

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Fifteenth Legislature**  
**13th Day**

**Monday, February 22, 1965.**

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

**ANNOUNCEMENT RE MR. LLOYD (LEADER OF THE OPPOSITION)**

**Mr. J.H. Brockelbank (Kelsey, Acting Leader of the Opposition):** — Mr. Speaker, before the orders of the day are proceeded with, I would like to make a statement with regard to Mr. Lloyd. Mr. Lloyd is still in the University Hospital. He is in good spirits, and feeling quite well except for his back ailment and sciatica, and for these no further treatment is planned at this time, that is other than the treatment he is now getting. He has also developed phlebitis. This is receiving treatment.

Mr. Lloyd regrets very much that he cannot be with us here and will not likely be with us for a few weeks.

If he were here, Mr. Speaker, I am sure he would be enjoying dealing with this budget, and I am sure all members join with me in wishing him a complete recovery and as speedily as possible.

**Some Hon. Members:** — Hear, hear!

**WELCOME TO STUDENTS**

**Mrs. Sally Merchant (Saskatoon):** — Mr. Speaker, before the orders of the day, I would like to draw the attention of the house to the fact that we have a school group from the city of Saskatoon here in the legislature with us today, they are a large group from Wilson School in Saskatoon, and I would like to, myself, make them welcome and I know this house will want to welcome them and wish them really very much pleasure in their stay here.

**Some Hon. Members:** — Hear, hear!

**Hon. G.B. Grant (Minister of Highways):** — Mr. Speaker, before the orders of the day, I would like to compete with Saskatoon and bring to the attention of the house, a group of grade seven and eight students from the finest school in Saskatchewan, Grant Road School, under the direction of their teachers, Mr. Oketa and Mrs. Newman. We are very, very happy to have them here today and I promise them that the members will be on their best behavior.

**Some Hon. Members:** — Hear, hear!

**NEWSPAPER REPORT RE A.M.A.**

**Mr. I.C. Nollet (Cutknife):** — Before the orders of the day, Mr. Speaker, I would like to draw the attention of the house to an article in the Leader Post of February 19th, reporting on my speech in connection with the A.M.A. I wish to make this correction. In referring to me, it states,

"Reported mailing list figures from the Annual Agricultural Department Report, for the year ending March 31st, 1964, following a slight hassle with Mr. McDonald, Mr. Nollet, at first said he was quoting from the A.M.A. Reports of that fiscal year. Mr. McDonald objected, saying the report had not yet been tabled, and asked Mr. Nollet where he had obtained one."

I would have thought that whoever reported this when the event took place, would have emphasized the fact that I was reading from the Annual Report of the Provincial Department of Agriculture for the year ending March 31st, 1964, and I hope the Minister of Agriculture, (Mr. McDonald) has scrutinized that Annual Report and finally found the A.M.A report was contained in it.

**Hon. A.H. McDonald (Minister of Agriculture):** — Have you . . .

**Mr. Nollet:** — If there was another one, I think the . . . tabled it.

#### **ANNOUNCEMENT RE NEW GENERAL MANAGER — SASKATCHEWAN POWER CORPORATION**

**Hon. D.G. Steuart (Minister of Public Health):** — Mr. Speaker, before the orders of the day, I am pleased to announce the appointment of a new General Manager for Saskatchewan Power Corporation, David P. Furlong, who is to assume this important position, March 15th, 1965. Mr. Furlong has a long and intimate experience with the petroleum industry and his qualifications for the position are excellent. We are confident that under his direction, the Saskatchewan Power Corporation will prosper and grow.

Mr. Furlong comes to the Power Corporation with a background of private enterprise experience where administration must keep expenses to a minimum and, at the same time, be modern and competitive. Throughout his years in the middle east since coming to Canada, he has been in charge of thousands of employees. His ability in both these fields means that he brings outstanding qualifications to his new position. I am sure members on both sides of the house wish him well.

**Some Hon. Members:** — Hear, hear!

#### **ANNOUNCEMENT RE COPIES OF BUDGET SPEECH**

**Mr. J.H. Brockelbank (Kelsey):** — Mr. Speaker, I am very glad to see on our desks this morning, copies of the Budget Speech made by the Provincial Treasurer last Friday. But I would like to lodge a complaint with the Premier and I wish he would speak to the Provincial Treasurer about it. I presume that he talks to himself occasionally.

The people on the streets of Regina had the Budget Speech in the Leader Post before we people in the legislature had the copy of the Budget Speech and then when we got it, it was a very bulky, inconvenient, mimeographed copy. I think this was not very respectful to the members of this house to treat them in this manner.

**Some Hon. Members:** — Hear, hear!

**Hon. W. R. Thatcher (Premier):** — Mr. Speaker, I assure you I will discuss it with the Provincial Treasurer.

**Hon. A.C. Cameron (Minister of Mineral Resources):** — May I say for the years when I was the financial critic, I never received a report of the Budget Speech until the Provincial Treasurer had sat down and it was distributed to the chamber.

**Mr. E. Kramer (The Battlefords):** — The Budget Speech was never delivered to our desks as it was in former years. I would like to correct the hon. member from Maple Creek, (Mr. Cameron).

#### **BUDGET DEBATE**

The assembly resumed the adjourned debate on the proposed motion of Mr. Thatcher, "That Mr. Speaker do now leave the chair".

**Mr. A.E. Blakeney (Regina West):** — Mr. Speaker, when I adjourned the debate on Friday, I had not had the opportunity to congratulate you on your election to the high office of Speaker of this house. I hasten to do so now, and to express the hope, which I believe to be well founded, that you will make a notable contribution to those parliamentary traditions which are one of the loftiest parts of our heritage as free men.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Nor had I, Mr. Speaker, taken

the opportunity to congratulate the Premier on his election to that high office in this province. I would like to do so now and I would like also to tender my congratulations to the new cabinet ministers. The office of cabinet minister, when properly discharged, requires diligence and dedication. In my view, Sir, a good cabinet minister serves his fellow citizens well.

I would wish too, Mr. Speaker, to express my thanks to the voters of Regina West, who honored me by electing me to represent them in this legislature. I have as my fellow representative, the lady member for Regina West, (Mrs. Cooper) and may I say, Mr. Speaker, that no member ever had a more gracious, more courageous, or a more high-minded colleague.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Before I took my seat on Friday, after making a few comments on the more startling short-comings of the budget, I had drawn the attention of the house to the budget proposals respecting education. I had pointed out that the proposals, with respect to school grants, were pitifully inadequate. The Premier in his remarks mentioned priorities. Now, this is a word which is on the lips of public men a good deal these days. We hear it in all corners of life. And when we hear this word, we can almost predict what is going to follow, whether the discussion concerns the problems of under-developed countries or how to carry on the war on poverty, or what is to be done with our native people, or the problems of French and English in Canada, or the problems of unemployment, ways to stimulate economic growth, or ways to add new depth to the lives of our people. In almost every one of these cases, when these topics come up for discussion, men and women who have studied these problems have one order of priority. The first priority is education.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — I believe, Mr. Speaker, that these many people are right. In our world, in our province, where we want to see industrial development, where we want to attack the problems of our citizens, native and otherwise, who have depressed incomes, where we want to provide conditions where our people can develop their lives to the full, our first priority should be education. That was why, Mr. Speaker, I was so disappointed and depressed at hearing the government's proposals for education.

Now let me turn to elementary schools and high schools. School enrolments continue to climb. Our population continues to rise. May I digress for a moment, Mr. Speaker, and say that it is not rising quite as fast as the Premier says it is . . .

**Mr. Thatcher:** — Faster than it was before.

**Mr. Blakeney:** — The D.B.S. mid-year estimate of Saskatchewan's population is 943,000. The year end estimate of D.B.S. was 946,000. The Premier stated this figure to be 949,000. Evidently his optimism causes him to see 6,000 people where there are only 3,000. Two people where there are only one. Mr. Speaker, I think some people call this seeing double.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Another 3,000 since this morning.

**Mr. Blakeney:** — But counting once or twice it doesn't matter, the population is still rising, and this means that we have more students in school. Not only is the population rising, but the number of students staying in school is rising, the number of students getting to our higher grades is rising, and this is a source of pleasure and pride to us all.

A fair estimate is that next year our school enrolments will rise by three per cent, and, of course, a greater per cent of our students will be in the high school grades. In many cases the cost of instructing a high school student is twice the cost of instructing a student in the lower grades. Not only are the enrolments rising, every year our classrooms are taught by teachers who are better trained, better qualified, and therefore able to command higher salaries.

Other expenses of operating school systems are increasing. In the face of this, Mr. Speaker, our school boards need a major increase in school grants each year.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — What have they been offered by this budget? A pittance, Mr. Speaker, a pittance. After the special monies for technical education are taken off and after the money for private schools is taken off, there will be left in increases for our public and separate schools, perhaps \$3,000,000.

Now, last year the increase was \$5,300,000, fourteen per cent and this year the increase \$3,000,000 — seven per cent. Now, this is too small, Mr. Speaker, it is just not enough, and it will only bring about one thing. Our property taxes for school purposes will go up. Make no mistake of this, property taxes for school purposes will go up.

Now, Mr. Speaker, the Premier is fond of saying the taxes are too high and he says they ought to be reduced. Well, what is the use of reducing the sales tax if the result is to increase the property tax? This is not a tax cut, it is a tax shift, and it is a shift in the wrong direction. If the Premier has money to cut taxes, he should have put it into school grants so that it could have been used to reduce property taxes.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — I ask the Premier to ask the householder or ask the school boards or ask the municipal man, ask them at the Trustees Convention, ask them at the SARM Convention, and see what they will say. They will say that the money should have been used so as to enable municipal taxes to be lowered. The so-called tax cut that the Premier is talking about is a tax shift and like so many Liberal shifts, it is a shift in the wrong direction.

Now, Mr. Speaker, I turn to university education. Here I want to congratulate the government on their recognition of the more urgent needs of the university. We on this side of the house were pleased to note the increase in the operating grants for the university. We were a little disturbed to note that, notwithstanding this increase, it does not appear to be quite enough. Unless my figures on the projected enrolments are wrong, and they may be, the amount of government assistance per student, out of next year's budget, will be somewhat less than the amount of government assistance per student out of this year's budget, notwithstanding the fact that expenses, all expenses, university professors salaries and other expenses are rising and rising fairly sharply. If I am right in these calculations, Mr. Speaker, the government's treatment of the university hardly classes as lavish.

But the single greatest indication that the members opposite simply do not understand the part the government must play in our society is what the budget said and what it did not say about technical education.

Progress in this field has been rapid in recent years. Dozens of composite high schools have been built. The Saskatchewan Technical Institute was opened in Moose Jaw about four years ago and in the three succeeding years, a huge technical institute was built in Saskatoon, the Moose Jaw institute was enlarged and a collegiate institute, a technical collegiate institute was built at Prince Albert. Last year's budget proposed spending two million dollars on expanding still further the Saskatoon Institute and building two more regional collegiate institutes on the Prince Albert model. When the Prince Albert collegiate was built, we received advice from the Federal Department of Labor. They advised us, that in order to do a good job of technical education, you needed to gather a thousand students in one location. We knew that this was out of the question for Saskatchewan except perhaps in one or two cities. So we developed a pattern based upon 400 or 500 students and we went ahead at Prince Albert on that basis. It was hoped that this pattern could be repeated at seven or eight or nine places throughout the province. Wherever enough students would be assembled to allow a good technical education to be offered. Because technical education and good technical education will very soon be in desperate demand, we are heading into a period of crisis in Canada. The number of young people who are graduating from our schools and looking for jobs is rising sharply.

Immediately after the war, there was a baby boom. The birth rate rose by fifty per cent, the death rate dropped by twenty-five per cent and this condition continued for the ten years immediately after the war. As a result, in the next five years of 1965 to 1970, the number of young people in Canada in the 20-24 age group will be thirty-three per cent higher than the same number in this five year period, from 1960 to 1964. This is almost unbelievable. Thirty-three per cent more 20 to 24-year-olds five years from now than now. Even now, in the midst of a three year economic boom, the percentage of unemployed in the 18 to 25 year old group in Canada is eight per cent.

What will happen when the number of these young people start to sky rocket, in the next couple of years? We are going to be faced with unemployment figures of the order of ten per cent for our young people. In the light of this, a responsible government should be pressing ahead with technical education at all possible speed. Instead, Mr. Speaker, what has this government done? In the past year, they have done nothing to expand the Technical Institute at Saskatoon.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — They have allowed a year to pass without any progress on any regional technical colleges. We in Canada and in Saskatchewan have little enough time to meet this crisis which is upon us. We certainly didn't have a year to waste, while the Liberal government did nothing and boasted about doing nothing and said this is how we are making savings of \$2,000,000. Mr. Speaker, these are likely to be the most costly . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — . . . savings ever made by a government of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Every expert on this problem of manpower and employment is telling us of the urgent need to expand technical education, in schools, in technical institutes and in industry. A dynamic program has been worked out, it was being put into effect. Last year's budget provided for a further step forward. And this program was stopped dead in its tracks. There is still no indication in this budget that it will be carried forward in any effective way. This lack of vision will be paid for and will be paid for dearly by our young people.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Mr. Speaker, the estimates tell the story far more eloquently than can I. I ask all members to turn to page 46 of the estimates and look under the heading, "Technical and Trade Training School." The last year vote was \$1,968,000 about \$2,000,000. This year the amount is under \$100,000 and is included in the appropriate "miscellaneous construction" item.

**Some Hon. Members:** — Shame, shame!

**Mr. Blakeney:** — Technical and Trade Training Schools along with painting the court house walls, and putting in the odd new extra washroom. This, Mr. Speaker, is the measure of the awareness of this government of the crisis which is facing us and the measure of their concern to do something about it.

Now we will probably hear the Minister of Education, (Mr. Trapp) say, "Oh, we plan to start building at the institute at Saskatoon and several of the school boards are thinking about doing something". Well, Mr. Speaker, that is simply not good enough. It is not nearly good enough. The Minister of Education, (Mr. Trapp) should be ashamed of this program and all members opposite should be ashamed.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Now, Mr. Speaker, quite apart from the lost opportunities and young people who will not be able to enjoy the full fruits of life, this policy, or the lack of policies, cannot help but be a drag on industrial development. Only a few weeks ago, the Premier told us that skilled workers would need to be imported into Saskatchewan. Now what sort of policy is this, for several years there has been a developing shortage of trained workers. And during the last three years, something has been done about this. New institutions were built at Moose Jaw, at Saskatoon, at Prince Albert, and the Moose Jaw Institute was expanded. Facilities for training several thousand people a year were developed. And now the Premier has a new policy. He has stopped building facilities to train our own people. Instead they are to join the army of the unemployed, while skilled people are imported, imported from provinces and countries where they have some training facilities.

Mr. Speaker, that is not a policy. That is a complete lack of policy. It is not the policy which was followed by the previous government. It is not a policy which would be followed by any enlightened government. It is a do nothing policy. It is a policy which breaks faith with our young people.

Now, Mr. Speaker, the Premier in his budget address, says a good deal about private enterprise, and what his government is going to do to provide sound incentives to risk-taking and development. He went on to say, read it in the Budget Speech, that he was going to adopt a policy of making and guaranteeing loans to industry during 1965 on a massive scale, if this was needed to attract industrial plants. Now, Mr. Speaker, this is not a new policy. It is simply new to the Liberal party. For years the old government pursued this policy, and for just as many years, the Liberals opposed it.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Mr. Speaker, the policy of the CCF is that Saskatchewan can best be developed by using all the resources of private, co-operative, and public enterprises.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — We come to the task of promoting development without preconceived notions, without being victims of our own slogans. Where public enterprise can best ensure development for the people of Saskatchewan, beneficial to them, controlled by them, we are for public enterprise. Where co-operative enterprise will best ensure development for the benefit of Saskatchewan people, and controlled by them, we are for co-operative enterprise, and where private endeavor will best ensure development for the benefit of the people of Saskatchewan, and controlled by them, we are for private enterprise.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — The previous government established the Industrial Development Fund in 1947 to aid private industry, the first such fund in Canada. And since these early years, incentives and encouragement have been given to many, many industries, large and small. Members opposite and particularly the Premier is fond of striking a pose that he is the friend and the only friend of industrial development, that there was no development in this province until May of 1964, and that he and he alone has gone out and brought potash plants back in his little satchel. Of course, there is no merit or substance to this argument at all, and for anyone who wishes it to be completely refuted, I invite him to look at the Financial Post of May 16th, 1964, which tells of the mining giants who are scrambling for a big potash pay off in Saskatchewan. May I point out that this was before the government opposite assumed power. There is mention in this article in the Financial Post of International Minerals and Chemicals, Noranda, Kalium, Alwinsol, U.S. Borax, Potash Company of America, Consolidated Mining and Smelting; the article refers to other companies without naming them.

Now, Mr. Speaker, the Premier is very, very proud of these potash developments. But he was not always proud. He is very, very expansive and optimistic about what they are going to mean for Saskatchewan. But he was not always expansive. He wasn't always optimistic. Mr. Speaker, may I quote from the Leader Post of February 2nd, 1957.

"When Saskatchewan's infant potash industry gets rolling, it is expected to provide direct and indirect employment for 12,000 persons" Premier Douglas said Friday night.

and here is Mr. Thatcher's comment:

Is it any wonder, we say, that Aesop has a new challenger in telling of fables. As far as Potash is concerned, we have two plants in the province, neither one of them is in production and several of the potash companies that were exploring a few years ago, have pulled out of the province.

That, Mr. Speaker, was not true then. But I will give the hon. member from Morse, (Mr. Thatcher) and the Leader of the Opposition as he was then, I will give him the benefit of the doubt that he believed it was true then but it is a measure of his error.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Now, he has been fond of saying that he would do anything to attract industry to this province. And he has been struggling to create the image that he is bold and daring, that he is willing to take risks to get industry, while the CCF has been timid and weak. Well, let us look at some of these industries, how they got here and who was bold and who was timid. Mr. Speaker, about nine years ago a cement plant came to Regina. And in order to get it, the government was bold, took a risk, guaranteed \$5,500,000 in bonds. And did these brave souls in the Liberal party cheer us on? Indeed they did not. They predicted doom and gloom and they said, it is all in the records of the house. Here is one choice comment:

If this is a sound venture, then why can't it be built without government assistance?

And here is what the present member for Moosomin, (Mr. McDonald) had to say:

Well, I, for one, am not prepared to spend \$5,500,000 of the people's money of this province unless we are given an opportunity to investigate every angle, as far as this company or any other company is concerned.

Now just think of that! First no one was lending \$5,500,000, but rather guaranteeing it, but he was not prepared to do that unless the legislature investigated every angle. Indeed, how many plants would be brought to this province, if we insisted that every industry to which the Premier might give assistance to, had to be fully investigated by the legislature? The former member for Arm River, the then financial critic of the Liberal party had this to say:

They, (meaning the government) they are trying to take the poor people of the province's money, it is their money, and guarantee some capitalist promoters a sum of \$5,500,000

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** —

So they can set up a cement plant here outside the city of Regina.

then he went on to say:

Don't throw away money to help promoters from British Columbia, Alberta, and other places.

Mr. Speaker, the Opposition, to a man, voted against this bill and against this industry for Regina. As everyone knows, this plant has been an outstanding success. The government is long since free of any liability. It got \$200,000 or \$300,000 for its guarantee fee and, more important, we got a major industry for Saskatchewan. This was boldness, and the Liberals of that day stood by like Casper Milquetoasts and shouted doom and gloom.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Now, Mr. Speaker, one would have hoped that they would have taken heart. Other industries came, some big, some small. But in due course, another industry appeared which could be had if the government was bold, if it was willing to assume a risk, the steel mill. To get this mill, a good deal of government assistance was necessary, a guarantee of \$10,000,000 in bonds and further working capital advances. And once again, Mr. Speaker, our faint-hearted friends were filled with panic. Here is what the hon. Premier, "Risk-taker Ross", had to say as quoted in the Star Phoenix, June 6th, 1961.

Liberal Leader Ross Thatcher charged today in Regina, that the government's financial dealings with Inter-Provincial Steel & Pipe Corporation are approaching proportions of a scandal. For all practical purposes, he said, the company would appear to be bankrupt.

Now, Mr. Speaker the then Leader of the Opposition, the present Premier was not the only faint-hearted doom-peddler in the Liberal ranks. There was one Fred Johnson, a Liberal candidate in 1960 and again in 1962. He is quoted in the Leader Post of June 16th as predicting that the plant would go bankrupt.

That he learned on good authority, that IPSCO is in such hopeless financial position, that it is selling its own scrap. The accounts receivable had been attached by the bank.

To him, Mr. Speaker, IPSCO was hopeless. Of course, Mr. Speaker, IPSCO is far from hopeless, it is in a thriving condition and it is a real asset to the industrial life of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — But to Liberal Mr. Johnson, IPSCO was hopeless. After exhibiting this penetrating business judgement, after establishing his reputation as a business expert, Mr. Johnson, has been hired by the Premier to tell us how to apply business methods to government.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — But you will say, oh that's the old Liberal party, that is the one before it was made over by the Toronto advertising firm. The new look is bold and forward. That was fine, but then came Wizewood. Here is an industry at Hudson Bay, manufacturing wood panels from poplar which would otherwise go to waste. And just like IPSCO, it is having its starting difficulties. These included a disastrous fire. Hundreds of Saskatchewan citizens have invested their money in this plant. Good solid citizens, like the minister of Natural Resources, (Mr. Cuelenaere). I see him raising his head.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — The government has given assistance and the company has fallen into some difficulties. And how does the Premier react to this company's difficulties?

**Mr. J.H. Brockelbank (Kelsey):** — Same way.



**Mr. Blakeney:** — Absolutely true to form. "Wee, sleeket, cowrin, timorous beastie, O, what a panic's in thy breastie". Now he is shouting that the company is bankrupt, that it is all the fault of the Socialists. And now the Premier is trying to peddle this plant at bankrupt prices. Well, we say to him, as we said to him at the time of IPSCO, "Buck up! Take Courage! Stand by this company and see it through its difficulties."

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Mr. Speaker, this brave trumpeting by the Premier about what he is going to do about industry would be amusing if it did not have an ominous note. He has been very vocal about Anglo-Rouyn. Now, Mr. Speaker, a senior official of this company, Anglo-Rouyn, either at the government's insistence or persuasion, went on the stump in support of Mr. Pinder, when he faced his would-be constituents in Hanley in December. Never before in Saskatchewan has a senior official of a company seeking government assistance been required or persuaded or even encouraged to join the political fray on the behalf of the party in power. Never before has the politics of the sponsor of an industry been a factor. The sponsors of the steel mill, the sponsors of the cement plant, the sponsors of the several fertilizer plants, have been men of all parties. They have been welcome. They have never been asked to politic on behalf of the party in power. The Liberals have shown that, to them, industrial development is bad if it is brought in by the CCF. If it comes under a Liberal government, it is good, good, provided that the sponsors are loyal and vocal Liberals. To the Premier, industrial development is not something for Saskatchewan, but something for the greater glory of the Liberal party. He has proved that time and again with IPSCO, with Wizewood, and now with Anglo-Rouyn, and that is not all. There are disturbing rumors that one company seeking government assistance was told that it would have to purge its board of CCF'ers before the application would be considered.

**Mr. Thatcher:** — I wonder if the hon. member would tell us which company?

**Mr. Blakeney:** — I said there were rumours, yes, indeed . . .

**Mr. Thatcher:** — I can assure the hon. member there is no such company.

**Mr. Blakeney:** — Well, the minister has asked for it, the name of the company is Bison-Petroleum Limited.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Who are they?

**Mr. Blakeney:** — Never mind who they are, you know the names of directors and because you know their names, indicates that you were trying to get those people off the board. I don't care whether they are CCF'ers, they have a right to support for industrial development, just the same as any other person in this province.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — Mr. Speaker, I think the hon. member should withdraw because what he has said, of course, is not correct.

**Mr. Blakeney:** — You will have the opportunity to refute it, you have an opportunity to close this debate. Mr. Speaker, if I made a factual error, he may correct me.

**Mr. Thatcher:** — Mr. Speaker, I ask the hon. member to withdraw because I say flatly, that what he has alleged is not correct.

**Mr. Blakeney:** — Mr. Speaker, there is no basis whatever for asking me to

withdraw, because he does not agree with my facts. But if I will be enabled to pursue my remarks, without further interruptions, I will withdraw any imputation of impropriety on his part.

**Some Hon. Members:** — Hear, hear!

**Hon. D.V. Heald (Attorney General):** — Mr. Speaker, on a point of order, the hon. gentleman has made a qualified withdrawal. I would ask that he make an unqualified withdrawal.

**Mr. Blakeney:** — Mr. Speaker, I have made every withdrawal with the rules of this house required. I will withdraw any imputation of impropriety. If my facts are wrong, they are wrong, and I can be proved to be wrong, but I do not have to withdraw any statement of fact.

