrained three times by retirement age, replacing the automated society. I think the question is going to have to be, who will be the master, the man or the machine? Also who will own the machine? I noticed two weeks ago in the second last copy of Business Week in which it points out that the U.S. Government is laying charges under the Combines Act against I.B.M. They control it all. It seems to me that it's no longer a disgrace to be unemployed.

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As I said before, the problem today is that in many situations, a man may have a higher income for his family by not working than by working, not because welfare payments are too high but because minimum wages are too low. It seems to me that the solution is to increase the minimum wage. Today social aid and the minimum wage are both just at subsistence level of living. Raising the minimum wage would give the incentive for people to go back to work. It would also leave more money to use for those who are really unable to be self-sufficient. I admit, Mr. Speaker, that the problem is not a clear one, but I think it's one that we're going to have to look at.

I was interested in reading a brief from the Co-operative Development Association to the Government. I haven't too much to quarrel about it except that I think it doesn't go far enough. Really what they're saying in their brief is that they basically suggest some change in direction for the Department of Co-operation. I may admit that well-established co-operatives often are capable of running their own business, but I want to point out that over 70 per cent of the co-operative associations in 1967 were in financial trouble before considering their dividends from Federated. But I do hesitate even more so in regard to credit unions. It seems to me that here the Government has a deep responsibility. People's savings are involved and I'd like to point out that the Federal Government inspects chartered banks.

I do think the Department has to consider developing co-ops more. Housing co-ops in the north started in the early 50s on a modest scale. It was a time of trial and error but it was a start. It takes time for a program of this kind to catch on. It needs more funds and personnel to do a job honestly. It all boils down to an education job. One of the things in the Estimates that disturbs me is that one department that should be doing a lot of this work has a cutback. Also regarding co-operative housing in Saskatchewan, I'm glad to know that there is a start on the University campus and at Lanigan. I think there's a future in this field. It becomes more and more impossible for the average citizen to own his own house. Under the National Housing regulations now, one needs an income of over \$8,000 before he can even get a loan. It fails to meet the needs of a large portion of our society. Actually, figures prove that poor housing costs society in terms of health, crime and loss of wages. I think there's some blame on both governments and the co-operative movement in not selling the idea more than it has. European countries like Britain and the Scandinavian countries learned the lesson years ago. Present housing programs in Canada are really only beneficial to, and geared to assist, the lending agencies and the building industry. It leaves the house purchaser in debt for a lifetime. By the time the house is paid for, the house is ready to fall down. The people who can borrow are those who don't need to borrow.

I think another area in which our Co-operative Department should be doing more work is with the Indians in the south. First, I'll admit The Indian Act will have to be changed to encourage the formation of co-operatives on reserves, but there's a great need, as I've said earlier, to encourage production co-ops to assist in making the reserve itself more productive. The whole band concept lends itself to the co-operative way of life. I believe that co-operative movement and the Department are passing up another area that should be studied. What can

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co-ops do to assist the poor people in our society? It seems to me that our prosperous co-ops are not trying to meet the needs of poor people. They were started by people who were poor but their economic conditions have improved, so it's now geared to serve themselves, the middle class society, and the poor people are passed by. When we look back to the original co-operative movement at Rochdale it was organized to assist poor people. I can't help but wonder if this is the aim of our movement today. The co-operative movement if it is to survive the powerful force for change must go beyond pork and beans. In the time of Rochdale, the co-operative movement was out to make change in the social ownership of society, to bring about a society of people working together for social change. From that day to this, the co-operative movement has faced the great enemy, corporate enterprise. It has been one battle after another. Many of the battles have been won at great expense but the battle still goes on.

But I think there's a greater battle facing us today than ever. Corporate enterprise has become monopoly enterprise. This has created instead of many small enemies one enormous strong financial giant. So under this kind of a condition there was no choice but for the co-operatives, the smaller ones, to amalgamate, to face this new type of structure. But in so doing this natural growth of bigness has come about and created problems, problems of democratic control, of member interest, problems of management taking over the role of the board of directors, the problem of becoming just another corporate enterprise. I for one, if the co-operative movement went to this, am afraid I would be no longer interested. It seems to me if it's to fight to make itself truly democratic with all the possible member participation possible. It must gear itself to fight monopoly capitalism. It must be prepared to extend large sums of money, not on selling pork and beans, but on the education of the philosophy of working together and helping one another.

