

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session – Fifteenth Legislature
8th day

Thursday, February 17, 1966

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

WELCOME TO STUDENTS

Mr. Speaker: — Before the Orders of the Day I would ask the indulgence of the house in order to introduce to the house a fine group of 12 students from the Esterhazy High School, under the guidance of their principal, Mr. M. Huck. I am sure that all members will wish to join me in extending a most warm and friendly welcome to the legislature of our province.

Some Hon. Members: — Hear, Hear!

ADDRESS IN REPLY

The assembly resumed the adjourned debate on the proposed motion of Mr. C.P. MacDonald (Milestone) for an Address in Reply, and the amendment thereto by Mr. Lloyd (Leader of the Opposition).

Mr. I.H. MacDougall (Souris Estevan): — Mr. Speaker, before I make any further remarks, I want to offer my hearty congratulations to my colleagues, the member from Milestone (Mr. MacDonald) and the member from Last Mountain (Mr. MacLennan) who did such a splendid job of moving and seconding the Speech from the Throne.

Now, they followed in the footsteps of the excellent job which was done last year by the member from Athabasca (Mr. Guy) and the lady member from Saskatoon (Mrs. Merchant). The member from Milestone (Mr. MacDonald) is fast becoming recognized as an orator, both inside this house and outside of it as well. His gifted speech-making has won the admiration of all of us. Personally, Mr. Speaker, I want to commend the Liberal administration for the truly able administration which we have in Saskatchewan today. At one time we were considered the Cinderella province amongst the provinces of Canada. Today, due to the hard working energetic Premier, and his cabinet colleagues, we can proudly say that we are showing our heels to the rest of the country. Even the CCF and the Tory followers have become a little uncomfortable with the progress that we have made since we took office.

They have observed the bustle and the boom of the past two years, and many of the followers wonder why they supported the CCF-NDP for so long. Of course, there are still those hard core supporters, but to these individuals and their leaders I can only say that there are none so blind as those who will not see.

Some Hon. Members: — Hear, Hear!

Mr. MacDougall: — Now, Mr. Speaker, as I look across the floor of the house today, I see a rather subdued group of gladiators. The

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Tories are leaderless, lusterless and lost. To the people of Bengough, I only want to say "Thank you" on behalf of the government and the rest of the people in the province. I want to say that his by-election victory for the Liberals will do more than any other single event since the last provincial election to ensure the progress of the province of Saskatchewan.

I want to congratulate all the people in Bengough who worked so hard for victory. The man who you helped elect will be a most welcome member to the government benches. He will undoubtedly carry on the good work in the same tradition of our late Sam Asbell. Believe me, Mr. Speaker, investors from all over Canada and the United States were watching Saskatchewan last night. A Liberal Victory, a responsible free enterprise victory, will, without a doubt, give the rest of the country confidence to continue to invest in the future of Saskatchewan. I would hate to think of what would happen if the CCF had won last night. Investment would have stopped again, as the people would have been scared to invest here for fear it might happen all over again.

Mr. W.A. Robbins (Saskatoon City): — They would have got the heavy water plant.

Mr. W. S. Lloyd (Leader of the Opposition): — We heard all that before . . .

Mr. MacDougall: — I have here a copy of the well known propaganda hate magazine called the Commonwealth. On the headlines it says "Saskatchewan CCF Welcome Bengough By-Election". I wonder what they think today. The Leader of the Opposition (Mr. Lloyd) thinks it is some sort of a victory, that loss last night. He reminds me something of Casey Stengel of the New York Mets. He came in second-best, considering it a victory. As old Case would say, we were good at third base, good at short stop but we were lousy in Yankee Stadium. The Leader of the Opposition (Mr. Lloyd) came in as a pinch hitter for the CCF. He has a poor batting average, five times at the plate, and all he has is one base on balls — Hanley.

Some Hon. Members: — Hear, Hear!