**Some Hon. Members:** — Hear, hear!

**Mr. Heald:** — Mr. Speaker, on a further point of order, the hon. gentleman well knows that he accepts the responsibility for the accuracy of his facts, if he accepts that responsibility, I am content.

**Mr. Blakeney:** — Mr. Speaker, I accept that responsibility without chiding or comment from the hon. Attorney General (Mr. Heald). It is so whether he says so or not. I propose, if I may, to carry on.

Now, Mr. Speaker, I have made my point, I think that the comments from the hon. members opposite have fully justified my point. I was frankly surprised, knowing how they use industrial development, that the remarks of the opposition budget critic, would not have been met with some announcement of industrial development which had been saved up for this particular day. It would not surprise me at all, to go home and read in my paper, that they have released some story that a plant has been established in Saskatchewan in order to see if they can grab half a headline.

Mr. Speaker, they have demonstrated as clearly as possible that they regard industrial development as something for the aggrandizement of the Liberal party. When the present government uses party politics as a basis for assistance to industry, then I say that they are not a friend of Saskatchewan, I say that they are not the friend of private enterprise as they profess to be, but they are only a friend of the Liberal party, and they are acting in the best traditions of Liberal patronage both in Saskatchewan and at Ottawa,

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Mr. Speaker, I looked at the estimates for Public Health with perhaps more interest than most members. I know that department reasonably well. I know the very fine group of public servants who are in senior positions. I know their devotion to their program, and their desire to serve the people of Saskatchewan. I was disappointed at the policy of stand-pat which has been so clearly adopted with respect to that department. It wouldn't be so bad, I suppose, if it was only stand-pat but it is a little more than that. It is squeeze-down. I was more than disappointed. I was disturbed by the Premier's reference to the cost of medicare and hospitalization rising, in his words, "inevitably and ominously." Now why would he use those words, "inevitably and ominously". True, hospital costs are rising, but the increases in hospital costs in Saskatchewan are lower than anywhere else in Canada. This hardly suggests that the plan is out of control. Other provinces are managing to meet much sharper increases in cost than is Saskatchewan. And, I may say, many of them are doing it without any hospital premium at all, let alone an increase in hospital premiums, such as the Premier has imposed.

Medical care costs too are increasing, but they are rising almost exactly as predicted, almost exactly as budgeted for. These increases were predicted from the beginning. They are part of the medical care plan, which the Premier professed to support, admittedly a little belatedly, but he professed support of this medical care plan. These increases should have surprised nobody. Indeed the medical care costs predictions were far more accurate than was believed possible prior to the introduction of a comprehensive scheme. And now he talks about costs rising "inevitably and ominously". He has spoken about spiralling costs.

These words, Mr. Speaker, are ominous. They seem to be used to try to give the people the idea that costs are out of hand. They have all the ear-marks of a scheme of softening up the public. I am sorry, Mr. Speaker, that the Minister of Public Health, (Mr. Steuart) is not here so that I could address some of these remarks to him. They have all the ear-marks of softening up the public for new taxes or perhaps even deterrent charges; softening up the public for an undermining of the scheme. I predict, Mr. Speaker, that before many months are out, the Premier and the Minister of Public Health, (Mr. Steuart) will be talking either about cuts in benefits or about increased taxes.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — . . . last election . . .

**Mr. Blakeney:** — Well, we will wait, we will wait. I was dead right last time.

**Mr. Thatcher:** — You were dead wrong.

**Mr. Blakeney:** — Dead right. The medical care premium has gone up 100 per cent in the few months . . .

**Mr. Thatcher:** — It is back to where the CCF had it.

**Mr. Blakeney:** — . . . and it was not only the Premier's words which were ominous. The amount budgeted for medicare is ominous. Last year the budget provided \$17,000,000 for medical care. This year it is less than \$12,000,000. How some of this will be made up by higher taxes levied last fall, perhaps \$3,000,000. But this still leaves the Commission with \$2,000,000 less than last year, and at least \$5,000,000 short of the money it will need. When the Medical Care Insurance Act was passed in 1961, taxes were raised to finance medical care, the sales tax, the corporation tax, the income tax. And every year since that time, the full yield from the 1.5 per cent of the sales tax, the one per cent corporation tax and the six per cent surcharge on the income tax has been paid over to the Medical Care Insurance Fund. I remember those days in 1961, when members opposite were saying this ought to be fixed by law. We ought to insist that none of this money can be drained off. I can remember the Minister of Public Works (Mr. Gardiner), the then health critic, saying, and indeed moving amendments to suggest that this be done. And now in their first year of office, in their first budget, what are the Liberals doing? They are robbing the medicare fund.

**Some Hon. Members:** — Hear, hear!

**Mr. Thatcher:** — We are using it.

**Mr. Blakeney:** — This fund was built up in 1962, and its surplus was built up in 1962. This surplus was retained to be used gradually, until the Medical Care Insurance Commission got experience in administration of the plan, until the commission could be sure that their future estimates were more or less reliable. This seemed to us to be a sound insurance principle. The commission wanted a cushion and the government wanted a cushion in case something went wrong, in case the estimates were wrong; in case a crop failure cut down tax collections; in case an epidemic or something of that kind put a rash on services; in case a new costly discovery shot medicare costs up. It seemed to us to be in the best interests of the plan. But, Mr. Speaker, I predict that when all the figures are in, we will see that, in this one year that the new government has used up every penny in the medical care insurance reserve.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — I believe they are going to clean it out altogether. You cannot be sure of this from the estimates, but I think there is no other place they can get their money. What will be the result? If they make a bad estimate, if they use their super rose-colored glasses, then if tax collection should lag because of crop conditions, or if costs should rise sharply for any reason, there would be no reserve. Then I can hear members opposite crying, shouting, "spiralling costs are upon us", and then

then they will say that these spiralling costs, these ominous increases justify cuts in service; justify deterrent fees. We can just see this coming. This cleaning out of the Medical Care Insurance Fund is a further step to that day. Now this robbing of the medical care reserve is not only playing ducks and drakes with our accounting system, but it threatens the very stability of the plan.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — That, Mr. Speaker, is indeed ominous.

Mr. Speaker, I was discussing estimates of the Department of Public Health. I looked at our mental health program. And as you know, there are mental health clinics in a good number of places throughout Saskatchewan. In addition to the clinics, the money for which is provided under a vote called psychiatric services, there are mental institutions at Weyburn, North Battleford, Yorkton and training schools at Moose Jaw and Prince Albert. Mr. Speaker, for every single one, the psychiatric services vote which covers the clinics, the institutions at Weyburn, North Battleford, Yorkton, Moose Jaw and Prince Albert, every single one of those has had a staff cut. In some, the patient load is dropping, but, in others, it is rising. Yet the staff has been cut by a total of fifty people, fifty less people to carry out the mental health program. I wonder if the Premier and the Minister of Public Health, (Mr. Steuart) have ever visited the Moose Jaw training school? When I have been there, I have thought that staff was pretty well minimum. I didn't see many surplus people standing around. Mr. Speaker, since the time I was there, the number of patients or students has increased and I see that the government is going to cut staff. I say this is entirely inadequate. Mr. Speaker, I would ask all hon. members to visit that school. I would ask them to see whether they think it is overstaffed. I would ask each of them to make a decision on his own with respect to priorities.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Now, Mr. Speaker, it is not as if new employees were not being engaged by the government. Such is not the case. New people are being hired and some of them in new positions.

Mr. Speaker, whether or not the public gets good government depends to a very large extent on the people on the public service. Are they good people. Have they got the tools and the money to do the job? The government opposite can thank its lucky stars that it inherited a first class public service from the CCF.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Whether you ask other governments in Canada, who have been trying to entice our senior civil servants away for years, or whether you ask the Institute of Public Administration of Canada, or whether you ask the management consultants firms which the hon. Premier has been talking with, they will all say the same thing, that our public service is tops. You may well wonder how it has been possible for the CCF to attract top public servants to Regina. Certainly, it is not because of our beneficent climate, not because of our mountains, not because of the attractions of our cosmopolitan city, not even because of the low rents in Regina. Well, there are a number of reasons, Mr. Speaker, why the CCF was able to build up this first class civil service over twenty years, but three of them are basic. First, the CCF scrapped the inadequate Liberal legislation left by the Liberal party. We enacted the Public Service Act in 1944, which gave civil servants dignity and tenure and substituted merits for political patronage. Secondly . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — . . . secondly, the government gave collective bargaining rights to civil servants. The first government and the only government in Canada to do so. Notwithstanding the fact that other provinces have had the alleged benefit of Liberal governments, no one of them has enacted collective bargaining legislation. Thirdly, and perhaps most important, the CCF had a social program, and a willingness to make over the creaky organization of government which attracted people with ideas, people who had ideals, people who wanted to get things done.

Now, Mr. Speaker, members opposite have been telling us about whom they have hired since they assumed office. The Minister of Public Works, Mr. Gardner, is fond of doing this. But is not so long ago that Saskatchewan had two systems of hiring public servants: the merit system which applied in the provincial public service, and the Gardiner system, which applied to PFRA. I wondered which system had been adopted by the new government. I have heard members opposite tell us of the qualifications of the new people they had hired, BA, LLB, but this was a short list, and I wondered whether it was the whole story. Surely, I thought, there were a few more Liberal appointees, but perhaps the members opposite were just a little bit modest about telling us about them. So I did some investigating and I am sure they won't mind me adding a few names to their list. Now, the people on this list don't have quite so many BA's and LLB's, but there is one qualification they all have after their name, LIB.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Let us review two or three of these. We have Mr. Ed. Odishaw. When his qualifications were given, in an answer in the house the other day, it left out a qualification which I am sure was most important. Mr. Odishaw is or was the President of the Saskatchewan Young Liberals and as recently as November, he took time off from his busy work, as executive assistant to the Premier, to address a meeting of Saskatoon Young Liberals. He told them that a fresh breeze was blowing across Saskatchewan. Well, Mr. Speaker, there is a wind alright, but it has a bit of a smell to me.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — There is N.G.A. Wilson. We have also heard of Mr. Wilson, now head of the Public Service Commission. Now what did they forget to tell us about Mr. Wilson? They forgot to tell us that he was in charge of the Liberal Speakers Bureau during the last election. And now he is in charge of recruiting people into the Public Service to serve all the people in Saskatchewan fairly and impartially. There is M.H. Cook who became executive director of the Crop Insurance Board, fresh from his experience as Vice-President of the Saskatchewan Liberal Association. Now Mr. Cook was fortunate enough to persuade one of his associates from the Liberal executive, H.E. Buchan, to accept public employment on the staff of the Crop Insurance Board. Mr. Fred Mullin, a one time alderman in Regina. He comes to public employment with a slightly different recommendation. He is a former Social Credit candidate in Regina and last year in the 1964 election he turned over the Social Credit membership lists to the Liberal party in Regina. He has now gone to his reward in the Department of Industry with the member for Regina South, Mr. Grant. We have Walter Erb. He did not quite make it as a Liberal candidate in Regina east, but when he was defeated, he was rewarded for services rendered, presumably in 1962 . . .

**An Hon. Member:** — . . . defeated . . .

**Mr. Blakeney:** — . . . by being appointed Chairman of the Workmens Compensation Board.

**Mr. A.R. Guy (Athabasca):** — . . . where did . . .

**Mr. Blakeney:** — Ted Noonan comes well qualified as an official of the Young Liberals of Saskatchewan. He is also a member of the Saskatchewan Liberal Executive, the son of a prominent Liberal. He is now on Mr. Wilson's staff of the Public Service Commission, helping to recruit public servants. Then we have Jack Nichol, who found his qualifications in order when he applied for a newly created job with the Attorney's General Department as a field man, visiting the public. But then he had a good deal of experience. He was a Liberal organizer in the Lumsden constituency, Mr. Heald's constituency. Then there is Mr. Bob Monteith. Mr. Monteith is a living proof of this government's determination not to mix politics with Indian and Metis Affairs.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Mr. Speaker, Mr. Monteith was a federal Liberal candidate in 1962. . .

**Mr. Guy:** — Careful Allan.

**Mr. Blakeney:** — . . . past President of the Saskatchewan Liberal Association, and a former PFAA official. Mr. Monteith was appointed as community development officer in the Department of Natural Resources, the agency co-ordinating the Indian and Metis program. He has replaced Jack Emms, a dedicated man . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — . . . a dedicated man whose only offence was that he had a job which was coveted by a Liberal organizer.

**Hon. D.T. McFarlane(Minister of Municipal Affairs):** — . . . dedicated . . .

**Mr. Blakeney:** — Next Bernard Bierschenk. This name will be known to the member for Lumsden, (Mr. Heald). Bernard Bierschenk was a campaign manager for the hon. Attorney General, (Mr. Heald). And today, he is still with the hon. Attorney General, but as a paid executive of his department, a newly created position. In listing his qualifications the minister noted that Mr. Bierschenk had experience in building maintenance. He has been hired to help administer The Vehicles Act and The Highway Traffic Board. I have no doubt that his duties will call for quite a bit of road work particularly in the Lumsden constituency. And in this, his previous experience as a Liberal organizer will no doubt be invaluable.

**Mr. C.P. MacDonald (Milestone):** — . . . doing a good job . . .

**Mr. Blakeney:** — Then there is Hubert Staines.

**An Hon. Member:** — Who's he?

**Mr. Blakeney:** — Mr. Liberal himself. The former assistant to the Premier, when he was Leader of the Opposition. He was appointed to the non-political office of assistant director of the Diamond Jubilee and Centennial Corporation.

**Mr. Steuart:** — . . . good job . . .

**Mr. Blakeney:** — Now, Mr. Speaker, when Mr. Staines and his former employer vacated the office of the Leader of the Opposition, they cleaned out their files and I guess they cleaned out their waste baskets, but they missed one or two little items. They were not much, but there were one or two little items. One of them was a little card with the name and phone number of Hans Taal on it, held over from the last election.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — That will be known here in Regina. I am sorry Mr. Pederson is not here.

**Some Hon. Members:** — Hear, hear!

**An Hon. Member:** — . . . he is not speaking . . .

**Mr. Blakeney:** — And the other, Mr. Speaker, was an interesting little list. It was a bit of a document which had names at the top, dates down the side and amounts of money and other figures set opposite the names. And it seems to run from the first of 1964 right up until! April 18th, 1964. I don't know what is significant about that date, but some people will recall what happened around that date.

**Mr. Thatcher:** — You fellows . . .

**Mr. Blakeney:** — Yes, an interesting list of names. Here I take the week of February 8th, D. MacLennan, \$197; J. Narrington, \$78; Bus Jarrett \$82; L. Land. \$88; and I thought "my that is an interesting group of names". I wouldn't want to draw any conclusions but I think it would be fair to suggest that these gentlemen were fairly, closely associated with the Liberal political machine.

Now, let us see if we find any of these names in any other place. Well, there is D. MacLennan; he is the member for Last Mountain. Yes, a good man. A good organizer and I suggest to you, Mr. Speaker, that he is going to be appointed one of these legislative assistants, so he can carry on his valuable organizational work on behalf of the Liberal party but at the public expense. I think there is no doubt about this.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — A good man. A good man. Why shouldn't the public of Saskatchewan pay him to organize for the Liberal party. I am sure that is the view taken by members opposite.

Then there is J. Harrington. Well now, a J.C. Harrington has recently been employed as Executive Assistant to the hon. Minister of Public Works, (Mr. Gardiner) a newly created position. Mr. Harrington's qualifications include naval service and membership in the railroad telegraphers union, in addition to his service as an organizer for the Liberal party.

Mr. L. Land, well now, last August, a William Lloyd Land was appointed placement officer in Prince Albert for the Department of Natural Resources. For the eight years prior to his appointment, he was a guard messenger at the penitentiary at Prince Albert. In his new job, he is responsible for finding employment for northern Saskatchewan residents, including Indians and Metis. Another example of my friends anxiety to divorce politics completely from the Indian and Metis program.

**Mr. Guy:** — We have got a lot more letters here.

**Mr. Blakeney:** — Bus Jarrett. Well now, Mr. Jarrett has the distinction that, since the election, he has had two jobs, not one. Immediately after the election, he was appointed assistant inspector of L.I.D. No. 980 and then when the supervisor of the Green Lake Metis Community Development Project left his post, by one means or another, Mr. Jarrett succeeded him, another splendid example of the determination of this government to separate politics from Indian and Metis Affairs.

There are others I could mention. One thinks of Mr. Moore, who was the image maker during the last election and who started working with the Prime Minister, Mr. Pearson, and is evidently working down. There are quite a few others, but I think I have made my case.

Liberal organizers, previously paid by the Liberal party, have been put on the payroll of the province on a wholesale basis. I am not talking about Liberal sympathisers. I am talking about paid Liberal organizers.

**Mr. Heald:** — Not since . . .

**Mr. Blakeney:** — Many of these people have been placed in field positions or in personnel positions, or in recruiting positions, positions where they can carry on their work on behalf of the Liberal party. Almost all of them were order-in-council appointments for the very good reason that most of them could not meet the minimum civil service requirements.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Now, let me be clear. I am not saying that all of these people are not qualified. Some of them clearly are qualified, but quite a few of them are not. Their sole qualification is that they were organizers for the Liberal party, and they will continue to organize for the Liberal party at the expense of the Saskatchewan taxpayer.

Let us check off this list again. Odishaw, Wilson, Cook, Buchan, Mullin, Erb, Noonan, Nichol, Bierschenk, Monteith, Staines, Harrington, Jarrett, Lamb. Mr. Speaker, is this the merit system or the Gardiner system? Never has Canada seen such indecent haste in putting paid political organizers on the public payroll.

**An Hon. Member:** — . . . forty-four . . .

**Mr. Blakeney:** — These people talk about public servants engaging in politics. These people have the brass to talk about public servants engaging in politics and they put one after another alter another of their paid organizers on the public payroll.

They are making a mockery of our merit system service, and I say that Saskatchewan is going to be the poorer for this.

**Mr. I.H. MacDougall (Souris-Estevan):** — You are way off.

**Mr. Blakeney:** — Not only, Mr. Speaker, have many of these people been put on the public payroll, but many of them have been put on the public payroll in newly created positions.

Now, Mr. Speaker, fifty jobs were cut from the mental health program. There is no money for staff at the Moose Jaw Training School, but there is money, for example, for the Attorney General to hire, not one, but two of his organizers, as field men and they will organize on behalf of the Liberal party.

**Mr. Heald:** — On a point of order. The hon. gentleman knows that is not correct. The appointment of Mr. Bierschenk is as an executive officer to the Highway Traffic Board. The appointment of Mr. Nichol is a director of investigations, in the provincial secretary's department. The hon. gentleman knows it's false and I ask him to withdraw it.

**Mr. Blakeney:** — Mr. Speaker, if I am in error, the hon. member can correct me when he stands in his place.

**Mr. Heald:** — You know you are wrong.

**Mr. Blakeney:** — I do not know I am wrong, and we will see whether I am wrong because I say that Bierschenk has been hired and I say that Nichol has been hired . . .

**Mr. Heald:** — Right and the question has been answered today. Mr. Nichol is employed as an investigator in department . . .

**Mr. Blakeney:** — Yes, explain the things . . .

**Mr. Heald:** — He is . . .

**Mr. Blakeney:** — He is indeed an investigator. He is indeed going about the country and he is indeed going about the Lumsden constituency, and he will indeed be organizing for the Liberal party.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Now, Mr. Speaker, as I was saying. They do not have any money for jobs at the training school. They do not have any money for jobs at the Prince Albert Training School, but they have money for new field men. They have money for a new assistant for the Minister of Public Works (Mr. Gardiner). They have money for a field man for the Attorney General. They have money for another one of these organizers to travel about with respect to the Highway Traffic Board.

**Mr. MacDougall:** — What about Lewry? Isn't he supposed . . .

**Mr. Blakeney:** — This, Mr. Speaker, is the Liberal system of priorities that the Premier was telling us so much about.

**An Hon. Member:** — Don't forget Blakeney. What about Blakeney himself?

**Mr. Blakeney:** — Mr. Speaker . . .

**An Hon. Member:** — An organizer for the CCF.



**Mr. Blakeney:** — As I mentioned earlier, I am the member for Regina West.

**An Hon. Member:** — You worked for the government CCF.

**Mr. Blakeney:** — Indeed, I did work for the government and then I went out into the private practice of law and then I was elected and may I say that I was not working for any political party when I was elected and I have never worked as an employee of any political party. I have received not one penny. I wonder, Mr. Speaker, how many of these people, Land, Jarrett, Harrington, Staines, can say that they never received any money from the Liberal party. Not one of them. Not one of them. These are party hacks who have been put on the public payroll.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Mr. Speaker, I mentioned earlier, that I am the member for Regina West. I mentioned it before I was interrupted by numerous members opposite.

And so I listened to the Premier's words to see what the speech had for Regina West. I checked the list of tax changes. Mineral tax reduced on farm lands. They consider themselves lucky if they have a house to live in and if they own it. Tax on fuel for farm trucks reduced. My people do not have farm trucks. They consider themselves lucky if they own their own cars. Some of my constituents are small business men, plumbers, painters, people who use their trucks for their business and they are all hoping that they will be treated equally and fairly with their farm friends and the truck that, they use in their business will be able to burn tax-free gas.

Some of my people are happy that the revenues allow a drop of one cent in the sales tax, but most of them know that they can never spend enough in a year, after they have paid their taxes, and their mortgage payments, or their rent if they rent, and their food and their drugs, and their travel, and all these other non-taxable expenses, they know they just can not spend enough in a year to get back the \$20 they lost in November.

For them, this has been a tax shift and not a tax decrease. Mr. Speaker, they will be increased at the Provincial Treasurer's remarks, that the lower taxes will help especially widows and pensioners. This, by the man who raised the taxes of those widows and pensioners by \$20 last November.

Mr. Speaker, this sort of talk by the Provincial Treasurer is pious, and hypocritical cant. To get back their \$20, they would need to spend \$2,000 on taxable goods.

**Mr. Speaker:** — Order! I ask the hon. member to withdraw the words, "pious hypocritical cant". Now that is unparliamentary. The member knows it and I ask him to withdraw it forthwith.

**Mr. Blakeney:** — Mr. Speaker, if you order me to withdraw it, I will withdraw that remark, I will ask the hon. members to judge themselves what they feel that sort of talk is.

Mr. Speaker, to get back this \$20, they would need to spend \$2,000 on taxable goods. I do not know about Premier's pensioners in his constituency, but I can tell you this . . .

**Mr. Speaker:** — Order! I ask the hon. member on the left, to maintain order in this house. He had a running barrage of interjections ever since he sat in here and I hope they cease and cease forthwith. He has interrupted his own members just about as much as he interrupted other people. I am talking about the member for Redberry, (Mr. Michayluk) and that is it.

**Mr. D.W. Michayluk (Redberry):** — Mr. Speaker, on a point of order, I haven't said a word.

**Mr. Speaker:** — You carried on a running commentary for about ten days

and I want it to cease now.

**Mr. Blakeney:** — Yes, Mr. Speaker. As I was saying, I don't know about the widows and the pensioners in the Morse constituency, but I can tell the Premier that of the pensioners in the Regina West constituency, nine out of ten of them will lose by this so-called tax cut. Do you know, Mr. Speaker, that some of these pensioners even enjoy a smoke. Now, I know this will shock the Minister of Social Welfare, (Mr. Boldt) but nevertheless, this is true. And for these people, the so-called tax cuts are even more unfortunate.

I looked at the health grants for the city of Regina. Now the previous government paid health grants in 1963, had increased these by fifty per cent in 1964. These grants are 75 cents per capita, and they are worth about one half a mill. This is true in Regina and also in Saskatoon. I looked for these health grants but I looked in vain. They were not increased one penny, notwithstanding the fact that the city health department's cost are rising. Doctor Chiao and his staff do a good job in Regina. Doctor Dantow and his staff do a good job in Saskatoon. They deserve an increase in health grants, at least equal to last year's increase, so do the taxpayers of Regina. We will be interested, I am sure, in the comments of the Minister of Highways with respect to this abandonment of the claims of the cities of Regina and Saskatoon.

I looked at school grants. All the budget shows is a small increase in school grants, an increase far less than last year's. Our hard pressed school boards, particularly our collegiate boards, who are facing big increases in overall enrolments, should have had a school grant increase at least equal to last year's increase. I looked at these school grants with dismay. They will mean nothing but higher property taxes for the constituents of Regina West.

I looked at the Arts Board and the Diamond Jubilee vote. I want to say a few words generally about this field. Members on this side of the house were pleased to see the increased vote to the Saskatchewan Arts Board. The record of Saskatchewan in the encouragement of the arts is an enviable one. Saskatchewan established one of the first, if not the first, arts board in Canada. It preceded by many years, the Canada Council. Both Regina and Saskatoon have art galleries which would do credit to much larger cities. The one in Regina, provided by public funds through the university with the assistance of the Norman McKenzie estate, and the one in Saskatoon provided by the city through the generosity of Mr. Mendel, and with a very large government grant, a larger grant indeed than the entire appropriation for the Arts Board this year.