I couldn't help but be impressed with the words of Father Emile Bouvier speaking at the annual convention of the French co-operatives, I won't try to say it, last July. Dr. Bouvier is the Dean of Economics and the head of the Chair of Co-operation at the University of Sherbrooke. Mr. Speaker, he elaborated and I quote:

On the meaning of co-operative education which takes root in the profound difference between capitalism, which is more or less indifferent to human quality without much need for moral quality, apart from one of commercial honesty and whose law of maximum profit dictates its decision and co-operation which appears to be a social movement and original type of enterprise, a form of collective economy to attract a new economic system.

As a social movement, Father Bouvier said:

co-operation with the labor or the farmers' movement in political socialism is one of the three kinds of working-class movements.

He said later on:

Co-operative motivation must first of all refuse to see purely commercial or capitalistic conception of business

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and profit as a goal of economic activity that requires positive concepts such as economic determination, self help, solidarity and surpass selfishness. This form of education will permit the formation of a new type of man.

So I think our co-operative movement has to be prepared to fight for social change in this new technological society. It must be prepared to fight for the right of the individual to have individual freedom. Unless these things are done, in my opinion, it does not deserve a place in the sun.

Before sitting down, Mr. Speaker — and I'm going to sit down within a minute — I want to just point out that this Government, although it may give word of mouth support to the co-operative movement in some ways — it did pass the necessary legislation in the past — I suggest that it should be putting its money where its mouth is. I'll quote a return that was filed in the dying days of the Legislature a year ago in which it shows that in 1964 this Government bought from Federated Co-operatives, in terms of fuel, 18 per cent of its supply. 1965-66 it was down to nine. 1966-67 it was down to two. 1967-68 it remained at two. I want to suggest this is really the measuring-stick of whether this Government really believes in the co-operative movement.

Some Hon. Members: — Hear, hear!

An Hon. Member: — Competitive bids! Frank, do you know what this is?

Mr. Meakes: — Yes, my hon. friends, I was going to sit down in one minute, I'll stand for a couple of minutes longer. Yah, they talk about competitive bids, they know very well that a giant oil monopoly such as Imperial Oil, or Standard Oil or any of them, can well outbid the co-operative movement. So they are prepared to give it to the people who are already big and already powerful, and to heck with the little fellow. Mr. Speaker, because of this kind of an attitude, it is because of the things that I have listed, that this Government is not doing for agriculture, the poor people and to all the people of Saskatchewan, that I am going to support the amendment and oppose the motion.

Some Hon. Members: — Hear, hear!

Mr. D.W. Michayluk (Redberry): — Mr. Speaker, I was prepared to make a short address this afternoon, as I understood the arrangements between the two Whips was that I was to make a very short speech and adjourn the debate. However, after listening to the Hon. Member from Hanley (Mr. Heggie) and listening to the Premier, I convinced myself that I probably had to go on for a longer period than I had previously anticipated.

Some Hon. Members: — Hear, hear!

Mr. Michayluk: — Mr. Speaker, I would like to congratulate the Provincial Treasurer for the able manner in which he brought down the financial document.

An Hon. Member: — Brought it down, that's for sure!

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Mr. Michayluk: — To me it is a disappointing Budget, as no doubt it will be to the tax-paying public of this province. However, the lack of content, and the Government's failure of priorities was compensated by the Treasurer's ability. Honourable Members would have noticed that at least for the time being he was spared the agony under which he brought down last year's Budget.

May I, Sir, through the Clerk, congratulate Mr. Barnhart on his appointment as Assistant Clerk. I want to wish him well in his new position. It is my hope that his stay is enjoyable and his guidance and decisions will be based on the established procedures of this Legislature.

Mr. Speaker, yesterday's critical analysis, so ably performed and delivered to the House by the Hon. Member for Regina Centre (Mr. Blakeney) . . .

Some Hon. Members: — Hear, hear!

Mr. Michayluk: — . . . in my estimation was masterful and delivered in a like manner. His observations during the post-mortem revealed that this Government and the Provincial Treasurer could no longer play the game of hide-and-go-seek with Provincial revenues.

An Hon. Member: — Is that your Budget Speech you're lousing up tonight?

Mr. Michayluk: — His dissection, Mr. Speaker, revealed that the Government could not be trusted, because of the methods employed in the manipulation of funds allocated in the Estimates, which are often unspent or used in areas where the Government's priorities lie. Often the unspent allocations have been and are used to balance the Budget.