Activities at other centres have been encouraged. Our smaller cities have competed actively in the Dominion Drama competition; school drama and music have been encouraged by the Department of Education. Saskatchewan House in Regina has been a centre from which not only the Arts Board, but also the Continuing Education Branch of the Department of Education have maintained active and lively province-wide programs.

The 1955 Golden Jubilee was used as an occasion for a cultural reawakening. Our jubilee choir travelled far beyond our borders and brought distinction to Saskatchewan. Books of poetry and history were published. The museum of natural history was constructed. Members opposite, who now sit on the government side, were bitterly critical of this museum, "a home for dead gophers and stuffed crows", I think was their appellation, but never mind, it was built. It has been a major tourist attraction. Mr. Speaker, I doubt whether any building in this province, save perhaps the one we are now in, has been host to more visitors from inside and outside Saskatchewan, than the museum of natural history.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — The previous government had hoped that the Diamond Jubilee and Canada Centennial would provide another occasion for a great step forward. This we believe, could be done by assisting in the construction of two auditoriums, one at Saskatoon, to serve Saskatoon, the university at Saskatoon and northern Saskatchewan generally, and one at Regina to serve the city of Regina, the university in Regina and southern Saskatchewan generally. We were aware, Mr. Speaker, that the Alberta government, in 1955 built two auditoriums, one in Edmonton and one in Calgary, which cost more than \$6,000,000 at 1955 prices. We believe, that in order to build auditoriums, which would do the job, and which would properly commemorate our

Centennial, the cost for each auditorium, would be at least \$5,000,000.

So, the old government offered to the cities a proposal like this; take the federal funds which are available and after they have been applied, the balance of the cost will be shared fifty-fifty between the local groups and the government, up to \$2,000,000 a piece. We felt that this was a fair deal. If the people in each one of those communities would put up \$2,000,000 the provincial government would put up \$2,000,000. I was bitterly disappointed, as many people all across Saskatchewan who have some interest in the arts, were, when the government opposite welched on this firm undertaking. Now, Mr. Speaker, this was an undertaking made in November, 1963. It was a firm undertaking, confirmed voluminously in writing in January of 1964. There is no question about it. I have copies of the letters and so has the Minister of Public Works, (Mr. Gardiner) and the deal was clear. If each of these cities would put up to \$2,000,000, the province would match what they put up. But instead, the new government said, our maximum commitment is \$1,000,000 for each of these auditoriums.

Now, Mr. Speaker, these auditoriums are going to cost at least \$5,000,000 each. A commitment of \$1,000,000 by the provincial government is less than twenty per cent. All I can say is that if we are going to build auditoriums to commemorate our Diamond Jubilee and our Centennial, for heaven's sake, let us build proper auditoriums.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — And these can't be financed without a fairly substantial amount of provincial government aid. If they are not built and they are in real danger of not being built, then not building these auditoriums will do more harm to the cause of the arts in Saskatchewan than any bit of patching by adding \$30,000 or \$40,000 to the Arts Board grant can ever do.

In 1955, we made our Jubilee count. I am going to appeal to all members of this house to see whether we cannot make 1965 and 1967 count by building two fine auditoriums, one in Saskatoon and one in Regina.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — And I say to the Premier, that the time for reversing this decision is short. The time for enlightened action by the government, with respect to this matter, is now. If the Premier and the government opposite claim to be friends of the arts, they will reverse their decision and give the citizens of Regina and Saskatoon, an opportunity to raise up to \$2,000,000 and the government of Saskatchewan will match this. Then we will get auditoriums of which we can be proud.

I looked, Mr. Speaker, for the base hospital. I looked in the Premier's speech and I looked in vain. But tucked away on page 46 of the estimates, there is an item: South Saskatchewan Base Hospital Regina — \$100,000. Well, I suppose we should be grateful for small mercies, but we in Regina did not know that mercies came that small.

We will rejoice if this means that the government opposite is committed to going ahead with this hospital complex. I say, "if", because the government has had its head buried in the sand since it assumed office and the appropriation of \$100,000 will do next to nothing to push on with this project. Mr. Speaker, the shortage of hospital beds in Regina is serious. Looking after the shortage, and there are many shortages throughout Saskatchewan and throughout Canada, looking after the shortage in Regina is going to be expensive. The previous government believed that it could not afford to make a mistake and it engaged the very, very best experts who were available, and I would like to hear the Minister of Public Health, (Mr. Steuart) deny this if he dares, the very best experts available in the form of Dr. Harvey Agnew and Dr. Gerhart Hartman. They recommended well over a year ago, that a, third hospital be built on a new location. They said that this was desirable. They said it was essential. Now, last year, the legislature passed an act to set up a board for this hospital. Then the Liberals were elected. The member for Prince Albert, (Mr. Steuart), the second Rip Van Winkle, became Minister of Public Health. He did absolutely nothing. He did not appoint a board to build this hospital. He did not appoint a board to plan this hospital. He has not appointed a board yet.

One year has been lost. One vital year. If the minister had acted as the legislature last year intended him to act, we could be going ahead with that, complex next year. If he acted, the board could have sorted

out some of the administrative problems which may yet arise. They could have sorted out, in this year, the relationship between the two existing hospitals, whether the university shall be involved, whether the city of Regina and other municipalities shall be involved. But for one year he slept. Now he has opened one eye, to the extent of providing a token commitment in the budget. The people of southern Saskatchewan are entitled to a clear policy statement.

I see the hon. Minister of Public Health (Mr. Steuart) making notes and I hope this means that we will get a clear public statement. It is the policy of the CCF to build a third hospital in Regina, to serve southern Saskatchewan, as the university hospital serves northern Saskatchewan. It is further our policy that the university would play a major part in the planning of this hospital complex. That, Mr. Speaker, is our policy. What is the Liberal policy? The Premier's silence in his Budget Speech is ominous. He, too, sleeps beside the Minister of Public Health (Mr. Steuart).

**Mr. Thatcher:** — . . . sleep . . . now . . .

**Mr. Blakeney:** — The Budget Speech, Mr. Speaker, did nothing to set at rest the widespread fear that the Liberals are proposing to dismantle the Saskatchewan Power Corporation, or at least the half of it which is the gas utility. Instead, the speech appears to strengthen this suspicion. The speech contains a statement about Liberal philosophy, on crown corporations. Here is what the Provincial Treasurer said:

There are however, certain vital areas where the return on investment  
note these words:

would not attract the private investment that is necessary to service, the diverse population of the province and the growing needs of industry. The two notable examples in this regard are the production and distribution of power and the provision of telephone services.

Yes, Mr. Speaker, the two notable examples, telephone service and power. With respect to natural gas, there is stony silence. This adds to the misgivings that are already felt. Mr. Speaker, there is every reason for these misgivings. Many of us will remember the Premier's reactions to the new power building when it was being built, a building which provided employment for Regina citizens when it was badly needed, improved the operating efficiency of the corporation, and it is a credit to the architectural genius of a local architect.

What was the Liberal reaction to that? Well, here is what Mr. Thatcher said, "the greatest white elephant of this administration."

Now, of course, he takes the credit for the building and he does not even have the good grace to blush.

**Mr. Thatcher:** — I do not take credit for it.

**Mr. Blakeney:** — Well, I am glad you don't take credit for it. But more serious . . .

**Mr. Thatcher:** — Now we have to pay for it.

**Mr. Blakeney:** — . . . were the Liberal leader's attacks on the gas policy of the corporation. In the Star Phoenix of March, 1961, I noted this item:

Private firm could sell gas cheaper says grit leader Thatcher. He claims that a private utility could sell gas in Regina at half the price of the S.P.C.

**Mr. Thatcher:** — True.

**Mr. Blakeney:** — Mr. Speaker, if the private enterprise approach to gas was ever introduced in this province, smaller centres without gas would

never get it. Look at Manitoba. I just happened to get some material from the National Energy Board about how they get along with private enterprise gas in Manitoba. Those of you, who want to look at this, can see in the National Energy Board report to the Governor-in-Council, a map showing where there are gas lines. There is a great proliferation of them in Saskatchewan, across Manitoba there are simply the Trans-Canada line and a line down to Minnesota. In transmission lines, Mr. Speaker, Manitoba has 455 miles, Saskatchewan has 2,283 miles.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — The Trans-Canada pipeline goes right through the middle of Manitoba and yet any settlement which is more than a few miles from that line, does not have gas.

Mr. Speaker, up in the northeast corner of this province, all sorts of small communities have gas. I believe there is gas at Pelly and Arran, but across the border up and down the Manitoba-Saskatchewan border, towns the size of Roblin and Russell and Dauphin do not have any gas. This, Mr. Speaker, is the private enterprise approach.

But the real misgivings came from the announcement that gas producers will be free to sell gas wherever they wish. Up to now, they have sold to the Saskatchewan Power Corporation at a negotiated price and when the price could not be negotiated, it was arbitrated and a Judge was chairman of the Arbitration Board. But the Liberals say they can sell the gas wherever they like. They don't have to sell it to the S.P.C. Now if they don't sell it to the S.P.C. where are they going to sell the gas?

There are only two possibilities. They could sell it for export from Saskatchewan, or they could sell it to someone else who is going to distribute in Saskatchewan. But surely the government opposite cannot be proposing to export gas from Saskatchewan. When our proven reserves are greater than they are now, it would be perfectly proper to consider this policy. People will remember what happened in Alberta, how careful they were about gas exports. They insisted that the proven reserves of Alberta be sufficient for Alberta's purposes for decades before they allowed gas to be exported. Now our reserves here in Saskatchewan is about 950 billion cubic feet, about a trillion cubic feet. No doubt this would be well added to. There has been exploration in the past few years and no doubt there will be explorations in the next few years. But Alberta was very careful indeed. They're still careful about permitting gas export and they have a reserve of 33 trillion cubic feet, more than thirty-three times our reserve and they did not allow any export from Alberta until their reserves were at least ten times what our present reserves are. Now surely the Liberal party does not have so little faith in Saskatchewan that they believe our future needs can be met by one tenth the gas that met Alberta's future needs.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Surely not. They cannot be proposing to allow export of gas at this time. If they are not proposing to allow the export of gas at this time, what is the other solution?

The only other possibility is that someone else is going to be distributing gas in this province. Now if this is done, we in Saskatchewan will lose control of our own gas utility. It will be directed, not by the people, for the people, but by Toronto, for Toronto. It will be one more step in reducing Saskatchewan to the status of an economic colony.

Now certainly, we in Saskatchewan welcome outside capital, and we do so because we cannot develop all of our resources with our own locally generated capital. But where we have proven that we can do a job ourselves, why not let us do it, ourselves? We have through public ownership, co-operative ownership and private ownership, shown that we can do quite a few things. We can operate grain marketing organizations, power utilities, oil refineries, meat, packing plants, insurance companies, creameries, whole-sale houses, sulphate plants and many others. Great economic enterprises are owned and controlled here in Saskatchewan. Let us not go back to the old days when all the real and vital economic decisions, which affected the life of Saskatchewan were made in Winnipeg or Toronto, or New York.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Saskatchewan people are proud of their gas utility and I appeal to this house to adopt policies which will preserve and expand that gas utility to every corner of this province as far as possible. Mr. Speaker, that is in the very best interest of Saskatchewan people.

Mr. Speaker, before I sit down and don't be misled by that, I have quite a bit to say yet.

**Mr. Steuart:** — . . . promise . . .

**Mr. Blakeney:** — I would like to make a few brief remarks about the general financial policy which is indicated in this budget. The former government followed a general policy of balanced budgets. Saskatchewan paid heavily for the great burden of public and private debt which was incurred in the early days of this century, and particularly in the 1930's. Now nobody predicted the disaster conditions of the 1930's and when they were upon us, no amount of wisdom would have solved those problems easily. No one is saying that this debt was imprudently incurred, some of it may have been, but basically it was due to the fates which were not under the control of the people guiding our destiny at that time. But be that as it may, it was heavy drain on the life blood of Saskatchewan, right through the 1940's and up until the early 1950's. Private citizens used their resources to pay off accumulated debt. Farmer after farmer kept his old machinery and paid off his mortgage. Municipalities did the same thing and were very reluctant to incur new debts. The province did the same thing. It paid off its old debts so it could get itself squared around. There wasn't too much surplus for development. Now, in the light of these circumstances, the developments which were achieved, in some areas, were really quite remarkable. The former government believed that we should not fear debt, especially when it used to finance self-liquidating projects, but just as we shouldn't fear, neither should be run up big debts in prosperous times.

Now we had small deficits in 1961 and 1962, resulting from the 1961 crop failure, but these were more than covered by the surpluses of 1963 and 1964. Now this seemed to us, good sensible policy. That is why I am disturbed to see the Premier start down a road of deficit financing in his first budget, when Saskatchewan and Canada are more prosperous than perhaps at any time in history. Now how has he done this? Well, first he has had the university borrow \$7,000,000 for its expansion program and he is going to guarantee that money. Last year, the capital grants for the university were paid out of ordinary revenue, but this year, they are going to borrow money that has to be paid back with interest in the years ahead. He cannot keep this up. In five years, the university would owe \$35,000,000 and they would have an annual interest bill which is more than is now set aside in these estimates for the interest bill for the whole province. As I mentioned earlier, it looks to me that he proposes to clean up very nearly in its entirety the reserve of the Medical Care Insurance Fund. This stood at over \$9,700,000 at the beginning of 1964, and I suspect it is about \$7,000,000 now. This, Mr. Speaker, is a one-shot effort. You can only rob the piggy bank once.

Now this leads to an interesting question. What happens next year? There are not many more piggy banks left to rob, just one or two more. I saw a couple of indications which I be watching. The Saskatchewan Economic Development Corporation was one of them and I will be watching that. But if he can't find any more piggy banks to rob, either the Provincial Treasurer will have to cut back programs, or raise taxes, or employ deficit financing. Now, Mr. Speaker, as a matter of plain fact, few programs can be cut back without a justifiable public outcry. Even after applying the meat-axe this year, our programs will be up by several millions of dollars. Now what about raising taxes? Well, Mr. Speaker, I think we can be assured that any tax increases will be introduced by a Liberal government only after an election. Now that raises an interesting speculation, as to whether this budget is the one-shot pre-election sunshine budget. Well, Mr. Speaker, if this is the case, then the budget of the Provincial Treasurer which we are debating is not only his first budget, but it is his last.

**Some Hon. Members:** — Hear, hear!

**An Hon. Member:** — . . . coming . . .

**Mr. Blakeney:** — But it . . .

**An Hon. Member:** — . . . it's coming . . .

**Mr. Blakeney:** — Well perhaps that is an acknowledgement that there is an election.

**Mr. Kramer:** — . . . call it . . .

**Mr. Blakeney:** — But it was about deficit financing which I wanted to say a few words. Now for many years the accounts of the province of Saskatchewan have been kept in accordance with a couple of fundamental principles, that are used by the government of Canada. Very broadly, they are these. That in order to calculate whether there is a budget surplus or a budget deficit, all expense, except advances to self-liquidating projects, are to be charged to expenditures. A self-liquidating project is one which will pay off the money borrowed for the project out of its own resources without the use of tax money.

In calculating the debt or asset position of the province, we should deduct, from the gross debt, both street and guaranteed debts, assets held in cash or money's worth, and the amount of debt which represents investments in self-liquidating projects. I know that is an inadequate summary, but briefly put those are the key points in our financial set-up. All expenditures by the Department of Education, as an example, would be charged to expenses in the year they are made, because the Department of Education does not have resources of its own. But advances to Saskatchewan Government Telephones, would not be charged to expenditures, because these advances will be paid back out of the revenues of Saskatchewan (Government Telephones and not out of taxes).

Now it would be very easy for a provincial government to pretend that it is budgeting for a surplus when in fact it is budgeting for a deficit. We are seeing that this year, as a matter of fact. But if the debt of the province, either direct or guaranteed over and above that for self-liquidating projects, keeps going up, then this province is deficit financing what ever the provincial budget may say.

The province of Manitoba has been doing this in recent years and is approaching the time when, it will curtail to its programs or increase taxes sharply.

The accounting system used by the government at Ottawa, by the Saskatchewan government, and by several of the other provinces, is a good one, because it gives the legislature and the public the truest and most accurate picture of where we stand as a province. The government has already started down the deficit finance road, by the device of making the university borrow money which it should be getting in capital grants. We now must wonder whether the government will next propose changes in the accounting system for its deficits.

I hope this will not be the case. If the government believes that we should run our affairs in the red,, and there are times when we should, I hope it will have the courage and the honesty to say so and to show it as a deficit in its figures. I congratulate the government in this year for retaining our accounting system which gives to the people the best picture of their affairs and I urge the government to do so again, if it submits another budget.

Mr. Speaker, I just have one or two more remarks which I have decided to make now that the Minister of Public Health, (Mr. Steuart) is in his seat. They concern the Indian and Metis Agency. I am concerned about the Indian and Metis Agency. I do not propose to dwell at length on this at this time. I hope that there will be a further opportunity to talk about it. If it is to be a co-ordinating agency, then I am not quite sure how it is going to work, located, as it is, in one department. It is not impossible to run a co-ordinating agency as a branch of one of the departments which must be co-ordinated, but there are some pretty solid administrative problems in expecting this co-ordination agency located in, as it will be, the Department of Natural Resources to do very much of a job of pulling together programs, let us say, of natural resources and education which may be diverging. I am afraid it will all to soon get oriented in the direction of the Department of which it is a part. This is a co-ordinating agency. On the other had, it may be a program agency and if it is this, I am a little worried because it would start out with a benign concern for Indians

and Metis people, but there would be a real danger that it would move to a position of restrictive segregation. With all the good will in the world, this can easily happen, and it would be my submission that this is what has happened with the federal Department of Indian Affairs. They started with all the good will in the world to do what they could for the Indian people. But because of administrative structural rigidity, what has happened is that they have managed to segregate their charges. I am sure that they did not set out to do this, but this has been the result. They have managed to segregate their charges from the main stream of Canadian life. I would really rather have seen a step in the direction of integration of Indian and Metis services with the service which are offered to all the citizens of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — The particular step I have in mind is to bring the native Indians, the Treaty Indians under the medical care scheme. Now, Mr. Speaker, when the old government was in office, it tried to get a satisfactory financial arrangement with the federal government to bring the Indians under the medical care scheme. And what appeared to be a perfectly simple problem, got more and more difficult as time goes on. It seemed a simple problem because there were many precedents. We have brought the Indians under the hospital plan, and we assumed that the same basis for bringing them under the medical care plan would follow as in bringing them under the hospital plan. We could not see why there would be any difference in the view of the federal government with respect to hospital services for Indians than with respect to medical services for Indians. We treat our Treaty Indians in our mental institutions, and we have worked out a cost sharing formula. And the Anti-TB League gives Indians services at their sanatoriums and they have a cost sharing arrangement.

The federal Department of Indian Affairs simply pays the costs, the average costs, and there is no great problem in working these out. We proposed this formula to the federal government and we had agreement at least by letter to this arrangement from the hon. Mr. Monteith, the Minister of National Health and Welfare under the Diefenbaker government. But somewhere along the line, when we came to deal with Miss La Marsh, the hon. Minister of National Health and Welfare under the new government, there was an absolute refusal to follow the previous formula. We were surprised at this. I know I went to Ottawa, interviewed Miss La Marsh and went down with Mr. John Tootoosis and Wilf Bellegarde, the President and Secretary respectively of the Federation of Saskatchewan Indians, but the federal government was adamant. The province must pay all the costs. The federal government was not interested in sharing any part of the costs of medical care for Treaty Indians. We said: "What is wrong with the old formula, of your paying the actual costs?" but the federal Liberal government said, "No". We said, "All right", if you don't want to pay the actual costs, how about the average Saskatchewan costs? These are going to be less than the actual costs. It is going to cost more money to render medical services to Indians than to other people, if our experience with the hospital plan is any indication." "They use services at about twice the rate of non-Indian people" This seemed to us a fair arrangement, "All right you will pay the per capita cost. If these people use services over and above the average, we, the province will stand the shot." The answer to that was, "No". We even offered to talk on the basis of the federal government spending just what they are spending now for Indian Health Services. We asked, "What are you spending now?" "Don't walk away from the obligation but put it into the pot. Let us talk on that basis. Once again, the federal government said, "No". Now we were given some assurance in November of 1963 at the Federal Provincial Conference, that we might get some progress. Mr. Favreau was then Minister of Citizenship and Immigration and there was some real hope at that time that Indian programs might be integrated with other programs, not only in the field of health, but also in the field of education and welfare. This we had hoped would be resolved at the conference in May 1964. But I am afraid this is just one of the other things that has fallen by the way-side in the disarray in which the government at Ottawa finds itself.

**Mr. Steuart:** — Mr. Speaker, I would like to ask the hon. member a question.

**Mr. Blakeney:** — Surely.

**Mr. Steuart:** — What year was it that you took the Indian population into the hospitalization program?



**Mr. Blakeney:** — I am sorry I cannot tell the hon. member this, but it was well before 1957 or 1958 — well before the national scheme came in. If he is directing his attention to whether or not it was part of the national hospital scheme, the answer is that Indians were in the plan before the national hospital scheme because indeed the post sharing formula changed at the time of the national hospital scheme. After that, we got no money from the federal government and this was part of the deal, of their putting in forty-two per cent or thereabouts of the costs of the national hospital scheme. As a quid pro quo for the federal government sharing the cost of a national health scheme they said that every provincial government would have to bear the costs of hospitalization of its Indians, and that seems perfectly fair and reasonable. But the formula which operated prior to that, was one whereby the federal government paid the actual cost of hospitalization for Indians and an imputed cost at the mental hospitals. It was \$5 a day, and the cost was worked out with the Anti-TB League, which was something more than \$5 a day.

Now, Mr. Speaker, I know the problem of convincing the federal Liberals to take any responsible position on this matter. We have certainly had our problems with them and if I were just going to give one instance, I would say this, Indians at Fort Qu'Appelle who have tuberculosis are treated in the Indian Hospital at Fort Qu'Appelle when there is a sanatorium three or four miles down the road where they could receive, I think, a better grade of treatment because specialized treatments are offered by the Anti-TB League on an integrated basis. And notwithstanding the fact that that facility is there and not being used to its full capacity, Indians are still treated for TB in a general hospital used for all Indian ailments at the town of Fort Qu'Appelle and this seems to me, to indicate unwillingness on the part of the federal government to move with the times in integrating its health services. So I have every sympathy for the government opposite in trying to get the Liberal federal government to take any constructive action on this. Nonetheless, I would have hoped that with all his persuasiveness, and with one year of time, the Minister of Public Health, (Mr. Steuart) would have been able to bring this matter to a head. I think, if I had brought this matter to a head, and brought Indians under the medical care scheme, then it would have been far better than setting up an Indian and Metis Agency. I am not denigrating this agency, I just feel that the services which would have been received by the Indian people would have been rather more constructive.

Now, Mr. Speaker, I have been on my feet a good while, I have other remarks which I would like to address to you and to members of this house, but fortunately I have on this side of the house exceedingly able colleagues who will put these points in the debate as it moves on and, accordingly, I would like to conclude my remarks, by saying that the salient features of this budget are the following; it represents a return to deficit financing; it shows a desire to favor private capital over public or co-operative capital in every case without regard to which can do the best job for the people of Saskatchewan, rather than taking the balanced approach favored by the CCF; it shows a total lack of understanding of our educational problems; it provides for a shift in taxes; it decreases sales tax, a policy that will lead to increase in property taxes and head taxes. Mr. Speaker, I disagree with every one of those principles and accordingly, Mr. Speaker, I find it necessary to move seconded by the hon. member for Kelsey, (Mr. Brockelbank) that all the words after "THAT" in the motion be deleted and the following substituted therefor;

This assembly views with alarm and dismay the inadequacy the amounts proposed to be voted for school grants and other assistance to local governments and regrets that those local governments will be compelled either to reduce services or increase property taxes.

Mr. Speaker, I so move.

**Some Hon. Members:** — Hear, hear!

**Hon. D.G. Steuart (Minister of Public Health):** — Mr. Speaker, my first words in this debate will be praise for the most progressive and courageous budget in the history of Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — A progressive budget because

it places this province on the road to real development. Tax cuts put us in a more competitive position with other provinces in our efforts to obtain job producing industries. The incentive program announced by our government will complement this competitive position and produce business and industrial development for Saskatchewan in the months and the years ahead.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Mr. Speaker, it is a courageous budget because it is the first honest attempt for over twenty years in this province to introduce economy into government operations and call a halt to ever rising taxes. Mr. Speaker, it is proof that we intend to keep our election promises. I might say, Mr. Speaker, this budget has been welcomed from one end of this province to the other by people who recognize that our province will only grow and prosper under a private enterprise and through private initiative. It will be criticized by people who either cannot or will not recognize the economic facts of life. The kind of people, Mr. Speaker, who have governed this province for twenty years and are responsible for our high rate of taxes and low rate of growth. Mr. Speaker, we have just listened to one of these individuals, the hon. member from Regina West, (Mr. Blakeney) attempting to tear down this budget. The lengths that he goes to in an effort to misrepresent the budget is a clear indication that the Socialists fear this document and the effect it will have on our province.

Mr. Speaker, the CCF fear this budget because it proves they have been over-taxing the people of the province for over twenty years. This budget rejects the Socialist theory of ever bigger government and ever bigger tax bills. It has been proved beyond doubt, that the people were right when they rejected the Socialists in the election.

Mr. Speaker, let me examine some of the hon. member's criticism of the budget, and show what I mean when I say he is attempting to misrepresent this budget. The first thing he took us to task for, was failing to provide the cash for the University of Saskatchewan building program for 1965. He said we were forcing the university to go into debt and that this was a terrible thing, a backward step. Oh, he admitted that his government had allowed the university to borrow a little money but it was really nothing compared to what we were doing. Well, let us look at the facts. Mr. Speaker.

Our government agreed to a capital or building program for the university, costing \$13,400,000 and we agreed to finance the borrowing of \$7,000,000 or just over fifty per cent of the total program. Now, let us take a look at the sanctimony of the CCF record the last year they were in office. The actual capital cost of the university's building program for 1963 was \$6,200,000. In the fiscal year of 1964, the university actually borrowed \$4,000,000 which is sixty-five per cent of that year's program. Under the Liberals, fifty-two per cent was borrowed. The CCF started a program that they are now crying about. The hon. member from Regina West, (Mr. Blakeney) also viewed with alarm this borrowing in a year of buoyant government revenues.

Well, let me point out to this house, that when the Socialists started this borrowing program, that they now protest to dislike so badly, they had the largest surplus in Saskatchewan's history, \$12,700,000 in supplementary estimates and \$9,300,000 in actual surpluses.

Mr. Speaker, did they pass any of this on to the municipalities? They did not. In fact they never discovered the financial plight of the municipalities and school boards until they became the opposition. It is because of the way they treated the municipalities that I think they will stay in opposition for many years to come.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Mr. Speaker, it is the same old story. The Socialists talk one way and act another. They misrepresent things to distract from their own sorry record. The hon. member's whole attack on the budget and his juggling of the facts in connection with the university was irresponsible and inaccurate.

Let us take a look at some of his facts and see how they stand the light of day. The hon. member claimed that we were, in fact, bringing in deficit budgeting and that, while we were appearing to cut taxes, we were in reality just passing the tax load on to the municipalities.

Mr. Speaker, I never thought that I would live to see the day when anybody who has been a member of the former CCF government would have the bare-faced gall to talk about who raised municipal taxes in this province.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — What happened to the taxes on the homes and the farms in the twenty years that the people who sit opposite ruled this province? Well first, Mr. Speaker, they doubled, and then tripled, and now they are over four times higher than they were in 1944. Those people were elected promising to reduce the taxes on farm homes and homes of our working people.

Mr. Speaker, the CCF government made a mockery of municipal financing by forcing municipalities deeper and deeper into debt and pushing the mill rate to an all time high all over this province.

Let us take a look at their records. When the wave of wartime babies hit the elementary and high school level, did our friends, the CCF, the great defenders of the local taxpayer, offer to put up the cash when thousands of new classrooms were needed? Did the CCF take the attitude that our friend from Regina West, (Mr. Blakeney) would now have us take? Mr. Speaker, they did not. They said if you want the schools, go and borrow the money wherever you can find it. They said the same thing to the towns and the cities in connection with their capital programs as well.

Just take a look at some figures from the Dominion Bureau of Statistics. In 1952, the interest on school debts in this province amounted to \$112,000. By 1962, ten years later, the interest on school debts was almost \$3,000,000. In other words, the burden on Saskatchewan taxpayers for interest on school debts alone had risen by over \$3,000,000 in their twenty years of office, an increase of some 2500 per cent. The actual school debt had risen from \$6,900,000 in 1952, to over \$51,000,000 ten years later in 1962. Who placed the almost unbearable burden on our municipalities, the largest burden that has ever been placed on them in the history of Saskatchewan? The Socialists who sit opposite in their twenty years of office, Mr. Speaker.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — You know, Mr. Speaker, the most damaging and damning evidence of the CCF attitude of arrogance and indifference to the plight of the school boards and municipalities came in that infamous local government conference of 1956. Oh, I well remember that the representatives of local government were called in here, it was going to be a new deal, when they got here, they sat all over this chamber, and the ministers stood up in their places and told them, follow the dictates of our Socialist planners, or get nothing. The infamous stand of the Provincial Treasurer, the late unlamented Mr. Fines, was that his government had no intention of pouring more money down a rat hole and he was referring to the municipalities of this province and the local school boards when he called them rat holes.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — The Socialist planners made it clear that if they could not control local government, they would break it. Mr. Speaker, all the crocodile tears in the world from the Socialists in opposition will never wash their dismal record clean in connection with school boards, municipalities and local government.

**Mr. Thatcher:** — . . . true . . .

**Mr. Steuart:** — Mr. Speaker, no matter how the opposition attempts to belittle this government's proposed increased financial assistance for all educational purposes, the amount is still \$12,000,000 higher than last year. Twelve million dollars more for education, Mr. Speaker. No fair-minded person can deny that we have given education number one priority in our budget. Not only that, Mr. Speaker, we will have jobs for these students when they graduate right here at home, which will be a change from the situation in the last twenty years.

Now, Mr. Speaker, the hon. member from Regina West, (Mr. Blakeney) talks about a policy for young people. Well, let us look at the CCF policy

for young people during their twenty years in office. About one half of our high school graduates and two thirds of our university graduates have had to leave this province year after year to find jobs because of the lack of development here at home. Well, Mr. Speaker, we have already started to change that.

Then he talked about SEDCO, the Saskatchewan Economic Development Corporation. Well, let us take a look at SEDCO. In 1963, the last year that the Socialists were in office in this province, the last full year, SEDCO made the grand total of nine loans to businesses. Mr. Speaker, no one else wanted to borrow money, the Socialists couldn't even give money away. He mentions the cement plant. He has talked about Wizewood. Well, I would like to talk about Wizewood. What did local investors put into it? From \$300,000 to \$400,000. What was the government's stake in it? About \$3,000,000, almost ten to one.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Well, he claps, but if we don't do something and we will do something, this government could see \$3,000,000 of the taxpayers' money go down the drain. What would that money join? It would join the money that went down the drain from the brick plant and the box factory and the woollen mill. I don't know how any Socialist can stand in his place and talk about business or business foresight, when they look back on their records of the last twenty years.

Mr. Speaker, they also mention Anglo-Rouyn mines, and that fact that one of the principles of that company happened to appear with the former Minister of Industry, (Mr. Pinder). He took the usual socialist sanctimonious attitude and said, "what a terrible thing, a business man appearing on the same platform and endorsing one political party". Let me call the attention of the house to that famous pulp mill that they waved around up at Prince Albert in 1956. You know they paraded a promoter named Robert Campbell all over this province. They had him up at Prince Albert, singing the praises of the Premier and the Treasurer, and the CCF government. What happened after the election in 1956? Well, the pulp mill disappeared and so did the famous Mr. Campbell. Don't let them point the finger at anybody for taking a little bit of industrial development and trying to make political capital of it.

Now, Mr. Speaker, let us talk about the medical care fund that my friend from Regina West (Mr. Blakeney) feels so badly about. Let us see how they obtained that fund. At the beginning of 1962, they instituted a one per cent corporation tax and the six per cent surcharge on income tax and they raised the sales tax to five per cent and promised to deliver for these taxes a medical care program. Well, first it was to be by March or April, then it was to be by July. They didn't because of their arrogant attitude. Because of the stand they took, they could not produce the medical care program for the people of this province. For almost one full year, they paid taxes for something that the government of that day could not and did not deliver.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Mr. Speaker, if he says by taking that money and using it to cut taxes of this province, we are robbing the piggy bank, who did they rob when they took the money in the first place.

Yes, Mr. Speaker, we may put that money back in and use it to cut taxes. We won't use it just one year, we will use it year after year, because we have to cut taxes by \$12,000,000 in this province and are going to keep on cutting taxes. Mr. Speaker, we don't believe that any government has the right to take one cent more from the wage earner and the people of this province than they absolutely need, a statement that the people opposite cannot deny in any honesty.

Let us talk about politics and civil servants. Well, I must admire the courage of the member from Regina West, (Mr. Blakeney), man oh man . . .

**An Hon. Member:** — He hasn't been around too long.

**Mr. Steuart:** — How he had the nerve to stand up in this house, and

talk about politics and civil servant! Mr. Speaker, there has not been a government in the history of Canada that has plunged the civil servants further into politics than the Socialists who ruled this province for twenty years. They promised the people of this province political freedom for civil servants. They gave them freedom, freedom to work for the CCF, freedom to vote for the CCF and freedom to talk CCF, Let us take a look at some of their names.

Someone suggested that I start off with the former Minister of Health, (Mr. Blakeney). Well, I don't know where he came from . . .

**An Hon. Member:** — . . . Nova Scotia . . .

**Mr. Steuart:** — He came from Nova Scotia, and he worked where . . .

**An Hon. Member:** — Swift Current . . .

**Mr. Steuart:** — . . . in the Security Commission. Well, I think we have that security commission cleaned up now, but that is where he started from. Of course I do not mean to imply that he had anything to do with it being in the condition it was, but he was there at the time, Mr. Speaker, when it was notorious from one end of Canada to the other as the worse commission to be found anywhere in this nation.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — He talks about political patronage! Let us take a look at the role calls. Scoop Lewry.

**An Hon. Member:** — Who is he?

**Mr. Steuart:** — Well, he was the briefest MP in Moose Jaw's history. He hardly had time to get the old fedora worn down when he was back working for this government. J.O. Probe; Castleden; Joe Burton; O.W. Valteau; J.A. Young; A. McCallum; Niles Buchanan; Alan Brown; Tom Bentley; Louie Lloyd, brother of Woodrow; Bill Harvey; Tom Hill; J.J. Harrop; David Cass-Beggs.

**Mr. C.G. Willis (Melfort-Tisdale):** — Mr. Speaker, would the speaker please table the list which he is reading?

**Mr. Steuart:** — Well, Castleden was CCF MP for Yorkton. He was director of staff training, defeated. Joe Burton, defeated from Humboldt. He was with the Power Corporation. O.W. Valteau, the defeated member for Saltcoats. He was CCF, and I don't see what I thought was a university degree. I found it was not though, it was a qualification to get a job with the government after 1944. A. McCallum was a candidate, but I guess he didn't get such a good job, because he was just a candidate. Well, he got a pretty good job with the Department of Education.

**An Hon. Member:** — Deputy Minister.

**Mr. Steuart:** — Deputy Minister, he must have been a good candidate. Niles Buchanan got a job with the Power Corporation. Alan Brown from Bengough, with the Co-op Insurance. I do not know what Louie Lloyd's qualifications were, but anyway he got a job in the Co-op.

**An Hon. Member:** — He had excellent qualifications.

**Mr. Steuart:** — I know his qualifications, solid CCF, solid.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Cal Hogg, CCF candidate from Ontario. If they couldn't find enough CCF candidates here in Saskatchewan, Mr. Speaker, why they went right across Canada to find them.

**An Hon. Member:** — . . . Cass-Beggs . . .

**Mr. Steuart:** — Clarence Fines' son, Clarence Fines' son, it says here. Fines, oh yes, he used to be with the government. Carl Edy, there's a good one. Mr. Speaker, the list is as long, not as long as my arm. It is about as long as the former Attorney General's (Mr. Walker) arm. Let me say that never in the history of Canada, has any government or any political party ever involved civil servants or members of the crown corporations in politics, as the people who sit opposite now, and that is one of the reasons they are sitting opposite.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Oh I have another list here, I forgot this one. Kim Thorson.

**An Hon. Member:** — Who is he?

**Mr. Steuart:** — Kim Thorson was a defeated CCF MLA, he was given a job each summer in the Premier's office.

**An Hon. Member:** — Oran Reiman.

**Mr. Steuart:** — Oran Reiman, yes, he was a defeated candidate down in Weyburn. I understand he got a job in the Premier's office. Then there are a few more up in Prince Albert I could name; Mr. Cal McCall, not a CCF candidate, but every year he was a CCF organizer. Mind you, he didn't do so well in the last couple of elections, so I don't even know if they would have kept him on if they had been returned to power.

Mr. Speaker, the member from Regina West, (Mr. Blakeney) made an attack on the gas policy. He made all kinds of dire predictions what we were going to do. Let us talk about the gas policy of the S.P.C. under the Socialist administration. Do you realize, Mr. Speaker, that in this last winter, every industrial user of natural gas in this Regina area, was rationed for up to sixty days? And why? Because of the short-sighted policies of the former administration in guiding the policies of the SPC. They could not supply the gas to them. We took the strait jacket off the S.P.C. monopoly of gas production in this province, and why have we taken off the strait jacket? How many operating gas wells have we? How many people have we looking for gas? When we came into power, Mr. Speaker, there wasn't one outfit drilling for natural gas in the province of Saskatchewan. Why? Because if they found it, they had to sell it to the power corporation and that wasn't too bad, but they had to sell it to the power corporation at their price. Well, we're proud that we broke that monopoly. As a result of this action, we will see gas wells brought into production in this province, Mr. Speaker, and then we will have something to talk about and when they are brought into production, we will pay a fair market going price, not one cent more and we will finally be able to look to Saskatchewan, not necessarily to Alberta, for our source of natural gas. Then when we build up a natural gas system, I can guarantee that we will leave that control to the S.P.C. We will not be cutting industrial users off, for fifty-eight, sixty, or sixty-five days the first time we get a cold snap.

Mr. Speaker, the hon. member from Regina West, (Mr. Blakeney) talked about the hoped for base hospital here. He made some rather rude remarks about me, I thought. Well let us talk about that famous report. Now, I don't disagree that those people they hired are good hospital consultants. Back in 1961, the report came in recommending a base hospital, and when did they hire the consultants? June of 1962. Somebody was dragging their feet. Why has it taken the consultants so long to get that report ready? Because when they moved into Regina, just as they could have moved anywhere in this province, they found the atmosphere on the hospital boards and in the medical profession had degenerated into one that you wouldn't want to find anywhere. They found strife and they found friction. Mr. Speaker, one of the most important jobs that I had to do when I became the Minister of Public Health was to create an atmosphere of good will and co-operation between the hospital boards and the medical profession and I think I did just that and I am proud of what I did.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — I would have liked the hon. member from Regina West, (Mr. Blakeney) to talk about community clinic doctors. I noticed he didn't mention it, or if he did, it might have been when I was out of the house.

I would have liked him to talk about the people who couldn't get into hospitals in Regina, Estevan and Saskatoon. They passed a law and put it on the books, but they still didn't get them into the Hospitals because you can't force co-operation. This is something these Socialists never learned. Mr. Speaker, you can pass all the laws you want, but you can't force good will and co-operation. So we sat down with those people, both sides, and I'm very proud to say those doctors are now in the hospitals and I believe they should be in the hospitals. They are in where they belong and we didn't do it with force or compulsion. We did it with good will through negotiation. He says we wasted a whole year. We haven't wasted a whole year in the Regina situation, Mr. Speaker, as I will show later, when I deal with the Department of Public Health. I maintain that we will do more in our first two years of office to solve the hospital bed shortage in the city of Regina and in the southern half of the province. We'll do more in our first two years of office, than the former administration did in the last eight or ten years.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Mr. Speaker, all the misrepresentation and all the double talk of members of the opposition will not hide the fact from Saskatchewan people that for the first time in twenty years, they have had some tax relief. It will not hide the fact from the farmers that at long last they have a government that recognizes their needs and allows them to burn tax free purple gas in their farm truck operations. It will not hide that fact from the people of Saskatchewan that the sales tax has finally been reduced. It will not hide the fact that this is the most forward looking budget that this province has seen, not in just twenty years, but since the province was formed.

Mr. Speaker, I would like to turn now to the Department of Public Health. In the nine months that I have been with this department, I have been very impressed with the many dedicated men and women who work to safeguard and improve the health of the people of this province. I have also become more familiar with the health programs of this province. Many of these programs are good and I give credit to the former CCF government for developing these good programs. They must not only be given credit for the good things, they should also be held responsible for their omissions and their lack of activity in matters, some of them of paramount importance. Let me first of all say something about their medical care program which build up an atmosphere of mistrust, suspicions and frustrations among the medical men and hospital boards. Much of my time during the past nine months has been spent in breaking down these barriers. No program can meet with maximum success, unless it is worked out and developed with full participation and co-operation of those people involved in providing this service as well as those people receiving the service. I found again and again that consultations which had taken place were of a token nature. I was amazed for example to find that, many of our hospitals had little appreciation or understanding of the policies the last administration was trying to affect.

Mr. Speaker, I would like to illustrate one of the major omissions of CCF planning by outlining the most vital gap in the planning of our hospital services in this province. Saskatchewan has more beds per thousand of population than any other province in Canada. In 1962, we had 8.1 beds per thousand when the Canadian average was 6.7. Today, we have 8.4 beds per thousand. Rates of hospitalization are higher in Saskatchewan than they are anywhere else in Canada. Per capita cost of hospital care is higher than in any other province. In 1962, hospital care in Saskatchewan cost \$37.06 per capita when the national average was \$29.72. Now much credit should go to the former government, if these statistics reflect more adequate care in Saskatchewan than you can find in the rest of the nation.

Mr. Speaker, has the hospital dollar been spent to the best advantage? Let us look at one phase of the situation, one the hon. member from Regina West, (Mr. Blakeney) brought out. In Regina, despite the large number of hospital beds in the province, we are faced with a critical bed shortage. Since this is one of the two base centres for highly specialized hospital service in the province, this shortage has an affect not only on the citizens of our capital city but on the population of the southern half of the province as well. Mr. Speaker, there are beds lying empty in some of the smaller hospitals while waiting lists build up for people needing specialized care in this city. I don't think that anyone on either side of the house will deny that this is a serious problem. But the tragedy is that it was a preventable one. The 1951 hospital survey report, now fourteen years old, pointed out that the urban shift in population was a factor that would continue. Many other reports drew attention to the same fact.

It has been known for years that with the increasing complexity of medical technology, more care would have to be given at base hospitals, that is, if the population were to be given the service that our increasing knowledge and advances in medical science now make available.

The much talked of and the long awaited new hospital in Regina will solve this shortage of beds. More important, it will provide the type of service so important to a centre serving 500,000 people with more complex and serious types of illnesses and accidents.

Despite the 1961 hospital survey recommendations that a detailed study be undertaken to ensure development and expansion, consultants were not engaged until June of 1962. The study was slow in starting, and because of the unpleasant atmosphere of distrust, which was particularly evident in this city, inevitable delays occurred. As a result, Mr. Speaker, the study has not yet been completed. The final report is expected to be in my hands sometime in the middle of this year.

I have been told by experts, that we cannot expect the new south Saskatchewan hospital complex to be in operation in under four years. Obviously, the mounting demand placed on the Regina hospitals, requires immediate action. This resulted in my announcement to the house on February 12th, of a grant of some \$400,000 to the Regina General Hospital towards the construction of an addition. I honestly feel that more major undertakings at the Regina General Hospital site would be ill advised because of the relatively poor lay-out and the age of the existing plant. I appreciate that this will not solve the problem entirely. It will make it more tolerable until a new hospital complex can be developed.

We must remember that a significant number of patients, Mr. Speaker, can be cared for equally well, if not better, in their own homes. The start of a home care program in Regina last fall, marks an important step forward. Regina's Home Care Program not only fills a much needed gap in our treatment program, but it will also help to alleviate the critical bed shortage in this city. Monies have been allocated in the budget in order that the planning phase of the new south Saskatchewan hospital will go ahead with all speed. I am confident that we can develop a hospital complex in Regina that will serve the city and the district and be a referral centre for the southern half of the province. We also recognize that the province has a larger financial responsibility in this proposed base hospital than normal because it will serve the southern half of the province.

Mr. Speaker, many of our rural areas face serious hospital problems as well, some brought on by changing conditions and some by lack of action by the previous government. I found, for example, that many of our small hospitals have been allowed to deteriorate to the point where they are a disgrace to this province. One hospital I visited was a three story structure built in 1913. It had to be propped up by timbers to keep it from caving in. Another small hospital that I inspected was an old house that had been added to about three times, literally a fire trap, like many others and which should have been condemned long ago. At least twenty hospitals in the province of Saskatchewan are today so substandard that they represent an actual hazard to their patients. No provisions have been made for their replacement. The great Socialist planners had no plans for these rural community hospitals. Year after year, Mr. Speaker, the requests, the demands, and even the pleas of these hospital boards to be allowed to rebuild were ignored. The CCF did not have a plan, Mr. Speaker, but they did have an answer to at least thirty or forty of our small hospitals, wither on the vine and disappear. While this process of attrition was taking place, thousands of our rural residents were actually exposed to substandard hospital facilities.

Mr. Speaker, we are aware of the rural urban populations shift. Better roads and changing economic conditions have made it necessary to take a new look at our entire hospital pattern. We are prepared to face our responsibility in this regard and we have, in fact, already taken action. Mr. Speaker, we have 144 general hospitals in Saskatchewan. The breakdown of our hospitals, according to size, shows that, of these, ninety-five hospitals are under twenty-five beds. This is sixty-six per cent of all our hospitals. Fifty-two of them have less than fifteen beds.

Our hospital costs run from \$9.28 to \$39.70 a patient day. The range of services provided in these hospitals, varies from the very limited functions, normal obstetrics and very minor surgery in some of our small hospitals, through to the most complex and specialized services available in the larger hospitals in Saskatoon and Regina. It is reasonable to expect



that costs and services would vary according to the size of our hospitals. Ten bed hospitals should not be attempting to provide the wide range of service that we find in the university hospital. Nor should costs per patient day be as high.

Hospitals of this size should be providing about the same level of limited service consistent with their size and their level of professional resources. Their cost per patient day should also be similar. But this is not the case in Saskatchewan today. An examination of the records of those fifty-two hospitals, ranging from eight to fifteen beds shows an almost unbelievable difference in the services they are attempting to provide and in their patient day costs. Some of these small hospitals confine themselves to very limited functions, normal childbirth cases and minor surgery. Other hospitals, Mr. Speaker, of the same size are permitting difficult childbirth cases and major surgery that should only be attempted in very large hospitals where adequate facilities and professional resources can assure maximum safeguard to the patient.

When the costs of these small hospitals are examined, we find operating costs of some under \$12 a day, of others, \$16 a day and of others \$25 a day. The range runs as high as \$39.70 for hospitals of the same size. The number of people served by these small hospitals varies from a low of 600 people to a high of 3,000 people. An honest appraisal of the fifty-two hospitals, eight to fifteen beds, rural community hospitals in Saskatchewan, today shows a hodgepodge of building standards, functions and costs. Buildings range in condition from old and disgraceful to brand new and modern. Functions vary from those properly limited to the adequacy of the building and equipment, to major surgery that should only be attempted in large hospitals. This in part is reflected in the wide disparity between their patient day costs.

Mr. Speaker, I doubt that any sensible person would not agree that something must be done about this situation. The survey of our hospitals was started some five years ago. It resulted in the hospital survey report of 1961. This report recommended the closure or conversion of fifty of these small community hospitals. Mr. Speaker, none have been closed, none have been converted. In fact, very little has been done about the problem. This problem is not solving itself, nor is it likely to. This is not an easy problem or a simple one. The answer will not be easy nor will it be simple.

Now, to begin with, Mr. Speaker, I do not think any government has the moral right to use the power of the Saskatchewan Hospital Services Plan to force these small hospitals to close. These small hospitals belong to the rural people. Many of them have a long history and are an integral part of their community. But it is true, travel conditions have improved and the closure of some of these hospitals would leave many of our farmers a long distance from any hospital. Some municipalities are concerned that closure of their hospitals would probably mean loss of the community doctor. Now, our government considered these factors important enough to warrant looking for some solution to the plight of small hospitals other than closure. For eight months in the Department of Health, we have been studying this problem. We have visited small hospitals, interviewed hospital boards, discussed the problems with hospital associations, with the College of Physicians and Surgeons, and the executive of the S.A.R.M. and the Urban Municipal Association. The study in these discussions are resulting in our developing certain yardsticks and standards, which I believe will prove reasonable and can be applied to all hospitals in a fair and an equitable manner.

These yardsticks are first, that all hospitals should combine their functions and range of service to those that their buildings and equipment can safely handle, and that their staff are competent to cope with. If hospital boards allow operations to be performed and services to be rendered in their hospitals that are beyond the safe capacity of their physical plant and their staff, they may be endangering the safety of their patients.

Second, hospitals of the same size and rendering similar services should operate at close to the same costs. If hospital boards allow costs at their hospitals to exceed the average cost of well run hospitals of similar size and the hospital plant pays this difference, then the plant is condoning non-economic operations at the expense of the development of hospital programs in other areas.