Mr. Speaker, the radio audience that had the opportunity to listen to the broadcast may have been impressed with what was revealed in the criticism. I heard a number of favorable comments from people who for many years were not known to concern themselves to any extent with what happens. They sort of sat on the political wall of neutrality. Not so now, Mr. Speaker. They are concerned because since the election of this tax-reducing Government, their taxes have followed in one direction and one direction only, and that direction is up, and up, and up.

An Hon. Member: — . . . Standing on your head!

Mr. Michayluk: — This year's Budget's priorities are not aligned to give larger allocations to education, to relieve the local taxpayers, but, Mr. Speaker, in 1969 will again force school jurisdictions to pick up the increased education costs because education is not in the Government's list of priorities.

Mr. Speaker, at this time on behalf of the people of my constituency and the people of north central and north western Saskatchewan I lodge a protest against the regrettable move for the exclusion of radio broadcasting of the debate from the Legislature for my area. The Government maintains that, because of tight money and overall economy, it was necessary to reduce the number of stations from 12 to 9. According to an estimated

report in the press, \$5,000 will be saved. Mr. Speaker, \$5,000 is probably what the cost of the winter ball would amount to. I'm referring to the gala event, Mr. Speaker, paid for by the taxpayers' money held on the opening night of the Legislature. Mr. Speaker, I want to make it abundantly clear that I am not criticizing the ball as such, but surely if the ball could go on, so should the broadcasts of the debates of this Legislature. This again confirms my contention that this Government's priorities are not with the taxpayers. Sir, I want to specifically refer to the three radio stations which were for reasons of economy taken out of the network. The stations are CKSA Lloydminster, CJMB North Battleford, and radio station CFQC, Saskatoon.

Hon. D.G. Steuart (Provincial Treasurer): — We're putting them back in for you!

Mr. Michayluk: — The initial exclusion of these three stations left a complete blackout area covered by four constituencies in northwestern and north central Saskatchewan. I am somewhat pleased that the Government, prodded by the Hon. Members for Saskatoon Mayfair and The Battlefords, have included radio station CFQC for the Budget debates. With all due respect to radio station CFMC, the FM Saskatoon station, a very small percentage of the people in rural Saskatchewan have FM facilities.

Hon. D.V. Heald (Attorney General): — You're really a gracious one!

Mr. Michayluk: — This may however be an adequate arrangement for Saskatoon City . . .

An Hon. Member: — . . . Should have done it in the first place!

Mr. Heald: — Oh, nonsense!

Mr. Michayluk: — . . . and those listeners who have FM radios. However, because of the limited area covered, the people of Redberry constituency were in the blackout area up until several days ago.

Mr. J.J. Charlebois (Saskatoon City Park-University): — . . . In the dark for a long time . . .

Mr. Michayluk: — Oh, the Junior Member from City Park-University is speaking.

Mr. Speaker, is it really the economic factor, the cost that concerns the Government? In my opinion, it is motivated by fear that the Saskatchewan people may hear the truth as they did last night when they listened to the speech delivered by the Hon. Member for Regina Centre (Mr. Blakeney). This is one speech which the Hon. Provincial Treasurer and the Government would have wished to confine within the walls of this Assembly. And as it did go over the network of Saskatchewan stations, Mr. Speaker, Saskatchewan people were able to hear and gained

valuable insight into the somewhat overstated and over-emphasized statements that emanate from the Members opposite and particularly from the Provincial Treasurer, and the Premier, whether in or out of Saskatchewan.

Hon. Members will recall, as I do, Mr. Speaker, when the hon. gentlemen sitting to your right were sitting on this side of the House echoing refrains that came from that group in respect of the broadcasts, Mr. Speaker. Mr. Speaker, did they argue about the discontinuance of the broadcasts? Oh no, Mr. Speaker, they wanted to be heard. As a matter of fact from this vantage point they argued that the radio time which was of 1,600 minutes' duration should be apportioned equally. They were out to get all the time that they were able to. They wanted to be heard. At no time, Mr. Speaker, during the four years that I sat in this Legislature prior to 1964 did any Liberal Member of the Opposition suggest that this vital fact so necessary for free expression of opinion be discontinued, shortened or completely abandoned, and no blackouts. No, not by a long shot. They wanted to be heard, Mr. Speaker.