Third, the Department of Public Health must set the highest standards that are possible and practical for all hospitals. There should be an agreement between hospitals and the department concerning the level of

care to be available in each hospital. The hospital plant must pay the cost of this agreed upon level of care. Mr. Speaker, if a hospital exceeds this level, the added costs must be the responsibility of the hospital or of its union district.

Mr. Speaker, I am not suggesting that the department should have absolute control over everything that is done in every hospital in the province. I am suggesting however, that if the department pays for the level of care every hospital may decide to render, there will continue to be serious over-lapping and duplication, and we will in fact be encouraging unnecessary and uneconomic service.

Fourth, in setting the standards for construction of hospitals, the level of care to be rendered should be a deciding factor. If the community decides to build a ten bed, limited function hospital, we should not expect them to have the facilities necessary in a fifty bed hospital. With these standards in mind, we began with about twenty small eight to fifteen bed hospitals. First, we met with them in groups, Mr. Speaker. Now we are meeting with them individually to make sure that full consideration by the department will be given to local conditions at the local level. I might say that the boards agreed that the problem of lack of standards and limitation of functions in the small hospitals existed. They were prepared to co-operate with us on a practical basis in an effort to solve this problem.

In the next few weeks a practical policy concerning these hospitals will be reached. Some of these hospitals have already carried out intensive reviews of their operations. They have demonstrated that significant budget reductions can be affected, provided their functions are limited and in keeping with their facilities and their size. A few hospitals believe a well-equipped out-patient clinic is more in line with their needs. In these instances, we will consider subsidizing a doctor, when necessary, to maintain medical coverage for these communities. We will review our provincial grants in order to give maximum assistance.

Mr. Speaker, having made this start, we intend to review in a critical and constructive manner, the functions and costs of every hospital in this province. We intend, by this means, to bring some order out of the chaos that now exists in some areas of our hospital plan. With regard to the hospitals that are in desperate need of replacing, we are developing a plan that will fit their needs and their financial responsibilities.

You know, Mr. Speaker, that this whole approach will take time and a great deal of good will on both sides. With hospital costs totalling some \$50,000,000 and indications that costs are still rising, it is essential in our opinion, that this be done. I might say that the boards of small hospitals, whom we have already met with, have demonstrated their deep appreciation of the problem, and a responsible interest in working with us to solve it. We are confident that our plan will result in better standards. We are also confident that we will make the position of the small hospitals more secure.

Our work with these hospitals, as well as meetings with the Saskatchewan Hospital Association and hospital board chairmen, have convinced us of the need for radical changes to strengthen the organization and staffing of the hospital branch of the department. We plan, Mr. Speaker, to encourage more autonomy and independence on the part of hospital boards, being convinced that stronger and more self-reliant boards will make for an improved hospital services plan.

With this end in view, I am arranging, in conjunction with the Saskatchewan Hospital Association, other meetings with all hospitals early in the spring of this year.

I just want to say one word about home care programs. We have them operating in Moose Jaw, Saskatoon, and Regina. We intend to start a new program in Prince Albert and we are also starting a pilot rural program in the town of Central Butte.

With regard to Mental Health Services, I noticed the hon. member from Regina, took credit not only for Yorkton, which I have very happily given to him, along with our member from Yorkton, (Mr. Gallagher), and many other people who made the development at that centre possible. I noticed

that he skipped over the fact that they dragged their feet for two or three years before they put it in, but I give them full credit. They finally did put it in, and they have every right, as all of us have, to be justly proud. He also took credit for Prince Albert and that is fine. I don't really care as long as the centre gets built up there, and gets serving the people. Mr. Speaker, this government intends to place particular emphasis on the development of adequate psychiatric services to all areas of the province.

I might say that the staff at the Saskatchewan Hospital at Weyburn has demonstrated that intensive, modern therapy, along similar lines to that in Yorkton, is possible. This has been dramatically demonstrated when one notes that the in-patient population has been reduced by almost half in the past two years. At the end of 1962, there were 1,478 patients in Weyburn and at the end of 1964, the number had been reduced to 792. Unfortunately, I cannot report the same dramatic change at the Saskatchewan Hospital in North Battleford. When I visited this hospital, shortly after taking office, I found that over-crowding was still a very regrettable feature of this institution. In the same two periods, the patient load had only been reduced by some thirteen per cent in that institution, from 1,613 at end of 1962, to 1,401 at the end of 1964. We intend to take immediate steps to rectify this situation. For example, we intend to transfer to Weyburn, a limited number of patients, who will be carefully selected to insure that their transfer will be in their best interests. This will not only help, in some measure to alleviate the over-crowding in North Battleford, but we think it will give North Battleford the opportunity to develop a more dynamic program.

Mr. Speaker, I have mentioned in the other debate, that we intend to open a psychiatric centre in Prince Albert to serve a population of over 120,000 people in the north-central and north-east part of the province.

**Mr. E. Kramer (The Battlefords):** — You're pretty close to the source of supply.

**Mr. Steuart:** — You ought to know. You come from North Battleford. I sometimes wonder if the inmates voted when you got in.

Mr. Speaker, I would like to say a word, before I close, about the dental situation. A major defect in the provision of adequate health services to the people of Saskatchewan is our lack of dentists. This is particularly so in the less densely populated areas of the province. Saskatchewan has only one dentist for every 5,000 people. The Canadian average is one dentist to 3,000 people. This situation, which has deteriorated markedly over the past ten years, has to be rectified. There are several areas that we intend to explore.

There is one situation that citizens themselves can rectify, the lack of fluoride in our drinking water. Although the majority of communities with piped-in drinking water have fluoridated their water supply, three cities, Regina, Yorkton and North Battleford, which comprise fifteen per cent of the population, have still not decided to take this step. Such a step would greatly reduce avoidable demand for restorative dental work in children. Either we achieve complete fluoridation of our water supply or we will require many more dentists and dental hygienists than we have now.

A dental bursary program initiated by the former administration is good but it can only partly fill the gap. This administration is seriously examining ways of attracting dentists from other parts of Canada, the United States and Britain to take up practice in smaller centres of the province, where dental services are not now available.

We hope, Mr. Speaker, to work out plans, in conjunction with the College of Dental Surgeons, which will assure, not only an increase in the number of dentists, particularly in rural areas, but the maintenance of high standards as well. The Royal Commission on health services advocate the institution of a dental program for children similar to the New Zealand program. This program trains and develops dental nurses who work under close supervision, of dentists. Although a study of the New Zealand program was carried out in 1962 by representatives in the department, and a representative from the College of Dental Surgeons, no discussions have followed this study to date. I intend to follow up this study and the Hall Commission recommendations with the Saskatchewan College of Dental Surgeons. Steps have already been taken to institute such a meeting.

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Mr. Speaker, I would like to say a word about the Medical Care program. There were many interesting developments in the Saskatchewan Medical Care program during 1964, I would like to make some reference to these and some observations on what lies ahead.

Dr. R.G. Murray, an eminent eye specialist, and a member of the Commission, accepted the position of chairman of the Medical Care Insurance Commission in July. Under his leadership, the Commission consolidated the plan and continued their efforts to make the administrative machinery work even more smoothly and efficiently. A new sense of co-operation in involvement in the plan was achieved with the College of Physicians and Surgeons. A council of the College, as well as individual members have given me great help and encouragement. Saskatchewan's Medical Care Insurance Plan has just closed its second complete financial year. The 1964 figures show that total payments from the fund during 1964 were \$23,155,388, an increase of \$1,711,409 or eight per cent over the previous year.

The payments made in 1964 include \$20,439,958 for insurance services, \$1,000,233 paid to the Swift Current health region, \$1,262,000 for administrative expenses, and \$221,000 for miscellaneous expenses, including scholarships and bursaries.

Although no firm conclusions can be drawn from reviewing the short history of the plan, it is now possible to compare the first two full years of its operation. After making an adjustment for radiology and certain laboratory diagnostic services that were insured for all of 1964, and only part of 1963, a preliminary report shows that the cost of insured services rose by 7.7 per cent over 1963. This can be compared, Mr. Speaker, with the findings of the Royal Commission on health services. Our report found that average annual increases in Canada's expenditures for physicians' services during the period 1945 to 1961 was 7.1 per cent. The number of claims paid during 1964 exceeded 2,000,000. This was 259,000 more claims than in 1963, or an increase of thirteen per cent. The Commission was able to reduce its staff by over twelve per cent, from a high of 212 permanent positions in 1963 to 184 at the end of 1964, a reduction of forty-one.

The administration and collection expenses of \$1,345,000 represent 5.8 per cent of all payments made in 1964 by the Commission. The administration costs for Saskatchewan plan are higher than they otherwise could be because of the various forms of billing allowed under the act, a problem, I am sure, with which my friends opposite are familiar.

I am pleased to report that the number of physicians practicing in the province continues to increase. During the last quarter of 1963, 779 physicians submitted accounts for payments, either directly or indirectly. By the last quarter of 1964, this figure had risen to 827. This improvement in our doctor population is also reflected in the improved doctor population ratio for Saskatchewan, based on a report of the Saskatchewan College of Physicians and Surgeons. In 1963, there was one physician for each 994 residents. In 1964, this ratio was one physician for each 962 residents. Per-capita cost for insurance, increased by 6.4 per cent, from \$22.04 per capita in 1963 to \$23.45 per capita in 1964. Incidentally the Thompson Committee estimated that the annual per capita increase would range three per cent to five per cent.

Turning now to the major problems of planning, it is obvious that all of them have cost implications. Even though we are experiencing a period when the costs of almost all goods and services steadily increases each year, and even though all medical plans, whether private or public, are having similar experience, there is a genuine concern and I think there should be, that the rise in cost be kept within reason. To this end, the Commission is undertaking, on a continuing and intensive basis, an examination of all possible savings in the present plan.

Now, of specific concern to the Commission, are the mushrooming payments for physiotherapy, which increased by more than half in 1964, compared to 1963. After many months of negotiations between the Commission and the Saskatchewan Physical Therapists' Association, there has been no agreement or alternative that would limit this problem. The Medical Care Insurance Commission has recommended that the government insure this service by some other means than under the Saskatchewan Medical Care Insurance Act. This recommendation is now being studied,

and meetings have been arranged with the Physical Therapist's Association, in an attempt to resolve this problem. Now, Mr. Speaker, a major problem for any health scheme is to identify and eliminate over-utilization by both physicians and patients. The Commission and College of Physicians and Surgeons are co-operating to take positive action in this regard. The College has established a committee of physicians, known as the Professional Review Committee, to review utilization patterns and advise on areas of over-utilization. Amendments to the Medical Care Insurance Act will be introduced in this session to permit forwarding of necessary information to this new committee. Despite countless rumors to the contrary, our government has no intention of changing the basic program, other than making it, a better one.

The assembly recessed at 5:30 p.m. until 7:30 p.m.

**Mr. Steuart:** — Mr. Speaker, when we rose at 5:30, I was just finishing my review of the Department of Public Health, I was dealing with other activities in the department and the health field generally.

Mr. Speaker, it is hoped to place emphasis on the evaluation of other well-established programs in the Department of Public Health. I have mentioned studies at this end as far as the Saskatchewan Hospital Services Plan is concerned and intensive studies taking place in the Medical Care Insurance Commission. As a result of these studies, we have been able to reduce the establishment in both plans and see the way through to further streamlining for further savings in administration and overhead. That constant reviews must be made, and studies undertaken, were indicated, to insure that the proper training programs are maintained and developed to ensure an adequate supply of skilled health workers.

Mr. Speaker, in conclusion, may I say that . . .

**Some Hon. Members:** — Hear, hear!

**Mr. Steuart:** — Well, I finally woke them up.

**An Hon. Member:** — I thought he was asleep.

**Mr. Steuart:** — May I say in conclusion that this year has been one of evaluation and consolidation. In addition, real advancements will be made in the improvement of our health programs. Steps will be taken to rectify gaps and deficiencies which presently exist, A start will be made on the planning and development, of new programs and facilities and, with the re-establishment of a climate of understanding, we trust must be, will be achieved.

Mr. Speaker, the hon. member from Regina West, (Mr. Blakeney) speaking earlier in this debate, made a prediction that he thought we might have a little headline announcing some small industry to, as he put it, take away from what he said. Well, I don't really think we need it to take away from what he said. He dragged out every red-herring that he could find in the book to avoid talking about the real advancements that were apparent in the budget. I was looking to see what paper he might be referring to. I see one here,

\$12,000,000 Tax Cut

which he did not talk about. I see the headlines in tonight's paper,

\$73,000,000 Potash Plant for Viscount

It turns out that he is a pretty fair prophet. You know, Mr. Speaker, these industrial developments are coming so thick and fast that they don't really put it in heavy headlines anymore. I looked very carefully all through that particular issue of the paper to find if I could see any remarks by the hon. member from Regina West, (Mr. Blakeney), mind you I missed the comic section, but he may get something in tomorrow's issue. I don't know why, but he didn't make the paper for tonight.

Mr. Speaker, I am convinced that the budget as presented by the

Premier and the Treasurer of this province, brings new hope to the people of Saskatchewan. It opens up new horizons. I think it is going to put Saskatchewan firmly on the road to real growth and real development. I think that it indicates that, for the first time in twenty years, all of our people will be able to share in this new hope and this new progress and this new prosperity. I do not intend to support the amendment, but I will support the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. C.G. Willis (Melfort-Tisdale):** — Mr. Speaker, may I say first, that today's initial effort by the Minister of Health, (Mr. Steuart) qualifies him for an award of some sort. Perhaps, I could suggest, Mr. Speaker, that a badge of suitable size be made up, edged with black, showing a red cyclone rampant, on a white background, blowing cans all around the horizon. At any rate, Mr. Speaker, his opening remarks were loud, perhaps signifying nothing but indicating clearly that the young orator from Regina West, (Mr. Blakeney) had struck both weaknesses in the budget and tender spots in the actions of the government since they took office last May.

**Some Hon. Members:** — Hear, hear!

**Mr. Willis:** — The Minister of Health, (Mr. Steuart) showed great concern for municipal finances. It is too bad he can't remember back twenty years or so, Mr. Speaker, to the days of the Patterson government. If he was as old as some of us in the house, he would have a clear recognition of what happened in those days. Municipalities at that time had great problems, much greater than the problem of municipalities today. The Liberal government gave them assistance, Mr. Speaker, by distributing grants in each and every provincial election year. They were always sure of grants, small though they were, in one year out of four, Mr. Speaker.

Since then, under the CCF there has been a change to substantial grants to the municipalities, each and every year, as a matter of right. The result, Mr. Speaker, was apparent in the fine network of good roads throughout the province, of which Saskatchewan's municipalities and the former CCF government can be justly proud.

We have had fantastic developments in Saskatchewan in the past twenty years, Mr. Speaker. Yet in spite of these improvements, the Premier has learned nothing. He has not become more responsible than when he was Leader of the Opposition, for he is reported as saying, in his speech to the Montana Chamber of Commerce, that;

Twenty years of socialism in Saskatchewan resulted in industrial stagnation, retarded development, oppressive taxation, and major depopulation.

**Mr. Thatcher:** — All true.

**Mr. Willis:** — Yet, Mr. Speaker, we have had no government in the province in the history of Saskatchewan, that has had greater inheritance from its predecessor than has the government which sits to your right now, Mr. Speaker.

With the great improvement in the economy of the province, expenditures in highways was stepped up until, in 1963, there were 4,000 miles of dust-free highways in the province. Of special significance, Mr. Speaker, is that this mileage, almost fifty per cent of the highway total, accommodated seventy-five per cent of the provincial highway travel.

Mr. Speaker, last Friday, the Provincial Treasurer emphasised his budget, tax reductions. But I point out that this is not tax reduction, that we have not experienced tax reductions in Saskatchewan. We have only experienced tax rate reductions. The overall taxes in the province, Mr. Speaker, have gone up rather than down. Last year we had a budget of \$214,000,000. This was in 1964, Mr. Speaker. Yet today, here in 1965, we are considering a budget, not for \$214,000,000 but for \$221,000,000. This is certainly tax increases for the people of the province, Mr. Speaker,

In 1964, the opposition leader proclaimed that we were the highest taxed province in Canada, That has been denied effectively, Mr. Speaker, but if we were the highest taxed in Canada in 1964, today we are even more

heavily taxed, and by the very person who ranted and raved in 1964, against over taxation. This government which talked so loudly of reducing taxes in 1963, Mr. Speaker, increased the taxation burden of small income people when it imposed a \$20 family increase in the medicare tax last fall. Surely, we must truly be by now, the most heavily taxed province in Canada.

Mr. Speaker, I can well recall the many utterances of the present Premier, when he talked about fat in the budget. If there was fat in the 1964 budget, Mr. Speaker, in a budget of \$214,000,000 surely there is a greater amount of fat in the 1965 budget of \$221,000,000.

We had in 1964, it was claimed, over taxation and over-spending. But on Friday last, the Premier of this province, in introducing his budget, Mr. Speaker, tabled the supplementary estimates for 1964. Here, Mr. Speaker, was a \$13,000,000 increase in spending in the year now coming to an end, and by this government which talks so loudly of excessive spending in the 1964 budget. Surely the \$13,000,000 added to the \$214,000,000 for a total of \$227,000,000 of spending in 1964, surely, Mr. Speaker, this is a greater degree of over-spending. This is a government, Mr. Speaker, that promised to pare expenditures by ten per cent. Each department, I am informed, was ordered to cut its budget expenditures by ten per cent. But, in place of paring \$20,000,000 from the spending, the government actually added \$13,000,000, as shown in the supplementary estimates.

One item in the budget, Mr. Speaker, which I personally welcome, is the increased spending for the Department of Highways. I am sure too that this will be welcome throughout the province. However, increases are nothing new to the Department of Highways. We had increases in spending for highways steadily since 1944. This increased spending on highways, in this budget, isn't the largest per cent increase which we have had in the history of Saskatchewan. In 1944, the amount voted for highways was \$2,700,000, out of a budget of \$34,000,000 voted by the Patterson government. The first CCF budget, in the 1945 session, was \$4,100,000 for highways out of a total budget of \$41,600,000. In 1945, increase for highways of \$1,400,000 was fifty per cent of highways total vote in 1944, Mr. Speaker, while the 1965 increase of \$8,400,000 was only a thirty-three per cent increase of the \$26,000,000 voted in 1964. So in 1945, the CCF government had an increase over its highway spending in 1944, of fifty per cent, while here, this government increases the budget for highways by thirty-three per cent of the 1963 highway budget.

The percentage increase in 1945, Mr. Speaker, was larger because of the compelling needs for improved highways in 1945. It could be, Mr. Speaker, that some members of the house are too young to have effective recollection of highway conditions twenty years ago. When the government took office in 1944, we found that the system was inadequate, even to the needs of the 1944 economy. There were only 132 miles of dust-free highways in that year. Large percentages of the highway system was not even gravelled but had clay surfaces which became muddy and full of ruts when it rained.

That reminds me, Mr. Speaker, there was a story told not too many years ago, about one of these highways. Some person, who was in the habit of using the highway, had erected a large sign along side it. The highway was a clay highway and at the time the sign was erected, it was quite muddy. The sign read, "This is the Gardiner Highway, choose your ruts here. You can't get out of them for twenty miles."

Of our highway system in 1944, Mr. Speaker, there was hardly a mile which didn't need major attention. Since 1944, the CCF have rebuilt more than the 8,000 miles. Our roads had to be rebuilt and improved to attract industry and to develop our resources. This we have done and have done remarkably well considering the state of the highways in 1944, and the economy of 1944. It took as some time to build up a broadly based economy in order to obtain revenues that would support highway improvements of the order of the past few years. It certainly would have helped us, Mr. Speaker, as far as revenues were concerned, if oil had been discovered in Saskatchewan in the 1930's or early 1940's. But you know, Mr. Speaker, that oil was not discovered at that time. To borrow a phrase from the Minister of Agriculture, (Mr. McDonald), the Patterson government in the late 1930's and 1940's did nothing but sit on their hands. They did nothing to encourage oil development. It was not until the CCF came into office that we had oil development in the province.

Because of continued development in the province, revenue continued to grow and we were able to provide Saskatchewan motorists and

industrialists with the highways required by our expanding economy. As I said, by the end of 1963, there were 4,000 miles of dust-free highway in the province. This great increase of dust-free surfaces was possible because of the development by Saskatchewan highways' engineers of a unique method of treating the surface of gravelled highway. Oil treatment, Mr. Speaker, as such, is relatively cheap to apply and makes a fine, dust-free surface. When done by crews of the Department of Highways, the cost is about \$2,500 per mile, as shown to an answer to a question which I asked this session. On the other hand, Mr. Speaker, when private contractors did the oiling, the cost was not \$2,500 a mile but \$500 a mile greater or \$3,000 a mile. However, either cost is low when compared with \$25,000 per mile for paving. Oil treatment has proven satisfactory for medium volume traffic. Indeed, in some cases, many people are not able to differentiate between oil surfaces and paved surfaces.

At the end of 1963, about half of the dust-free surfaces were oil treated, and half were paved. For those new members in the legislature, Mr. Speaker, I should say, that it was only in the last ten or twelve years that our total highway system has been useable by motorists throughout the whole year. Previous to that, as you probably know, many motorists put their cars up on blocks for the winter season.

**Hon. L.P. Coderre (Minister of Labour):** — We had no snow.

**Mr. Willis:** — This year of greater volumes of snow, Mr. Speaker, people are using the highways with minor inconveniences. The very fact that we had so many miles of dust-free surface which accommodated such a large percentage of the total traffic using our provincial highway system, Mr. Speaker, is a commendation of the work done by the planning branch in identifying high traffic volume roads and by the government agreeing to dust-free our highways according to traffic priorities.

As a result of the dust-freeing which has been done by the former government, Mr. Speaker, by the end of 1963, all major highways east and west, north and south, were improved to a high standard with dust-free surfaces. Main highways connecting our major centres are also dust-free. Major highways have been built to achieve, as far as practical, the shortest distance between centres. This has resulted in distance savings, and money savings, for our motorists, savings of no mean proportions, Mr. Speaker.

I trust the policy of the department in building highways the shortest distance between centres has not been changed, Mr. Speaker, but I am disturbed by reports that a previous decision to bring no. 5 from Borden Bridge into Saskatoon, from the west by 22nd street, has been changed so as to enter from the north on Avenue A. My information is that two miles would be added to the distance from Borden Bridge to the heart of Saskatoon. Traffic besides would be routed down a poor entrance, Avenue A, as compared to 22nd street. Construction costs would be increased because of the added distance and probably an extra over-head structure would have to be added, north of the city, thereby being more costly to the Department of Highways. It would be a distinct disadvantage, Mr. Speaker, to the traffic of north western Saskatchewan to route no. 5 in this manner. I am wondering if the city of Saskatoon was consulted regarding the change, or if there has been a change in the former decision of the department.

Mr. Speaker, I should say that the former government gave a great deal of attention to tourist roads. The importance of tourism is recognized by the CCF and accordingly highways were dust-freed to accommodate tourists from outside, as well as from within our province. Main lines of travel to the various provincial parks were improved. That this was successful, was shown by figures released a week or so ago, by the Minister of Natural Resources, (Mr. Cuelenaere) which showed that more than 1,500,000 tourists visited our provincial parks during 1964. Provincial parks, under the CCF were also improved. Camping picnic sites, equal to any of the neighboring province, were constructed or under construction by the end of 1963. Of great importance to the tourists from the south was the dust-freeing done on no. 4; no. 2; no. 6; and no. 35 and no. 9, leading from the south to our famous recreational area in our north.

In the north, Mr. Speaker, roads were built to high standards, with assistance from the Roads to Resources Program initiated by the former Conservative government at Ottawa. In the budget address, the Premier, mentioned work proceeding on the Sandy Bay Road, the Cumberland House Road, and the extension of no. 2, north of the Churchill. These northern roads



were started by the former government. Indeed, the money spent on these roads in 1964 was voted by the former government at the last session. I am glad to see that these roads are being proceeded with. Road facilities in the north have changed radically in the last few years. Tourist accommodation has sprung up and many tourists from outside, as well as from within Saskatchewan, have discovered for themselves, the wonderful fishing and boating in the lakes that abound in this northern area. I might tell the members of the house, Mr. Speaker, that this is particularly true of the Hanson Lake Road area and that the shortest distance to the Hanson Lake Road from Regina is straight north on no. 6 highway through Melfort, across the Saskatchewan River by the new ferry which was put in there in 1964.

**Mr. Kramer:** — Is there a bridge?

**Mr. Willis:** — There is a bridge now, Mr. Chairman, in answer to the question. There is a bridge now, but unfortunately, it is a temporary bridge which is not in existence during the summertime.

The next logical step regarding our northern roads, Mr. Speaker, is to dust-free them and I trust when the Minister of Highways, (Mr. Grant) announces his budget, plans will be disclosed for this purpose. I must admit that I was somewhat disappointed with the Premier's announcement that only 550 miles of dust-free highways are to be added to the system in 1965. With the large increase in the budget, I had thought more of this work could be done. There is no indication of the total mileage of dust-free to be done. It might be of interest to know that, in 1963, the former government dust-freed a total of 900 miles of which 126 miles were paved, and 774 miles were oiled, and that in 1964, the government was able to oil 733 miles and pave 185 miles for a total of 918 miles. We in Saskatchewan are looking forward to more dust-free highways, more emphasis on the safety, convenience, and comfort of the motorists of the province.

Now, Mr. Speaker, I want to say in connection with the Department of Highways, that the Johnson report disturbed me considerably. We have, as Premier of the province, an avowed champion of free enterprise.

**Some Hon. Members:** — Hear, hear!

**Mr. Willis:** — He has declared often that what free enterprise can do, the government has no business attempting to do. I should have said, Mr. Speaker, that what free enterprise can do on a competitive basis, the government has no business attempting to do. However, most people agree that there is a place in our economy for public and co-operative, as well as private enterprise. But the Premier, this long-time enemy of public enterprise, I'm sorry, Mr. Speaker, he is not in his seat at the present time, this long-time enemy of public enterprise, while he has announced that many of our crown corporations are for sale, hasn't at the present time, has no belief rather that . . .

**Hon. Mr. Gardiner (Minister of Public Works):** — I am glad that he is not mixed up . . .

**Mr. Willis:** — I am mixed up in that, Mr. Speaker. I was trying to say that the Premier did not believe that there was a place for public and co-operative enterprise along side of private enterprise. In his budget, he had announced that many of our crown corporations are up for sale. The question which the people of Saskatchewan will ask, as these successful corporations are disposed of, is this a fire sale or a give-away? My guess, regarding crown corporations, Mr. Speaker, is that when the Premier signs an agreement to dispose of any of our crown corporations, the people, sitting on the other side of the desk, will think he has donned the red garb so traditional to givers of gifts. Since coming to office, Mr. Speaker, the government set up the Johnson Commission, and it is interesting to note, as the Regina West member (Mr. Blakeney) did this afternoon, that Mr. Johnson is a leading member of the Liberal party and a former federal candidate for the Liberals. It is to be expected that his philosophy regarding government engaging in business, or having its own work crews, would be similar to that of the Premier. As expected, the Commission recommended to do away with government work crews. As I said, I am somewhat disturbed by this angle of the report, for in comparing government grading crews and private contractors, the report quoted bid price by contractors, while for government crews, the average cost per unit for the completed work was given. Bid prices do not necessarily reflect total costs. There could be items added after the work is begun to make for additional costs which are not necessarily

reflected in bid prices. I can think of one case in my experience as the minister, where a contract was let to a private contractor. The bid was very low. During the course of the work on the contract, the contractor ran into a little bit of difficulty and came to the department asking for an adjustment in his price. Not for an adjustment in the unit price, but an overall adjustment, so that he could make up for extra costs involved.

So when a person thinks of bid prices only and compares these with the total cost, he is not making a fair comparison between government crews and private contractors. These forced accounts as they are called, Mr. Speaker, may increase final costs, but in the case of government crews, final costs are first determined and then average unit prices figured. This, Mr. Speaker, is a decidedly unfair basis for comparison. It is ridiculous to make the claim that there is an eighteen per cent saving by using private contractors unless at the same time, total costs are compared over a long period of time, not a limited one as was done in the report.

Government crews have advantages over private contractors, Mr. Speaker. They have full schedules that keep them busy throughout the whole year. They have first class equipment and they have experienced and capable employees who are dedicated men, dedicated to the business of building good highways. Private contractors have to bid and this adds to their costs, there is no guarantee of full seasonable employment and they tend to bid accordingly. The contractors expect to go to work half the season and they have to make on that contract, enough to carry them over the rest of the year. There is no doubt about it, contractors bid the competition rather than the job. If a contractor has an idea there are going to be ten other contractors bidding on the job and he knows these contractors, then his bid price is liable to be much lower than if he thinks he is the only bidder or there are only one or two others who are not quite as efficient as himself. In this regard, I can well remember the remark of a contractor who during a legislative hearing some time ago, was being questioned regarding the opening of contracts on a certain job. He was asked if he remembered when the contracts were opened, and he said he well remembered although this was some years ago. He was asked why he remembered so particularly, and he said that he remembers this contract especially because he had left \$50,000 on the table. Now I am sure that the contractor was bidding his competition. He didn't expect there would be much difference between himself and the next person above, and if there had been any indication at all that there would be \$50,000 between himself and the next contractor, it would only be human nature for him to bid the higher price.

The Johnson Commission, Mr. Speaker, started with the faulty premise that private contractors are more efficient than government crews. This is certainly not true, Mr. Speaker, government crews are experienced men, have experienced and capable foremen, dedicated to their work. Grading outfits were recommended against on the false basis that initial bid prices are the same as total cost arrived at after the job is completed. The Johnson Commission considered oiling crews. They did not produce any figures regarding oiling crews, Mr. Speaker, but they said that because they had found that there would be a saving of eighteen per cent in grading crews, they concluded that there would be the same saving regarding oiling crews. But figures were available, Mr. Speaker, and for the life of me, I cannot understand why they did not use them unless it was because it proved the opposite fact. These figures were the ones which the department gave to me when I asked for comparative costs, in question number 32 on the order paper, and the answer was, as I mentioned earlier, that government oiling crews average \$2,500 a mile while private contractors averaged \$3,000 a mile. This information was available. I cannot understand why the Johnson Commission did not use it.

Again, the Commission recommended against bridge crews operated by the government, but again, there is no supporting evidence to prove the conclusion they arrived at, that the bridge crews should be done away with and private contractors should build bridges. Why then, was this recommendation made? Government, outfits do work at cost and they can furnish government with reliable cost estimates so that they can check whether or not the bids which are coming in are reasonable or not. It is not in the public interest to abolish them.

I might point out further, Mr. Speaker, that, the CCF, when it was in power, did not institute the use of work crews here in the province.

Another question I have on the order paper shows that before 1944, the former Liberal government was using work crews and using them quite extensively, Mr. Speaker. But in the last few months, it has been announced that the increased program which we can expect to be brought

down within a week or so, would mean that contractors would have to come in from Alberta and Manitoba, that there would not be enough contractors in Saskatchewan to handle the increased jobs and if this is so, Mr. Speaker, it is silly and ridiculous to disband government outfits. There are 310 employees of government work crews, and it's certainly not fair to them to put them out of jobs and to let the work go to crews from outside Saskatchewan. This I would say would be implementing in reverse, the promise of 80,000 new jobs here in Saskatchewan.

There is one other item I would like to talk about briefly, Mr. Speaker, and this has to do with industrial development in the province. Sometime last summer, there was an announcement by the Premier, who I see has now returned to his seat, announcing an agreement with the Dumont Forest Industries. This agreement provided the people who read it with visions of an immediate start on a saw mill in the Hudson Bay area, to be followed sometime later by the construction of a pulp mill. Well, sometime last fall, around Labour Day, I visited Hudson Bay on a good will tour sponsored by the Melfort Board of Trade. We, at that time, were thrilled to hear that Dumont Forest Agencies had cleared a site for a saw mill a short distance south of Hudson Bay. At last it appeared that there was going to be a saw mill built. In this session, the member for Kelsey, (Mr. J.H. Brockelbank) moved an order for return asking for a copy of the agreement, and the answer, as you know, Mr. Speaker, was that this was not in the public interest and the agreement was not made available for the members of the house. A question then was put on the order paper by me regarding the paid up capital of the company, the shareholders of the company, the head office of the company, how many shares were issued and at what price. I can frankly say, Mr. Speaker, that the answer brought a shock, not only to me, but to everyone in Saskatchewan who had heard the Premier's announcement last year and expected some results from this. Dumont Forest Industries, Mr. Speaker, we learned from the answer to the question, was comprised of six shareholders, six people, two married couples evidently, two married couples named Dumont and two Regina lawyers. The head office is here in Regina in the office of one of the lawyers, the shares issued were 40,000 in number. Each married couple held 19,999 shares, while each of the Regina lawyers held one share and the shares were issued, Mr. Speaker, to the shareholders at the value of one cent each. The total capital invested in Dumont Forest Industries, Mr. Speaker, was \$400 and this, Mr. Speaker, was the company that was to produce a saw mill and later a pulp mill. The great Houdini could produce rabbits from seemingly empty hats, but to produce a saw mill from a \$400 investment is a much greater feat. What optimism in private enterprise was shown by the Regina lawyers who invested one cent each in the company. What faith in legerdemain. But seriously, Mr. Speaker, the Premier of this province in making his announcement based on such flimsy evidence deserves the most severe condemnation of this house. This was a deliberate effort to deceive the people of Saskatchewan.

**Mr. Thatcher:** — Mr. Speaker, I must ask the hon. member to withdraw his remarks, and I will certainly tell him that there will be a major industrial development in that area . . .

**Mr. Willis:** — Mr. Speaker, the Premier has asked me to withdraw, he is not entitled to make . . .

**Mr. Thatcher:** — I asked you to withdraw, you said I deceived the house and I have done anything but . . .

**Mr. Willis:** — . . . Mr. Speaker, I will withdraw the remarks . . .

**Mr. Thatcher:** — Thank you, and then watch the company come in and produce.

**Mr. Willis:** — Mr. Speaker I will withdraw the remark that the Premier made a deliberate effort to deceive the people of Saskatchewan and in its place I will say, Mr. Speaker, that the people of Saskatchewan were deceived by the Premier's remarks, by his announcement. Why, when he had full knowledge of the facts, did he make such an announcement . . .

**Mr. Thatcher:** — It was true.

**Mr. Willis:** — . . . in full knowledge that this was a one cent share

company. Why did he assume so optimistically that the saw mill and the pulp mill . . .

**Hon. J.M. Cuelenaere (Minister of Natural Resources):** — Mr. Speaker, may I ask the hon. member a question?

**Mr. Willis:** — Yes.

**Mr. Cuelenaere:** — Do you know at what date the capital of \$400 was paid up as reported in the records.

**Mr. Willis:** — That was not given in the answer to the question.

**An Hon. Member:** — It wasn't asked.

**Mr. Willis:** — It wasn't asked, that is right, and it wasn't given.

**An Hon. Member:** — April, 1964.

**Some Hon. Members:** — Hear, hear!

**Mr. Willis:** — But that doesn't . . .

**An Hon. Member:** — . . . silly on this one, George.

**Mr. Willis:** — I hope we do, I . . .

**An Hon. Member:** — . . . even more silly . . .

**Mr. Willis:** — I sincerely hope we do, Mr. Speaker.

**Mr. Thatcher:** — Well you do, you look pretty silly.

**Mr. Willis:** — I hope we do look silly on this one. I would welcome a saw mill in north east Saskatchewan. I think the rest of the people in the province would.

**Mr. Thatcher:** — A lot more than one.

**Mr. Willis:** — But, Mr. Speaker, this saw mill was announced last summer when there were prospects of seven by-elections in the province. It is assumed that the Premier made his announcement, in an effort to influence the voters of these constituencies, in order to gain their support for any candidates he would have in the coming by-elections. This, Mr. Speaker, if this is true, deserves the greatest censure by the members of this legislature and residents of this province. As a sequel, Mr. Speaker, only one by-election has been held to date, and in this one, the government lost decisively. But whether one or seven by-elections are held, Mr. Speaker, the government is the eventual loser in any such announcement as this. If the saw mill and the pulp mill do not materialize, it will lose the confidence of the people of Saskatchewan. The Premier is reported to have told the Financial Post, "We told business, come in and show us the timber rights you want and you can have them". Giving our rights away is one thing, Mr. Speaker, insult is added to injury by giving them away to a one cent company.

Something else is taking place in north eastern Saskatchewan which probably should be reviewed in this connection, Mr. Speaker. In the town of Hudson Bay is a new industry, financed and operated by Saskatchewan people. My colleague the member from Regina West, (Mr. Blakeney) made reference to Wizewood this afternoon, which is producing a new product for Saskatchewan. At the beginning of their enterprise, they had difficulties getting the proper quality of board. This was followed by a fire and the government came to their assistance. The company is back in production now, and when I visited it last fall, in conjunction with the Melfort Board of Trade good will tour, we were informed that the bugs were out of production and that they are producing a high grade material, a fine product which is readily accepted and the management was optimistic. They had sufficient orders, they said, to warrant going on a three shift operation this year and the future looked most promising.

The Premier, in the meantime, announced that Wizewood lost money last year and because of this, the government as a major shareholder was looking for a buyer. This is forcing bankruptcy upon a Saskatchewan financed company with a most promising future. Again, the question is why, Mr. Speaker, why should this government supposedly dedicated to the diversification of Saskatchewan's economy take this step? No reason is given other than that Wizewood lost money last year, but this, Mr. Speaker, is not enough. This is a new product and there was a disastrous fire. Many companies starting up, lose money in their first year. Now the company seems to be out of trouble, and to be headed for the black side of the ledger. The government should be assisting, not destroying Saskatchewan industry. There must be another reason for bankrupting Wizewood and we can only guess, Mr. Speaker, since there has been no reason advanced by the government. My guess, Mr. Speaker, is that Wizewood as a business would be a fine plum for Dumont Forest Industries to dangle before the eyes of the people with capital from outside of Saskatchewan. Purchased cheaply, Wisewood would be a reward for building a saw mill, and thereby taking the government off the hook it got itself into last summer. If this is true, this is not the way, Mr. Speaker, to treat Saskatchewan home-based home-financed industry. Whether this speculation is right or not, it looks as though the Premier of this province is only concerned with industry he is able to entice to Saskatchewan and that industry established prior to 1964 cannot expect a fair deal from this government.

Mr. Speaker, I will vote for the amendment and against the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. T.M. Weatherald (Cannington):** — Mr. Speaker, as this is my first opportunity to speak in this assembly, I too, like those who preceded me would like to congratulate you on your appointment to the office of Speaker. I know that you have worked very diligently in preparing yourself for this office and I am convinced that in the days ahead, you will rule the proceedings here very fairly and to the best of your ability.

Mr. Speaker, I would like to give thanks to the people of my constituency of Cannington, for giving me the opportunity to be their representative. Cannington has been represented for quite a number of years by Mr. McCarthy, and do indeed I find it a great privilege to be able to represent the people of Cannington.

Before I turn to other matters which I believe are of significant importance to our province, I would like to make mention of a few things which this government has done after they took office. I would particularly like to commend the Minister of Highways, (Mr. Grant) for dealing with no. 9 highway shortly after this government was elected. He embarked on a program of oiling no. 9 from Alameda to Carlyle. This particular road is very heavily travelled in the summertime. It comes up to Kenosee Lake in Moose Mountain Provincial Park. Also I would like to commend him for taking action in oiling no. 16 from the junction of no. 1 to Kendal, about forty miles, and I hope that this program will be continued. No. 8 also was placed under construction from Carrievale to Redvers. I understand the contractor was unable to complete it last year, but will complete it in the coming year.

Now, Mr. Speaker, since my constituency is largely based on agriculture, with a considerable development in the petroleum industry, it is in these areas upon which I would like to concentrate.

I am particularly dismayed at the great emphasis all governments on this continent are placing on increased production of agricultural products. At the same time, I am convinced that we must be in a position to supply the current demand for all the food which is required and can be sold. We are badly in need of an overall program in North America to keep supplies in line with demands, so that the producer is guaranteed a fair price for his products.

Far too often in the past, we have spent tax money to increase agricultural production when there was no market at a fair price for the producer. Mr. Speaker, I would like to outline a number of instances in which this has happened. Particularly today, in the livestock industry, we can look to situations where great efforts have been made to increase production with no consideration as to what the price will be to the producer. In more recent times throughout our country, community pastures were established, more land was cleared, and uneconomic land was converted to the production of livestock. All of these programs have been increased and have

resulted in increases in livestock. In Saskatchewan for example, last year, we had an increase of 79,000 in the number of cattle; in Alberta 52,000; in Manitoba 39,000; in British Columbia 14,000; in Ontario 9,000; in Quebec 6,000. Mr. Speaker, I suggest that many of these production programs should be delayed until they are needed. We have many non-farmers who simply do not realize that we can overproduce beef. Most of the problems associated with agriculture today stem from the lack of policies which keep consumption in line with production.

The ability of North American farmers to produce more food with present techniques is practically unlimited. The only incentive required is an increase in price and agricultural shortages are short lived.

I would like to refer, Mr. Speaker, to a number of instances, in recent times. Take, for example, Durham wheat in 1961 and 1962. In one year, farmers planted a record crop and within two years, Canada had enough Durham wheat to supply all domestic and export needs for four years. Naturally, the price went down. Last year with good markets and good prices, the farmers grew a record crop of spring wheat. Production of spring wheat went up substantially and this year we are suffering, due to a world surplus of spring wheat.

At the same time, Mr. Speaker, I do not wish to leave the impression that basic research in agriculture is not necessary. It most certainly is necessary, but research must be more and more oriented to reducing the costs of production and improving quality, improving distribution and improving marketing. This is desirable because it brings new techniques into agriculture which are so necessary. I realize at the same time, Mr. Speaker, that many believe that we in Saskatchewan should produce more than other provinces and other states. Here I suggest that we must have more and more consultation and co-operation between Canada and the United States so that incentives for production of agricultural products will be related to creating a satisfactory price for the farmer and to sharing arrangements in the increased production. When this has been done, and when a satisfactory price is achieved then, I believe, we should think of producing more.

When I look into the future, I find very little to be optimistic about, as far as farming is concerned under present conditions. Wheat is the same price or less than it was some forty years ago. I believe wheat hit a peak price in 1919, and since that time, it hasn't again reached that level. When we look at the competitive products for wheat in the other lines of cereals, there is very little hope that the price of this commodity can increase to any extent. Livestock is in a similar position. There are too many competitive products such as, eggs, poultry and fish, so that price improvement is largely ruled out.

In the past, many solutions for farm problems have been suggested by simply telling the farmers to become more efficient. They have, to the point that farming is the most efficient industry in this country. What other industry can say that in forty years, it hasn't had a price increase for its product? But this day is quickly coming to an end, because while many of our farmers are making maximum use of their land, labor and capital today, they will not be able to expand further. They are up to their maximum production and while, costs, I am sure, will continue to rise, I see little to make me optimistic regarding the prospect of price improvements. Many of our farmers, I am convinced, will have to turn to more intensive production. This must be, if we are to maintain a large group of farmers on the land. There simply isn't enough land to go around to make every farm into an economic unit. We, as a government, must make every effort to assist in reducing the cost of production and consumer costs in general. Only if we succeed in reducing tariff and custom barriers, can this be done. At no time in Saskatchewan's history has this been more important. Already we are a large exporting province, and in the future, we will steadily increase our exports of potash, wheat and petroleum. We cannot export these products, however, if we do not allow imports into this country.

Imports would have beneficial effects not only to the farmers, but to all the consumers, and also would widen our export market. We have been content too long, with sophisticated tariff negotiations. Saskatchewan's opportunities lie in the widening of market opportunities for the vast quantities of goods which we are able to produce better than anyone else in the world. If we fail to make a powerful case for the liberalization of trade, then I am convinced that trade prospects of this country can only suffer.

Mr. Speaker, I am concerned with the social aspects of rural life. A great deal has been done in this field, in the field of electrification,

municipal roads and gas and water installations. I am sure that this government will do everything to continue them and to improve them.

I am disturbed about the strong tendencies of the previous government towards greater and greater centralisation. I am sure that few of us will disagree, that a certain degree of centralization is inevitable. However, those communities which can survive must be given the opportunity to do so. Only by decentralizing services will we bring this about and improve the social aspect of living for many rural people. I can quite honestly say, I believe, Mr. Speaker, that Manitoba has had great success in this field. Many industries have been decentralized to the rural communities. Public buildings, technical schools, and hospitals, have all been built in smaller towns and cities, whenever possible.

Frequently these days, I hear that forty miles isn't really very far for a person who lives in the country to travel. I hear this continuously, especially by those who don't have to drive that distance. Well, I suggest, Mr. Speaker, for those who do drive that distance, that unless they are just going to buy some groceries or do some curling, or go to a show, or to church, that it is too far. It is too expensive, and it is too time consuming and too inconvenient. Therefore, I urge this government to pursue policies which will bring about greater and greater decentralization. Surely it is in the best interests of all rural people to have two towns of 1,000 people rather than one town of 2,000.

In conjunction with this, I would suggest that we provide a program of grants to assist construction of recreation facilities in many of our small towns and villages. On a dollar for dollar basis, a program could be instituted which could result in many smaller communities having swimming pools, community halls, recreation centres, skating and curling rinks with artificial ice and new and modern buildings which would attractively add to many of our smaller towns.

Today Mr. Speaker, I listened to the eloquent oratory of the member from Regina West, (Mr. Blakeney). I regret that he is not here this evening because he, in a very logical way at times, outlined his list of priorities insofar as government is concerned. I was however, dismayed, Mr. Speaker, to find that I was forced to come to the conclusion, that the hon. member knew very little about rural life. As I listened to his list of priorities, I came to the conclusion that his list of priorities included everything for Regina, a little for Saskatoon, and nothing for the rest of us. Particularly, I was interested, Mr. Speaker, to hear him ask this government to give the city of Regina the promised \$2,000,000 towards their Centennial project. Well, I made a little calculation and it comes out to approximately \$20 a person. I checked back and I find the rural people get \$3.48. Now I find it very hard to see why the people of Regina should get \$20 even if it is a Centennial project, while all the people of Yorkton, and all the people of Estevan, and the people of Swift Current, and the people of many of our small towns that need things just as badly as the city of Regina, get \$3.48. I suggest it is indeed the policies such as this, which have resulted in the election of so many rural members on this side of this legislature, and so few on the other side.

**Some Hon. Members:** — Hear, hear!

**Mr. Weatherald:** — Previously, Mr. Speaker, in dealing with resource allocation, there was one area in this province, which I believe deserves a good deal more attention. Particularly, I refer to our wildlife resources including migratory water fowl. While we have, in the past, concentrated largely on agricultural production of food, I believe we have largely overlooked one of our most saleable resources which has unlimited economic potential. In particular, Mr. Speaker, I refer to our duck and goose populations. One projection suggests that Canada by 1970 will have 750,000 duck hunters. We now have approximately 350,000. I scarcely need to elaborate the potential in tourist revenue which this number of hunters can have on the economy of the province of Saskatchewan.

The goose population, Mr. Speaker, is in a somewhat different situation, in that the nesting habitat is largely in the Arctic and is therefore less threatened. The duck population however, falls in a much different category.

I am convinced that we must prepare for the future. The water areas of the prairies and parklands of Alberta, Saskatchewan and Manitoba,

in good production years in the past, have contributed between fifty to eighty per cent of the total North American duck crop. If one considers the ducks most sought after by hunters, then in most years, this total rises to ninety-five per cent. Commonly, the area of Alberta, Saskatchewan and Manitoba is referred to as the great duck factory. With more and more leisure time and higher incomes, it becomes quite evident that the strain on our duck population will grow to immense proportions. However, if we are to provide the recreation for the public and expand our tourist industry in this direction, then we must adopt policies which will not only be beneficial to the farmers, but will also result in bringing about an increase in wild fowl.

I am quite dismayed at the willingness and desire of many to drain water resources while this resource itself may have greater economic value. It would appear that ARDA is the logical vehicle to see more equitable resource allocations in this field, because I believe that much of our marginal land may be diverted to wildfowl. Once water is drained and the land put to agricultural use, then it is impossible to turn back the clock. A new pattern of development takes place which cannot be changed. I believe, Mr. Speaker, the government should well take a look at its policy in regard to wildlife on its leased crown lands. This land should be administered so as to recognize the requirements of wildlife and recreation.

Increased study needs to be given to the rights of individuals to the drainage of water because frequently it is not in the interests of the majority that this water be drained. I believe that most of the difficulties encountered between farmers and wildfowl can well be overcome if the government makes greater efforts towards compensation and the use of lure crops. I feel that the wildfowl of our province can be of tremendous economic value, but we must take action now or this opportunity may well be lost forever. If we do not do this, Mr. Speaker, the duck shoot, as we know it today, may well disappear and future generations will not have it to enjoy. I realize, at the same time, that most of the proposals which I have suggested cost a good deal of money, but it is my understanding that the United States has offered, in the past, to assist us in our production of wildfowl. Many have suggested that the acceptance of these grants would be charity. This I do not believe, because it is most certainly in the interest of American sportsmen that the wildfowl of this country be not only protected but also increased. After all, the American sportsman is only protecting his own interests, for he at some time in the future hopes to hunt these birds in either this province or in his own country. Therefore, he hopes to ensure their supply. It is simply an investment on which he hopes to receive a return.

Mr. Speaker, I have discussed briefly a number of problems for which I have not offered comprehensive solutions, but I have attempted to bring to the attention of this assembly some problems which I feel are very important and which I think that this government will deal with adequately in the future.