The session of 1965, the first session under this Liberal Government, some form of creeping uneasiness was noticed in the ranks of the Government. It was necessary to cut on the time allotted to broadcasting. So, the meat axe went into action and some 120 minutes, two and one-half hours went by the board.

An Hon. Member: — . . . Bored . . .

Mr. Michayluk: — Well, many of you gentlemen will go by the board!

Not in the name of economy, as this was the time when the Premier was buying fridges, executive airplanes, giving away natural resources, the Wisewood Plant to MacMillan and Bloedell, as mentioned by the Hon. Member for Hanley (Mr. Heggie). It was during this time, during the first session that an article appeared in the Saskatoon Star-Phoenix respecting Legislature broadcasts. Mr. Speaker, in the Star-Phoenix of March 6, 1965, under title and I quote, "Legislature on the air may end." What did this article reveal? It revealed, Mr. Speaker, exactly what this Liberal Government has in mind, the Premier just mentioned it, but dares not carry out because of political repercussion. With your permission, Sir, may I quote part of this article:

Regina. Daily 75-minute broadcasting carrying part of the debates in the Saskatchewan Legislature ended on Friday for the session and possibly for good.

The article goes on, Mr. Speaker, and gives some of the reasons why — which in my opinion, could not stand up under close scrutiny — why they should be discontinued. But the final paragraph, Mr. Speaker, is very interesting. May I quote in part:

House Leader Dave Steuart said in the corridor outside the Assembly that the broadcasts may end another year.

Discontinuance of broadcasting is uppermost in the mind of the Provincial Treasurer, but he just hasn't gotten around to devising a way of applying the meat-axe for the final kill.

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Mr. Speaker, I truly enjoyed watching the reaction of the Members opposite during the one hour and forty minutes that the Hon. Member for Regina Centre spoke. The Minister of Public Works (Mr. Guy), unfortunately is not in his seat, looked forlorn and abandoned as he turned over the pages of what appeared to me to be the last issue of *The Carillon*.

Mr. McPherson: — The Commonwealth!

Mr. Michayluk: — The Minister of Social Welfare (Mr. MacDonald), panicked and proceeded to change his position from one chair to another. Gloom fell on the Minister of Mineral Resources (Mr. Cameron) while the Provincial Treasurer slid down in his chair so that his feet touched the rug. Lo and behold when he concluded Horatio-like, loaded with facts and figures the Hon. Member for Hanley (Mr. Heggie) came to the Government's defence. If I heard him correctly, Mr. Speaker, I was able to discern among others the following. The Pulp Mill, LaRonge, MacMillan and Bloedell. Take a ride on NorCanAir and see for yourself.

An Hon. Member: — . . . Can't afford it!

Mr. Michayluk: — I want to thank the Hon. Member for the suggestion extended. The Saskatchewan people have already been taken for a ride in NorCanAir with the assistance of this Government. These rides come very expensive to Saskatchewan taxpayers. As a matter of fact, Mr. Speaker, so expensive was the NorCan ride that the Government is withholding vital information. Only a day or so ago, the Hon. Member for Prince Albert East Cumberland (Mr. Berezowsky) was denied some vital information. Mr. Speaker, we will suspect, and the people will suspect that by the withholding of information the Government is casting dark shady shadows of some dealings with its free enterprise friends.

Mr. Steuart: — . . . In you fevered little mind, that's all.

Mr. Michayluk: — When I mentioned that these rides were expensive, the MacMillan and Bloedell ride was rather expensive for some 400 shareholders. The sale of the Hatton gas reserve to Northern Canadian Oil will be rather an expensive ride for the users of gas in the province. The Prince Albert Pulp Co. Ltd. will cost and is costing Saskatchewan people millions of dollars.

An Hon. Member: — Wrong again!

Mr. Michayluk: — This too is a very expensive ride. The give-away at fire sale prices of some of our sodium sulphate reserves comes very expensive to the people of this province. The increase in the Saskatchewan Government Insurance premiums at the time when profits are at the highest ebb comes very expensive to Saskatchewan people. I could go on at great lengths, Mr. Speaker, and recite innumerable facts to prove that this Government, which was elected by a very small percentage majority of the people who believed that this Thatcher Administration will live up to its pre-election pledges, has now failed them. They know now, Mr. Speaker, that they have been led down the garden path as far as tax reductions are concerned. I am convinced, as sure as I am standing here, Mr. Speaker, that once this

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Government calls the Kelvington by-election the message will be clear. I want to assure this Government that we welcome the Homecoming of 1971. 1971, Mr. Speaker, will give to this old tired Government, as mentioned by my Hon. Member for Regina Centre (Mr. Blakeney) a ride to their home on this side of the House with the smallest majority since 1944.