I take pleasure in supporting the motion, but I cannot, find myself supporting the amendment.

**Some Hon. Members:** — Hear, hear!

**Mr. W.J. Berezowsky (Cumberland):** — Mr. Speaker, although the Provincial Treasurer made an excellent speech in presenting the budget, I think that the people of Saskatchewan will agree with me that the speech was far from inspiring.

Now, as far as content goes, I consider it one of the poorest speeches that I have heard in this house.

**Mr. Thatcher:** — no socialism . . .

**Mr. Berezowsky:** — However, before I go on, I would like to congratulate the member who just spoke, (Mr. Weatherald). I agree with him on many things that he mentioned regarding conservation. I felt that the best words of advice I could give him is to come over to this side of the house and together carry out some conservation in the field of human resources in particular.

Now all that is proposed in the fiscal year of these high revenues as the Provincial Treasurer has told us, is the shifting of taxes from the provincial government to the municipalities. I would say at this time, that we should feel fortunate that there has been a good snowfall, but this



snowfall will melt and run off and it still could be a very sad year for the people of Saskatchewan and for the Liberal government sitting opposite in event we got a crop failure. Apparently, they have not looked ahead one year and considered what could happen to our economy in case the revenues did not come in, to the extent we hope they will come in.

I would like to point out, Mr. Speaker, that many promises were made to the people of Saskatchewan but I congratulate the government for not carrying out at least two promises. I am referring to the promise to remove the corporation tax and income tax. I think the government has been wise in at least not keeping that promise. I hope, whether their term is one year or two years, that they will not attempt to remove this very urgent tax from the statutes of this province, because, as the Premier himself has pointed out on different occasions, you cannot provide services unless you first of all, obtain the money. You cannot obtain the money except through the royalties and the taxes that you can get from the development of our resources or from direct taxes of one kind or another. I am sure the government will agree with me, as all the members on this side of the house will agree with me, that the worst kind of tax is a direct tax on people who cannot afford to pay.

Now, of course, the Provincial Treasurer, who is a rancher in a very prosperous part of the country, doesn't realize, I am sure, that there are areas in the province of Saskatchewan, where people today cannot buy a loaf of bread. He probably doesn't realize that, as I realize it, and I get letters to this effect, that some of my people cannot get enough to cover the cost of production of certain farm products. He apparently does not realize that members get letters saying that people depend upon eggs to obtain groceries and how these people are selling these eggs at 11\$ a dozen, and who have been refused, for one reason or another, necessary social assistance. These are the kind of things that I am sure the Premier and some of his colleagues on the other side, don't understand because they have never been hungry, and they have never lived in poverty. They do not know what it is like to live under a leaky roof, like a lot of our people in the north have lived, and many of whom still are having a tough time.

I do hope that sometime hence, the Premier will take a few weeks off, as a former political friend of mine did, who went in and out among the northern people and the people on these marginal lands, and saw how they lived. Then, maybe, he would have a different perspective of what the government should be doing to re-establish some of these people.

**An Hon. Member:** — Where were you?

**Mr. Berezowsky:** — I am talking about a Liberal friend of mine, who was a member of this house about twenty or thirty years ago. I am not ashamed to say that at that time I was a Liberal until I found out how rotten the Liberal party was and then I quit and went over to a movement that was trying to do something for the people of Saskatchewan.

Mr. Speaker, it seems to me there is a limit of what any government can do to nourish private investment, or to invite capital, and we know from the press and from what we have heard in this house, that the Premier has said, on many occasions, that he would be willing to make any kind of concession just to bring investment in to the province of Saskatchewan. Now I would like to point out to him, and the government opposite, that all private enterprises don't feel that way about it. Only the other day in the Financial Post, and I am sure my hon. friends have read it, it was pointed out that, Premier Manning did not agree. Premier Manning of Alberta, is not prepared to give away the resources of that province just to bring business into Alberta. He takes the stand that if the resources are there, and if the world requires these resources, private enterprise will come into the province. You don't have to give away 8,000 square miles of forests, as I suspect they have been given away to Dumont. You don't have to give away royalties to oil companies when our oil is produced at a lower cost than oil, say from Alberta, and these companies are doing very well. You don't have to do these things, Mr. Speaker, and the members of this government.

**Mr. Thatcher:** — Twenty years behind . . .

**Mr. Berezowsky:** — Well, you'll catch up, and you won't have your shirt tails left. Neither will the people of Saskatchewan, when you get through with them. Mr. Speaker, my hon. friends opposite don't understand. I would suggest that the Premier who has a ranch and some purebred cattle, start

giving his ranch away for nothing and his cattle away for nothing, and see how many takers he will have. He will have lots. That isn't socialism. Socialism is working together and developing the resources for the good of the people and not giving resources away to foreign investors. It makes no sense, Mr. Speaker, than if I who cleared land, and broke land, and cultivated land, then asked somebody to come in and take the crop off and give me no rent, no returns. That is what Liberals are doing today to the people of Saskatchewan. You should be ashamed of what you are doing.

**Mr. A.R. Guy (Athabasca):** — He should . . .

**Mr. Berezowsky:** — But this, Mr. Speaker, is the history of the Liberal party over the years. Until 1929, they administered the resources of this province, it was under federal legislation, and these federal governments in the past, gave away our forests until there were none left, except in the north east, and now they are giving it away to Dumont. They gave away other resources at that time, and all that the people get in return was some \$6,000,000. That is why, in 1929, the people kicked out the Liberal party in Saskatchewan and put the Anderson government in, so we would recover what was left of these resources for the people of Saskatchewan.

Now, Mr. Speaker, I don't disagree with everything that is in the Budget Speech. I would like to commend the Minister of Mineral Resources, (Mr. Cameron) for some of the things that he has done in trying to induce companies to come into this province, particularly in the mineral field. But I will say this, that he is only doing what I proposed on a number of occasions, that is to give assistance to the little man. But mind you, Mr. Speaker, if you look at the kind of assistance they are giving, they are not giving anything. All this government is doing is investing some money and if a showing turns out to be a mine, then the poor prospector, or the miner or the mining company, would have to pay back what the government has advanced to them. But this government does not do that for oil companies or big corporations. It is only little people that are required to pay back advances, if the property proves to be a mine.

However, as I have said, I am pleased to hear that there are some inducements. I think it's a step in the right direction but I would like to say to the minister, that if he really wants to help develop mining in the north, then he should do as I have said on other occasions, and that is develop a policy and we will support it, to see that the prospector will get something back for the work that he has carried out. A very good illustration of what I have in mind is this. There has been much mention about the Anglo-Rouyn property and that adjacent to the Anglo-Rouyn, there have been some 140 or 150 claims staked in 1963, for the Rio Tinto Mining Company. What I would like to point out, Mr. Speaker, is that these 140 or 150 claims were not staked the first time in 1963. They had been staked by prospectors like myself, over the years and when they couldn't hold on, they got squeezed out by Rio Tinto. Then what happened? Rio Tinto staked this property and they have it now. The point I want to make, Mr. Minister, is these poor prospectors who worked in that area, who cut the lines, who did some blasting and used their energy to try and prove something, whether they proved it or not, are getting nothing. This is the kind of situation we should be correcting in this house. We should do something about it, just as you do to the lease-holders. When he puts up a fence or digs a well, if he loses that lease and a lot of them are now losing their leases, by the way, Mr. Speaker, to good Liberals, and CCF people are the ones that are losing it, at least they get recompense for the improvements they have made to the property. But the man who goes out prospecting does not get anything.

I noticed, Mr. Speaker, that the hon. member from Prince Albert, (Mr. Steuart) who has talked so much in the past before elections about the industrial development that Prince Albert didn't have, hasn't done anything to encourage it. As a matter of fact, only lately they closed up the office of the Mineral Resources in Prince Albert and set it up at La Ronge. I haven't seen, since this government got elected, one bit of industrial development in the city of Prince Albert. I hope they start doing something about it.

The only thing I did notice is, that when they discontinued the office for Mineral Resources, they took the member for Athabasca (Mr. Guy) and put him in a government office there. I don't know what he is doing. I suspect that he is working for the branch which they call the Northern Education Committee, which is financed by this government, which is appointed by this government and the office space he is using is paid for by this government and this is just another way that the government opposite rewards the MLA's whom they can't promote to a cabinet position and put him into a hidden office so he can draw an extra salary. The member for Athabasca,

Mr. Speaker, should be out in Athabasca, or he should be out in La Ronge, looking after the business of his people.

**Mr. Guy:** — That is your business too, Bill, up in Cumberland.

**Mr. Berezowsky:** — I know. I know how much you get around. You get down to Cumberland alright, but, Mr. Speaker, the member for Athabasca, (Mr. Guy) did not go once into the Pelican settlement area, except just before the election. He was filled up when he went up there. He knows it.

**Mr. Steuart:** — But he got elected.

**Mr. Berezowsky:** — Yes, he got elected and he boasted about how it worked too! The member for Athabasca, (Mr. Guy) has failed to represent the people of La Ronge. Whether there is going to be development there or not, he should be speaking for an extra school at La Ronge. He should see to it that there is one of these, what do they call them, what they want, for Regina and Saskatoon . . .

**An Hon. Member:** — Auditorium?

**Mr. Berezowsky:** — Yes! An auditorium. There was talk about an auditorium for those people. There was talk. I discussed it with the former Minister of Natural Resources, (Mr. Kramer). There was an extension to go ahead and build an auditorium, because it's a fairly large settlement.

**Mr. Guy:** — Socialist planning.

**Mr. Berezowsky:** — But, the member for Athabasca (Mr. Guy) hasn't said anything about it and certainly there's nothing in the budget, to show that the people of La Ronge are going to have an auditorium, or a better school, or that they are going to have water and sewage. There is nothing, nothing at all. All we have, in this budget, is that this government with all due respect to the Minister of Natural Resources, (Mr. Cuelenaere), I think he is a fine fellow, but all it says here is that they are going to spend \$475,000 to set up a committee. Here is what it says, "to plan, to co-ordinate, and expand community and economic development projects, locating people of Indian ancestry in suitable employment". You are going to spend \$475,000. You are going to appoint from ten to twenty people to the Department of Natural Resources staff. I suppose you will pay the director about \$13,000 a year. You are going to spend \$475,000 to co-ordinate and to plan! Well, for God's sake, Mr. Speaker, what has the previous government been doing in the last few years?

**An Hon. Member:** — Nothing.

**Mr. Berezowsky:** — Didn't we have community studies? Haven't you got, as ministers, files full of reports as to what should be done? Have you asked the people of native origin whether they want you to do any more planning? You have not. Because when you look into the reports, you will find this kind of thing worries the Indians.

**Mr. Guy:** — Trying to scare them.

**Mr. Berezowsky:** — He doesn't speak as a member for Athabasca. He will have all kinds of time to talk when I get through. But the point is that the plan does worry the Indians. The Indians, on different occasions, have told me so, and I have found it in the press and I have clippings here, where they say, "leave us alone. Let us resolve our own problems."

What this government should be doing is taking this \$750,000, which it actually is, plus the \$475,000 I presume, but even if it is only \$750,000, then do what has been recommended by those who know. Do what has been recommended in the reports that you have on your desks or in your files. Maybe they are moth eaten, I don't know. Maybe the dust is covering them up. But look at page 14 of this report here. The present, the potential, and the plan for northern Saskatchewan. I don't know who wrote it. It does not matter. It's in the government offices. The Minister of Natural Resources (Mr. Cuelenaere) has got it. I will read just one paragraph on page 14. It recommends what government policy should be for the native people, the Indians

and the Metis, it says:

A region, such as northern Saskatchewan, characterized as it is by significant cultural differences in its people, requires special attention to help assure, that so far as possible there's the fullest participation of the total populace in the process of industrial development.

Get that. Industrial development is what they want. You've got to involve the people in industrial development.

This involvement is an essential condition for their welfare, recognizing that the distinctive problem of the northern economic growth is that of cultural adjustment, it is a policy of the government of Saskatchewan to promote.

I guess it was the policy of the CCF government. I think it should be the policy of any government, including the Liberal government, even the most backward in Canada.

Simultaneously, with its industrial development efforts, a program for improving the sub-standard educational efforts and so help conditions as rapidly as possible for encouraging self-help measures through the establishment of co-operatives, organized and managed by the local people themselves and through promoting the process known as community development. This well established concept has been described as a United Nations Document and I would ask permission, Mr. Speaker, to read what the United Nations said about what should be done, so the hon. members will know what should be done and not do what they are trying to do. United Nations recognizes the process by which the efforts of the people themselves are united to those of government authorities to improve economics, social, and cultural conditions of communities. To integrate these communities into the life of the nation and to enable them to contribute fully to national progress.

The concept is made up of two essential elements. People's participation in efforts to improve their levels of living with a reliance on their own initiative, and the provision of technical and other services in a way that encourage initiative, self help, mutual help, and make these more effective.

There you have it. Let the people do it. You give them the financial assistance that you can give as a government, but let the people do it, as has been said, "Let us resolve our own problems". But you are not doing this, you are going to set up a board or a branch of government, you are going to find jobs for the Indians. What kind of jobs? Why don't you provide them with an education first? You are going to give them jobs to cut wood, to haul water. That is all that you are preparing them for. I say to this government, I say in this house to every member, that our job is first of all to give these people an opportunity to get some kind of an education. I don't care how simple that education is, if only to drive a tractor. I need men on my farm but I can't get them. Give me Indians who can operate tractors and can look after my machinery. Give Indians an education. Don't go around telling us that you are going to set up a board to find jobs for them, when they are not ready to accept these jobs.

**Mr. Guy:** — Why didn't you train them, Bill?

**Mr. Berezowsky:** — Of course, we did start . . .

**Mr. Guy:** — You had twenty years.

**Mr. Berezowsky:** — I note you have an item in the budget here, saying that you are rising to spend so many thousands of dollars. It is not very much.

**Mr. Guy:** — How many?

**Mr. Berezowsky:** — For the Cumberland House Farm only \$40,000 to educate these people but you are going to have \$47,000 to appoint ten or twenty members for a branch of government. You only have \$40,000 for the training of people up at Cumberland House. Actually, Mr. Speaker, they don't say what they're going to use this \$40,000 for, except for development in the Cumberland House area.

Now I know, and the members can prove otherwise, what they are doing, they are going to set up an educational program in Cumberland House. They're going to have some of these chaps, maybe in the Department of Natural Resources who are going to tell these people how to be good Liberals. Otherwise, why are they ashamed to tell us what they are going to do at Cumberland House?

**Mr. Guy:** — They know at Cumberland House.

**Mr. Berezowsky:** — Maybe its another Youth program that you are going to put in, to train some more healers.

**Mr. Guy:** — They know . . .

**Mr. Berezowsky:** — As I said, I used to be a Liberal, so I know some of your tactics, and I know some of your thinking.

**An Hon. Member:** — You learned a lot.

**Mr. Berezowsky:** — What about social aid? Why am I going to talk about social aid? Mr. Speaker, up in my country, we were frozen out, and dried out, and many of our people haven't got a bushel of grain. I cut grain for one farmer, a crop of 200 acres and I got 120 bushels for cutting this crop and he got a 120 bushels, because he seeded and looked after the crop. This man has a crippled wife, and is partially crippled himself. He did get an initial social welfare order, but because the Minister of Social Welfare (Mr. Boldt) orders the LID office to get pretty tough with some of these people so when this man came for help, they told him to go to work, he said fine, and went to work. They had a job for him for a couple of days near his farm, he left his crippled wife at home. He brought her the water before he went to work, he looked after his three children too, and worked near his farm. Later they told him to go to Candle Lake, twenty miles away, and he refused to go, so they cut him off social aid. He had to produce a certificate from the doctor. He came to see me, to see what could be done about it. I told him, the man in the LID office knows his condition, but he's got orders from the minister, this Liberal minister, sitting in Regina, who can buy more land, but doesn't understand what it is to be poor. He gives the orders! So people do not get assistance unless they go to work. Well, they can order people who can't go to work, to go to work, Mr. Speaker, but I told this man to go to Prince Albert and get a doctor's certificate and I am sure the LID officer will correct the situation. Since that time, I haven't seen my friend, but I am sure he is back on social aid.

This is the attitude, the attitude of free enterprise. If you want to be healthy, you look after your own health. If you want an education you get your own education. Yes, less money for education. Do you people of Saskatchewan want an education? Then get it on your own. This is free enterprise and it isn't socialism. Certainly it is not democratic socialism such as I believe in.

Talking about, arrogance, I never thought I'd live to sit in this legislature and have a minister in this house tell me that I, an elected member in a democratic country, couldn't go to a department and get the information I need. Information as to the policies and as to the programs of this government, and yet I lived to see the day when we were told just that. However, I thank the minister for using his second judgement, and telling us the next day, that he was wrong, and that we did have that right. But this government has built up a record of arrogance within one year. I'll tell you something about Creighton. Under the former government, Creighton had an agreement under which the Hudson Bay Mining and Smelting Company paid fifty-five per cent of the cost of building schools and building streets, community halls, or whatever the community desired to construct, and it worked fine. Last fall the community found they had to have a high school and the government knows about it and the Minister of Education, (Mr. Trapp) knows about it. I have letters that are written to him. I can file them if he wants me to, but he has them anyway. He knows that these people

had an agreement where the company agreed to pay, I think it was up to \$500,000 or their share of fifty-five per cent. It turned out later that when the plans came in, approved by the department, it was going to cost about \$650,000, Mr. Speaker, and the company naturally started to balk. Now before the trustees of that community could discuss the thing and arrive at an understanding with the company and before the town could involve itself and discuss this with the company, to see if they couldn't arrive at some understanding, this government, this Liberal government, without consulting the town of Creighton, what did they do? They cancelled the agreement. Today in my community of Creighton, one of the nicest towns in all of Saskatchewan, what have you got? You have a town that has no tax base, they cannot collect a cent of taxes from the mining company and yet it is a mining town, and they have no agreement, and if there is now an agreement, I want the minister or the Premier to tell me. Is there an agreement today between this government and the company, so that they may continue to contribute if not fifty-five per cent, then fifty per cent or whatever it is? Where is the agreement? Where is the tax base? Are you expecting the people of Creighton to assess and tax themselves to build a high school that they need? Are you prepared to build it yourself, or what is the situation?

The Minister of Education, (Mr. Trapp) no doubt will say, well we pay for our cost down here, we will give them the usual grants. We'll let them look after it themselves. I say this is a mining community, Mr. Speaker, these people are there because of the mine. Without those people, the mine wouldn't be making \$17,500,000 to \$20,000,000 profit every year. These people are entitled to get a contribution from the company and I will say this on behalf of the company, it has been good, it has not refused at any time to give its contribution. They did not refuse, they balked, I admit, but that wasn't the final word. It is not funny for hon. members to laugh on the other side. Why didn't you consult the local government in that area? Why did you use your arrogance, your power to cancel the agreement and leave the community helpless?

A great democracy we have in this country, Mr. Speaker, but this isn't the only thing that is going on. I happen to live in a very versatile constituency. I not only have farmers, I have timber men, I have mines, I have a number of industries and so I must speak about these people. I asked for a report the other day, as to the number of poles, telephone and power poles that were authorized to be cut this year. Every year there's an authorization. Contractors can cut so many hundreds of thousands, when they end up, there's a little bit less, usually they leave about one-third, they cut about two-thirds and one-third is not cut. What has happened this year? Well, this is the way you get industrial development in Saskatchewan, this is the way you provide jobs for people, Mr. Speaker. These are the figures that hon. members can find on their desks. In 1964-65, poles authorized were 198,500, telephone and power poles or nearly 200,000. How much were cut? Seventy-five thousand, three hundred and eleven. Note, Mr. Minister of Public Health. These poles are treated in the city of Prince Albert. You are now going to put people out of work at the creosoting plants at this rate. Compare last year, two-thirds of the authorized poles were cut, and every year that I go back, it's about the same story, but this year, under the Liberals, only one-third was cut.

Well, there is a story to that, Mr. Speaker, maybe the hon. members opposite would like to hear this story and I am going to tell them what this story is. Last fall, the sub-contractors for the Timber Board were asked to cut 198,000 poles, Then towards Christmas time, an order came out, an edict from this democratic government opposite, "we are cutting your contracts in half". Well, there might have been a good reason for that. I don't know why they cut the contracts for these sub-contractors in half but this put a lot of people that needed jobs, who didn't have crops, out of work. You would cry if you saw what I saw. People came to me, saying, "what am I going to do? I thought I had a job and now I am out of a job." So what is the story? I was in Prince Albert last week, and I found that 7,000 twenty foot jackpine poles were shipped in from Alberta. Our people, Mr. Speaker, were cut off their contracts, though we have millions of jackpine poles in the north. Sir, we can't cut them either through the Timber Board, or let private operators cut them. I expected that they would encourage some contractors to do some cutting so that somebody would have had a job, but what did they do? They allowed thousands of poles to come in from Alberta into Saskatchewan, at the cost of jobs for the people of my constituency, and they expect me to sit at my desk and not be angry about it all. Well I am angry, and when this next election comes around, you will hear about it! Believe me!

The previous government, Mr. Speaker, as hon. members will find out if they care to do so, entered into an agreement and were negotiating an agreement with National Housing for northern people, for the underprivileged

people you admit and I admit we have in the north, not only Indians and Metis, but there are some white Indians too, like myself. I am proud to call myself a white Indian. I don't want to be a capitalist.

**Mr. Nollet:** — Enough of these on the other side of the house.

**Mr. Berezowsky:** — Yes, there are enough of them on the other side of the house. Mr. Speaker, we had an agreement whereby we could get houses under National Housing, something similar to what you have in some cities. How many houses have we built for example at Tweedsmuir? What has the Minister of Municipal Affairs, (Mr. McFarlane) done to see to it that more children don't lose their lives in fires because people have to live in shacks? What has he done? There is nothing in the budget, and I have heard nothing, there's nothing in other speeches that have been made in this house, to show that this government has been trying to do something to see that the problem of slums throughout the north are being looked after. Let me tell the hon. members that only a year or so ago, two children of the Anderson family, a very fine Metis family, hard working people, while out working, left their children at home, before they came back home, the children were burnt to death. Had they had a decent house, they might have had a chance to be alive today. What has the government done to correct that situation. Nothing. Oh! They can find \$3,000,000 to give away to oil companies, give them resources under the road allowances that belong to the people of Saskatchewan. They can give that away. They can find money for appointing some kind of propaganda machine, but they can't find a few dollars to build houses. I should not say that, because they have in their programs, Mr. Speaker, a sum of \$100,000 for northern housing, that doesn't take in the Metis people along the edge, I guess, but it takes in the people in the far north. That will build exactly twenty houses, Mr. Speaker. There are 10,000 people in the north, which means about 3,000 or 4,000 families today, that need homes. They don't just need an education, they need homes, decent homes, and what are you doing about it? You are going to build twenty homes, if my calculations are correct, at the cost of \$5,000 a home. Last year under the CCF government, we authorized the cutting of 1,000,000 board feet of lumber for northern people for housing. Now that should build quite a few houses, I submit, according to the report here, but only twenty-seven were built. That is a little better than what you are going to build this year. Twenty-seven last year, now you are going to build twenty.

What did you do with that lumber? I asked how much was planed, you said 900,000 board feet were planed and I asked how much of that, how much of that lumber was used for housing in the north. Mr. Speaker, the minister concerned replied, 125,000 feet. Well, what did you do with the other 800,000 feet? Did it rot? Did you . . .

**An Hon. Member:** — Gave it away.

**Mr. Berezowsky:** — Gave it away. Good! The Minister of Labour, (Mr. Coderre) says they gave it away. Well they did something with it. I don't know what they did. I hope the minister concerned will get up on his feet when the time comes and tell us what he has done with 800,000 feet of planed lumber that they don't seem to be able to account for. Certainly they didn't build houses with it!

**Mr. Guy:** — May I ask the hon. member a question?

**Mr. Berezowsky:** — Now, Mr. Speaker, one thing I am going to do, I am going to congratulate the government on what they are going to involve themselves with ARDA in my area. In the Torch River municipality, we had a study under ARDA, but I haven't heard of any study since the CCF government left office. I hope that you will undertake a study and I hope that the government will do some of the things they mention here. These are all worthwhile enterprises, the better use of marginal land, more pastures and more land under cultivation, but again, I must come back and would like to point out that under ARDA, you can also develop an urgent housing program. Studies in my area show that fifty per cent of the houses are not fit for habitation and there must be many other areas such as Meadow Lake, for example. I hope that member for Meadow Lake, (Mr. Coupland) is listening. I hope he agrees with me. There are places up there, at Turtleford, all across the province where, we still need some good housing and the only reason that we haven't got good

housing, is because we haven't been able to interest the federal government in sharing, but I understand now, that under ARDA, it is possible to have the federal government share either through National Housing or directly through ARDA somehow, to see that the farmers get desirable homes.