May I, Mr. Speaker, with your permission revert to some of the statements made by the Hon. Member from Hanley (Mr. Heggie). To begin with . . .

An Hon. Member: — How is the liquor vendor doing?

Mr. Michayluk: — . . . He started talking about the highways of Saskatchewan. Ross the highway builder! Dave the Highway Minister, Mr. Speaker. I want to remind the Premier, the Minister of Highways (Mr. Boldt), and the Member for Hanley, that in 1944 when the CCF Government was elected there were no highways in Saskatchewan . . .

Hon. W.R. Thatcher (Premier): — There still weren't after 20 years!

Mr. Michayluk: — Mr. Speaker, the distance in 1944 on that old muddy highway from Regina to Saskatoon was 190 miles. Today the sign on the highway, built by a CCF Government, and along side of which the Liberal Government is building an additional lane reads 157 miles, completed, asphalted or dust-proofed under a CCF Government. I want to remind the Member for Hanley, Mr. Speaker, that during the 20 years of Socialist Government, or Socialism according to the Premier, the entire highway system of the Province was rebuilt and paid for. I want to remind the Member for Hanley and this Government that 50 per cent of the travelling public in Saskatchewan were able to travel on dust-free roads. The Hon. Member for Hanley has the gall to get up and criticize and brag about what the Liberals are doing. There is one thing, Mr. Speaker, that he should have mentioned, that the cost under this free-enterprise Government has risen by more than that in any other province in Canada. We have returns, Mr. Speaker, to prove the fact that I am mentioning here today. Highway contracts have been let at certain specific sums, but the final price is not the contract price in many of the contracts let by this free enterprise Government. It talks about black top highways. I told this once in this Legislature and I want to repeat it here and now. The black topping that the Liberal Government gave the province was 11 miles in my Hon. Leader's constituency, Highway No. 11 from Saskatoon to the 13-mile corner or Highway No. 11 which now looks ribbon-like. Two cars are unable to pass. Yes, next to it removed probably 20 yards, is a highway with a wide top, comparable to any highway that has been built under the present Government. I am not here to deny the fact that you are not building highways, I am here to say that you are squandering public money in building highways at great expense and cost to the taxpayers.

I can recall when this Government was elected, \$.5 million was saved in your first year in highway maintenance. Because of this saving it took many years to put the highways in the

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shape that they were when you took over because of the efforts to save \$.5 million in maintenance costs. Hon. Minister of Highways, your highways are becoming numerous — I'm referring to the stub connections — that it is hard to know what highway you are on. I used to be able to go from Saskatoon to Blaine Lake on Highway No. 11, then No. 12 and I'm home. Now I come to 13-mile corner, Highway No. 305, then there is a little job off to Hepburn. What number did you give that highway, Hon. Minister? Let's take into account, Mr. Minister, the number of highways that there are between Saskatoon and Prince Albert. One highway is No. 11, another No. 12, and yet another No. 40. Another highway in which you look with a lot of glow and a lot of pride, oiled, from Rosthern to the junction of No. 2. The first year that your Government was elected this section wasn't even on the highway program for that year. Then there is one more connection between Saskatoon and Prince Albert, that's No. 2 and No. 5. Mr. Speaker, the Hon. Minister of Highways has now built another highway. I am not aware how he is going to number it or into what hundred series that highway will fall. But he has built another political highway. Another cutoff from No. 11 to Rosthern from there it is proposed to Wakaw. Mr. Minister, are you aware that the people of Waldheim, the people of Laird and of Rosthern are concerned due to the fact that you will be abandoning the portion of No. 11 west and south from Rosthern up to No. 127.

Mr. Speaker, I would like to have spent a few minutes in respect to health matters referred to the Hon. Member for Hanley, but I see my time is up. Mr. Speaker, there are many other and probably more vital and important issues that I would like to discuss more fully on another occasion. Therefore I beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 5:24 o'clock p.m.