It isn't enough that farmers get at least decent homes, it isn't enough, Mr. Speaker, just to have a lot of land broken up, just to have a lot of pasture, and a lot of cattle when you've got to sell them at a loss anyway. I am a farmer. I know because last year, I had a deficit of something nearly \$2,000, so you can see how we prosper as farmers. It is more important to me, Mr. Speaker, that our people have decent homes, that you can call homes, that our people have decent education. What this government should be doing, Mr. Speaker, instead of cutting taxes, they actually didn't cut any, they just shifted, what they should have done is to provide free education right through university for every child that has the ability to go to university. We started a program with scholarships as you know, the program that we're proud of, but that isn't enough, and I'm certain that when this CCF group gets back into power, we'll bring in a program of free education for every child in Saskatchewan, just as they are doing in some other countries. Take note of that. You wouldn't do it because you say, that if a person wants education, you have got to get it on your own efforts. Free enterprise!

**Mr. Guy:** — Why didn't you do it?

**Mr. Berezowsky:** — We did it, we did it, we went a long way towards free education, as you know, and you can't take that away from us.

**An Hon. Member:** — Loans, interest free loans.

**Mr. Berezowsky:** — What you are going to do is to provide, going back to homes, you're going to provide hay shelters which are good, but you are not providing anything for decent homes. That's the idealism of free enterprise. See that you have a good barn, see that you've got the hay covered, see that the horses get some sleep, but let the farmer go around without any clothes, tattered and so forth, and the hon. member from Prince Albert, (Mr. Steuart) laughs.

Mr. Speaker, I come from a country in Europe where we had that kind of philosophy, where we had the Polish ponds, where they had the German junkers, where in Spain, they had the Dons, and they considered ordinary people like myself, and like my folks, people of the land, as cattle. As one of the Junkers said, I have three oxen, one is a little smarter than the others because he knows how to say ho, and gee, and haw. That's what you would like to see the people of Saskatchewan become. You would like to see them remain the same as they had to be, in the old country where they had no freedom.

Mr. Speaker, there's much that I could talk about, I notice my time, I promised to be through before 9:30 . . .

**An Hon. Member:** — Keep going.

**Mr. Berezowsky:** — Well, I'm prepared, I'm quite prepared to take the member from Athabasca (Mr. Guy) to task, if he would want me to. I would like to tell him about some of the places he went to and as I said before, it wasn't empty. But to summarize, I would like to point out to the government, first of all, what I had in mind has been told better than I can ever tell, by our budget critic. I agree entirely with everything that he has said. In addition to that, I would like to point out that some of the things the government is doing are good. Everything isn't bad, certainly, even a Liberal government couldn't do everything wrong, there must be something right.

**Some Hon. Members:** — Hear, hear!

**Mr. Berezowsky:** — That's right, but I would point out that their programs are not good enough, that they have to take a look at the needs of humanity, and not at the dollar. It's alright to think about the Madison dollar, but it's better to think of the people of Saskatchewan. I would like to see the Liberal government have a record that will go into the history of this province, as doing better than we ever did, but the way you are going, you will never do any better.

So, Mr. Speaker, you can see from what I've said, that I am not



not going to support the motion, but I am certainly going to support the amendment.

**Some Hon. Members:** — Hear, hear!

**Mr. B.D. Gallagher (Yorkton):** — Mr. Speaker, may I first of all, take this opportunity to congratulate you on the job that you are doing in the Speaker's chair, Mr. Speaker, and to bring along the good wishes of your many friends from my constituency who wish you well in the position of Speaker of this house.

I need not say, Mr. Speaker, that the constituency that I represent has the best people of all the people in Saskatchewan. I think most members feel very proud of the people that they represent. It has been remarked by some others in this house, that most of the rural seats of Saskatchewan are represented on this side of the house. Being a farmer, I'm naturally very happy about this, but I am particularly proud of the fact that my constituency which happens to be predominately urban, has seen fit to elect a Liberal and to elect a Liberal farmer.

**Some Hon. Members:** — Hear, hear!

**Mr. Gallagher:** — I'm sure, Mr. Speaker, that after our first four year term of office is over, the people of Regina city and the people of Moose Jaw city, and the people of Saskatoon, and the other urban cities of the province, will realize that when we direct the affairs of the government, for all of the people of this province, and not for one section or for one class of people, or for one group of privileged people, that after the next election, Saskatoon, Regina, Moose Jaw, and the other urban centres will also be represented on this side of the house.

**Some Hon. Members:** — Hear, hear!

**Mr. Gallagher:** — Mr. Speaker, before dealing with the budget or before making any comments on the remarks that were made by the member for Cumberland, (Mr. Berezowsky), I want to do as I have done in the past, to bring to the attention of the government of the day some of the problems and the needs of my constituency.

As I have stated in this house before, we are the distributing centre for east central Saskatchewan. We are the educational centre for that area of the province, and I want to take this opportunity, Mr. Speaker, to thank the Minister of Education, (Mr. Trapp) for extending his hand to make our new comprehensive high school become closer to a reality. It is now in the planning stage, with the assurance of the minister that funds for construction of this building will be available immediately planning is completed. I might say at this point, Mr. Speaker, that this comprehensive school, the first of its kind to be built in the province, could have been built before this, had we got the co-operation of the former government and the former Minister of Education.

**Some Hon. Members:** — Hear, hear!

**Mr. Gallagher:** — In talking about a third university, Mr. Speaker, I would like to bring to the attention of the member for Nipawin, (Mr. Radloff) that Yorkton has already been established as the third university city of the province, that starting this year, first year Arts are being taught at St. Joseph's College, that plans have already been made by the city planner, the city council, and the board of education in Yorkton, to provide an area of the city adjacent to the St. Joseph's College. It is my hope, Mr. Speaker, that the government will assist in all possible ways to extend the educational facilities in the city of Yorkton as regards our university classes.

Yorkton, Mr. Speaker, being the fastest growing of the smaller cities of the province (and when I say of the smaller cities, I include all of the cities except Regina and Saskatoon) and also being the most densely populated part of the province, with its new Psychiatric Hospital, and its new Union Hospital, and having many of the best medical and dental practitioners in the province, as well as many outstanding medical specialists. Yorkton has certainly become the Health Centre of that area of the province. But I want to give notice, Sir, at this time, that in my opinion and in the opinion of many people who should know, that the city of Yorkton, should be the site of the next Geriatric Centre to be built by the government of

this province. With the medical and health complex that is developing, with the planning that has been done by the hospital board, by the city council, and other participating groups, this program cannot be complete without a Geriatric Centre

I believe, Mr. Speaker, that Geriatric Centres, such as the one which was built in the city of Regina, are serving a very good purpose, but I think that many of the patients who lived many years in centres such as the Geriatric Centre in Regina, and especially some of the older patients, were being deprived of the one thing that could do more than anything else for them. When people have to come a long way to visit a father or a mother or a sister or a brother, especially so in the case of older people, these patients in Geriatric Centres very seldom see their relatives or their friends.

I think, Mr. Speaker, that this is one thing that could be offered especially to the older people who are patients in our Geriatric Centres. I think there is only one way that this could be accomplished and that is by building more Geriatric Centres of the smaller type and spreading them around the province. With Yorkton as the centre of many towns in that part of the province, towns such as Foam Lake, Kamsack, Canora, Langenburg, Esterhazy and the city of Melville, I think that Yorkton is the logical place to build the next Geriatric Centre.

I was a little amused, Mr. Speaker, listening to some of the members from the other side, especially the member for Weyburn, (Mr. Pepper) and the member from Pelly, (Mr. Larson) when they spoke before in this house, making a plea for highway construction and other things that were needed in their constituencies. I can hardly understand the city of Weyburn being neglected as far as highways or anything else would be concerned, especially when it was represented by the former Premier of this province for seventeen of the last twenty years, but I do sympathize, Mr. Speaker, to some extent with the member from Pelly, (Mr. Larson). He got in his dime's worth regarding a road which happens to go into my constituency.

**Mr. Dewhurst (Wadena):** — Mr. Speaker, on a point of order, I think he is referring to a debate which is now closed.

**Mr. Gallagher:** — I am in order now, Mr. Speaker, I think that the Minister of Highways, (Mr. Grant) is quite aware of the request that I am going to make at: this time. Highway no. 8, I believe it is, between Kamsack and Wroxton, is badly in need of rebuilding, and I think that once this highway has been rebuilt, it should be dust-free at least as far as Kamsack to no. 10 highway at Wroxton, if not further.

I believe that the right-of-way has been purchased on the new no. 10 highway that is planned between Melville and Yorkton, and I would hope that the Minister of Highways, (Mr. Grant) is going to see fit to build that highway in this year's budget.

I am sure he is aware of the very grave need of dust-freeing no. 9 highway from Yorkton south. When I questioned the former minister about this, he told me that, they had some trouble with the compacting of certain sections of this highway, thus delaying the oil-topping, or asphalt surfacing. But I think, Mr. Speaker, the day has come when this job has got to be done. Last fall, because of dust conditions on this particular piece of road, we had a fatal accident, just a few miles south of the city of Yorkton. I would hope that the Minister of Highways, (Mr. Grant) sees fit to dust-free this particular piece of highway in the coming year.

I might also mention that there is a piece of highway in my constituency that is not dust-free from Willow Brook to Ituna. I am sure that the Minister of Education, (Mr. Trapp) will back me on my plea to oil top no. 52 highway. I suppose there will be a few Socialists that will agree with me on this too, particularly, the former Minister of Co-operatives, (Mr. Meakes) who represented that constituency at one time, and the former Minister of Mineral Resources, (Mr. Kuziak) who incidentally has to travel on this dusty road five days a week when he goes to work. I am sure that the government will feel sympathetic to the former member for Canora, if he breaks a windshield. I happen to be one of the people who broke a windshield on this particular piece of road last summer. It might save the Government Insurance Office some money on claims for windshields, if they dust-free that particular stretch of road, and I notice, Mr. Speaker, that the Provincial Treasurer has been particularly good to the minister of Highways, (Mr. Grant) so I hope that he will be able to meet all my requests before the 1966-67 budget come in.

I would like to once again, Mr. Speaker, bring to the attention of the government, something that I have mentioned before in this house, about which I have very strong feeling. That is the help the government has been giving to construction of roads in rural municipalities. Now, I know that there are many people in this house, that happen to live in constituencies where land is highly assessed. I think that the grid road program, which was started by the former government and is being continued by this government, is not the answer to help rural municipalities in road construction.

I think that it has been a good program. Many millions of dollars have been spent, and many miles of roads have been built, but there are municipalities, Mr. Speaker, that have not been able to take advantage of this grid road program because of their low assessment, or because their municipal councils feel that a fifty fifty basis, they cannot afford to build roads for \$5,000 a mile, when they can serve more people at less cost by building \$1,500 a mile roads on their own.

These municipalities, Mr. Speaker, have been penalized at the expense of municipalities which have been in a better financial position to participate in this program, and this is especially true in my part of the province, where some of the municipalities have hardly even started a grid program. The municipality surrounding the city of Yorkton, Mr. Speaker, I believe, has less than two miles of grid road built in the last ten years and although extensions to the program should be carried on, Mr. Speaker, I believe a new and different type of program should be planned to assist the many municipalities which have not been able to get the benefits of the grid road program.

I would like, Mr. Speaker, to make a very brief comment on some of the things that were said a little while ago by the hon. member from Cumberland, (Mr. Berezowsky). I am a little surprised that a member who has sat in this house for the last twelve years and who has been part of the CCF government for the last twenty years, would stand up in his seat and tell us that the people are so poverty poor in his area of the province. I wonder what he was doing for the last twelve years as the member of that constituency? He went on to tell us how hard up the Indian and Metis people were in his part of the province, and how these people couldn't get by on what they were making in that part of the province. Still he was admitting that a government that had been in office for twenty years had done nothing to relieve the problem. Now, surely, Mr. Speaker, this is an admission on his part that the last twenty years have been a failure on the part of the people who sit opposite.

I know that he expects a lot from the Liberals, and I know that he will get more in the first four years than we have got in the last twenty, but surely he shouldn't expect as much in our first year, as the last government has done in the last twenty. I wonder how many houses they built for the Indians and Metis people in the last twenty years?

I would like to turn for a moment, Mr. Speaker, to deal with some of the comments that were made on Friday last by the financial critic, Mr. Blakeney, and some of the comments that were made this afternoon by the member for Regina West, (Mr. Blakeney).

May I say, first of all, Mr. Speaker, that I was a little surprised at the criticism that he gave the government for the money that they were borrowing on behalf of the university building extensions, and especially coming from an NDPer. He suggested this was deficit financing and that it was not good business, and he suggested that when the former government was in power, the only time they ever borrowed money for capital expenditures was for a government corporation, like the Telephone Corporation or the Power Corporation.

Well, let me remind him, Sir, that this is capital expansion, that the Regina campus of the University of Saskatchewan has got to grow and that the same people will pay the debt of the new university complex of this province, as the people that are paying the debts that were incurred by the S.P.C. and the Saskatchewan Government Telephone Company. The very same people are going to pay the debts.

Surely, Mr. Speaker, surely he wouldn't want to deprive some boy or some girl in this province of a university education. I think that the boys and girls of this province who are of university age are going to be quite happy to be able to go to a university and I think they are going to be quite proud of the fact that they have had some share in the building of that university, Mr. Speaker.

He also suggested on Friday last, that by some juggling of figures, by taking a \$1,000,000 out of last year's spending and putting it into this year's spending or something like this, that this government had fallen down on its technical training program. Now, this is real amusing to me, Mr. Speaker. Maybe, Sir, the former Minister of Education, (Mr. Turnbull) had some ideas of his own, or maybe it was some political idea, I don't know just what kind of an idea it was, but I am going to tell you, Mr. Speaker, that every time a delegation came in from the city of Yorkton, from our Board of Education, or our Collegiate Board, that the former Minister of Education, (Mr. Turnbull) who happened to be a member from Elrose, turned the party down flat. This new comprehensive technical and academic high school that is going to be built in Yorkton, would never have become a reality if the government that sat here last year wasn't defeated.

**Some Hon. Members:** — Hear, hear!

**Mr. Gallagher:** — If this was his attitude to people in other parts of the province, Mr. Speaker, I can well understand why he was replaced by my friend who sits behind me, (Mr. Leith). Now I noticed today that the member for Regina West, (Mr. Blakeney) made quite a noise about the \$3,000,000 increase in operating grants for schools. He tried to make quite a case of this. I went to the trouble during the supper hour of checking to see what the grant increase had been for the last four or five years and I might mention that a \$3,000,000 increase was less than the increase last year. Admittedly the increase was more last year, but last year happened to be an election year, Mr. Speaker. But what about the increase from 1960 to 1961? It was \$3,000,000. What about 1961-62, it was \$2,700,000. What about 1962-63, it was \$2,400,000. So, Mr. Speaker, whom does he think he is fooling? He thought he was going to fool the people of Saskatchewan, and the Minister of Education (Mr. Turnbull) thought he was going to be able to fool the people of Saskatchewan last April, but he didn't.

I might go on to say, Mr. Speaker, that whatever else he says about the \$3,000,000 being a pittance in the way of school grants, I don't think that the people of this province, or the school boards of this province are going to regard the amount that is being voted to help in the cost of education in this province as a pittance, because it is going to be the largest percentage of the cost of education that has ever been borne by a government.

**Some Hon. Members:** — Hear, hear!

**Mr. Gallagher:** — I can understand the member for Regina West scoffing at abolishing the mineral tax, or farmers using purple gas in farm trucks. I can well understand him taking this attitude in regards to these things. He also made some suggestion that the auditorium that is to be built in Regina should have \$2,000,000. Well, maybe they should have \$2,000,000, Mr. Speaker, but I want to remind you, and I want to remind members of this house that the government that sits to your right recognizes the fact that there are other areas in this province as well as the cities of Regina and Saskatoon, and it is about time that a government did recognize this fact.

He also went on to say something about the new Liberal government going to dismantle the S.P.C. Well, I may have more to say about this tomorrow, Mr. Speaker. Well, we did dismantle the head of the S.P.C., and I think we did a pretty good thing in doing that, because the S.P.C. is going to run more efficiently by dismantling the head of the S.P.C. Then he turned to the estimates, Mr. Speaker, and he started picking little tid-bits out of the estimates, here and there to show where the government was going to cut back services in so many different instances. Well, it was quite noticeable, Mr. Speaker, that he didn't cover the whole estimates. For example, on page 10 of the estimates, the total for operation of provincial community pastures last year was \$328,000, this year it is \$421,000. Grants under the Family Farm Improvement Act are up about \$20,000. The Fodder Shelter Program that my hon. friend from Cumberland, (Mr. Berezowsky) was making light of, is up \$50,000. What about the \$1,000,000 to be spent on the South Saskatchewan Irrigation Project?

I remember how, the hon. member from Cumberland (Mr. Berezowsky) also scoffed at the idea of \$40,000 being spent on the Cumberland House Farm. Well, Mr. Speaker, \$40,000 is better than the \$5,000 or \$6,000 or \$7,000 that was spent by the NDP government last year, a lot better.

He didn't talk too much about the \$8,000 increase in highway spending. This province was just about five years behind our neighboring provinces. No, Mr. Speaker he didn't want to talk about the 8.4 increase in

highway spending.

There are some other estimates that are quite interesting, Mr. Speaker, if he goes to the trouble of pursuing them. For example, on page 25, the Tourist Development Branch, there is an increase of from \$148,000 to \$180,000. Admittedly, the Information Branch is not there this year, because it was a branch of the former government. Some of the functions have been transferred to other departments. But it was a branch that this government felt they didn't need because it was being used to a great extent as a propaganda branch for the NDP.

There is another service that I notice is cut-back, and that is the Photographic Services Branch. Well, we don't intend to be paying \$250 each for cabinet ministers pictures, Mr. Speaker. I think that this is a pretty good cut-back.

Well, now I will go on to Mineral Resources. We turn to page 30 in the estimates. I notice that he didn't say too much about the \$500,000 mineral exploration incentive program. They didn't do these things, Mr. Speaker. They didn't do them and that is why we haven't had the exploration that we should have. Then we will go on to Natural Resources, pages 34, 35 and 36. Last year they voted \$270,000 for fire prevention and this year we have voted a more realistic figure of \$350,000. Even this may only be half enough, we are not sure yet.

There are other items, for example, the total increase for park and recreation planning is about \$14,000, from \$187,000 to \$201,000. The total for operation and maintenance of recreation facilities is up from \$683,000 to \$732,000. Grants for the development of regional parks from \$127,000 to \$198,000. For resource lands branch, it is up from \$46,000 to \$98,000.

We go on to Natural Resources on page 36. He didn't say anything about the \$475,000 grant, the total for the Indian and Metis branch. No, Mr. Speaker, it was quite noticeable that he just picked out little tid-bits that 'e thought would make political hay and, of course, he used them while he was on the radio time. I see another one here, recreational facilities, up by \$200,000.

I will go on to page 39, the Department of Health. When the former Minister of Health (Mr. Blakeney) was talking about health, you would think that the Liberal government of the day was going to destroy the Medical Care Program, abolish the Hospitalization Program, and that all the people of Saskatchewan were going to get sick and die if we stayed in office for a full four years. He didn't tell you that a fifteen per cent increase in public health nursing voted for this year, or going to be voted for this year, or that there is going to be a thirty-five per cent increase for communicable disease this year, or a twenty per cent increase for physical rehabilitation this year, but he went on to say that we were going to have a cut-back in psychiatric services, and he mentioned a decrease of some fifty people, I think. He didn't tell you that some of the people who are employed in Yorkton were employed in other centres, or he didn't tell you that there is a \$30,000 increase for the psychiatric centre in Yorkton this year. These are things that he deliberately left out to mislead this house and to mislead the people of this province.

I will go on, Mr. Speaker, what about the provincial laboratories, a \$32,000 or a ten per cent increase here? Then I notice in the Department of Telephones and in the Saskatchewan Water Resources Commission, items of expenditures that were not there last year and items of increased expenditure that the financial critic of the opposition deliberately left out.

Now Mr. Speaker, he did mention something, I believe, about reduced services . . .

**Mr. J.H. Brockelbank (Kelsey):** — . . . next week . . .

**Mr. Gallagher:** — . . . about reduced services that the government of the day is going to give. Admittedly, there are areas in which this government has found there was a surplus of help and we are getting along with providing the same amount of service and the same kind of service at less expense. It just goes to prove, Mr. Speaker, that the government that was defeated last April 22nd, was over staffed in many quarters.

He thought that he had hit a soft spot when he got to political patronage. I see that I haven't got enough time tonight to say much about political patronage, but I think, Mr. Speaker, that if there is one political party in this country that shouldn't talk about political patronage, it is my friends across the way.

**Some Hon. Members:** — Hear, hear!

**Mr. Gallagher:** — Now, I want to say at this time, Mr. Speaker, it seems that all political parties hire people of their own political faith. I think that the members on the other side of the house surely wouldn't have expected that we were going to hire all CCFers. They might expect that we would hire some Liberals. They are the last people that should talk about political patronage.

I have a quotation here, a statement made by a former Premier of this province, regarding political patronage, and a statement made by the former Provincial Treasurer of this province, regarding political patronage. I would like to read to you these statements. This is what these people said. Mr. Fines said this:

I would like to see it made an offence for a cabinet minister to promise or recommend any person for a government job.

And here is what Mr. Coldwell said:

The day of the political heeler in Saskatchewan will be at an end if the CCF is elected, I would sever my connections with the CCF if it were not so.

And here is what our little friend Tommy said:

The time is long overdue for taking the civil service out of politics. We believe that it is possible to hire men who are efficient and honest to carry on the business of the province without recourse to patronage and job-seeking.

**Some Hon. Members:** — Hear, hear!

**Mr. Gallagher:** — Well, you know, Mr. Speaker, I have a small list of about forty names here and these are not people that just happen to be prominent Liberals. These are people who were defeated CCF candidates or defeated CCF members of parliament, or defeated CCF MLAs, or their wives or their sons, or their daughters, or their brothers, or their sisters or their in-laws. We might as well give them the works. I am not going to have time to go over one-quarter of them tonight, but I would just like to read you a few of the names to refresh your memories, but before I do, I want to say this, Mr. Speaker, we will hire the best people that we can hire and the most of the best people that you can hire are not Socialists. I must say, Mr. Speaker, that the government that sat in office before us wouldn't hire a defeated Liberal MLA, or a defeated Liberal cabinet minister. This is what we did, Mr. Speaker. We hired the former Minister of Education, (Mr. Turnbull) who happened to sit right here, at the University of Saskatchewan. Did you ever do that?

**An Hon. Member:** — We did.

**Mr. Gallagher:** — You hired people like Kim Thorson. You all know who Kim Thorson is. Kim Thorson was a former member for Souris-Estevan, you hired him to put in his summer holidays so he could go back to university the next year. You hired Johnny Burton. We all know who Johnny Burton is, son of the late Joseph Burton, former cabinet minister and . . .

**Mr. Thatcher:** — . . . they know Joe too . . .

**Mr. Gallagher:** — He was also a candidate in the Melville constituency on two or three different occasions. I believe he is working for the Leader of the Opposition now. Well, that is his business. But he was hired mostly because of his association with the NDP, not for the qualifications

that he had. I've got a whole list of them, some old friends from home. G.H. Castleton, former MP for Yorkton. You hired him. You had to wait a little while for Mr. Castleton to get his job, because you had to get something else for Mr. Bentley first, but after you got Mr. Bentley moved from the Director of Staff Training, then you got Mr. Castleton in, and a year after he was back in the House of Commons, so his job was open for another CCF heeler.

Then there was Mr. A.L.S. Brown. I think you all know Mr. A.L.S. Brown. He was a former member for Bengough. We all know his connection with this government, he was working with the Crop Insurance Board. There was Mr. Bryson, the member of parliament for Humboldt, I believe from 1953 to 1958. He was defeated in 1958 and appointed as a Co-op Management Advisor. There was Mr. Buchanan, the former member for Notukeu-Willowbunch who got a job with the SPC. Then there was O.W. Valteau, we all remember him. Then there was David Cass-Beggs, whom they imported from a couple of thousand miles away, and there was Mrs. Beatrice True, and there was D.S. Valteau, the son of the former cabinet minister. All these people were given government jobs because of their political affiliations.

Before I sit down, just for the benefit of the new members of this house, I would like to mention some other names. One of them is the member for Cumberland, (Mr. Berezowsky). He was a field man with the Department of Natural Resources . . .

**Mr. Berezowsky:** — On a point of order, the hon. member is wrong. I was never a field man with the Department of Natural Resources.

**Mr. Gallagher:** — . . . and there is another one, the lady member for Regina city, (Mrs. Cooper) whose husband was the President of the CCF organization at the time that she was working for the Saskatchewan government.

Mr. Speaker I am going to have a lot more to say about this, and about a few things when I speak on the budget debate tomorrow afternoon. I beg leave to adjourn the debate at this time.

Debate adjourned.

The Assembly adjourned at 9:56 p.m.