Mr. MacDougall: — He struck out in Weyburn, with the pitching of June Stavelly; he went up to Prince Albert, where we had wee Davey on the mound. Davey struck him out with curve balls. He had a general election and he struck out in 10 different cases. Then he went up to Moosomin, struck out again. To the people of Bengough, I salute you, you struck old Woody out once more.

Some Hon. Members: — Hear, Hear!

Mr. MacDougall: — We, in Saskatchewan, are not going back to the old Socialist jungle. We are emerging as the shining light of free people in a free country, enjoying the benefits that free enterprise has to offer.

Well, Mr. Speaker, I want to turn my remarks to a few of the problems in my own constituency. While we have made great progress in the oiling and paving of highways in Souris-Estevan, we

won't be satisfied until the job is completed. For example, no. 18 highway has been oiled from Estevan to Torquay, and I am sure the people along that line appreciate our efforts. However, the balance of this highway from Torquay to Oungre was rebuilt two years ago, and I strongly urge the department to complete the oiling program just as soon as they can get to it. This has become one of the major arteries to the Lake Alma oil field. While this portion of highway no. 18 is in the Weyburn constituency, the road affects many oil field employees, merchants and farmers for my sister constituency to the west since they have no Liberal member there . . .

Mr. GT. Snyder (Moose Jaw City): — . . . heavy water . . .

Mr. MacDougall: — Somebody over there is having trouble with his heavy water. Now, there is one other major road in my constituency, which needs attention and this is the road from Carnduff to Alida. While over half of this road is in the Cannington constituency, I feel it is in the interests of the people in Souris-Estevan for the government to either take this road into the highway system, or provide special assistance to the municipalities. No. 2 and no. 32, - upgrade this road and have it widened and oiled. I was surprised to learn that the traffic count exceeds 195 vehicles per day between Alida and Carnduff, and to further learn that a portion of this road handles upwards of 400 vehicles a day. Now, indeed, with figures like this, which I have obtained from the Municipal Affairs Department, one can readily understand the tremendous cost of up-keep of such a road, and my recommendation, with the knowledge I have of the area concerned, would be to take this road into the highway system.

I would further point out that Souris-Estevan is one of the great wealth-producing corners of Saskatchewan. I only ask that some monies be appropriated for our roads because of traffic conditions and because the municipalities involved cannot keep pace with the development. I would further hope that the Minister of Highways, if he cannot put this road into the highway system this year, then I hope he would consider it, and give it strong priority in 1967.

I hope one other project, which at this time, I would recommend to the Minister of Public Health for his consideration. This concerns the Midale hospital. Now, this is one of the smaller hospitals which the former government had on its master plan of hospitals to close down. I don't believe that smaller communities such as Midale should be strangled by the larger centres, or by the government, by the neglect or the channeling of services such as hospital services into the larger centres. Hospitals like the one at Midale have a place in our rural society. Now it is true major medical operations in small hospitals are neither possible nor desirable. However, many small types of illnesses can be handled and are being handled in these places today.

Now, Midale has had Dr. Mainprize working there for the citizens of the town and the surrounding community for the past 50 years. Possibly, most of the people there around 40 years of age were brought into this world by Dr. Mainprize. The people have become accustomed to these hospital services; I plead with the government to improve the services as the years roll on. In the late 1940's Midale built a hospital which served the community well up to the present time, but now the hospital has become rather obsolete and new facilities are needed. Not only in Midale

a prosperous farming community, but it contains a few hundred oil worker, and the hospital serves these people as well.

Personally, I stand for keeping the smaller centres alive, a principle which the Liberals worked for in opposition, rather than centralization and rule from the top by government bureaucrats as sponsored by the old CCF. I promised my people to fight for the rights and desires of rural people, and they supported my views. I will continue to bring these views before this house at every opportunity. I understand the Midale Hospital Board, led by Mr. Hultgren and Mr. Molberg, has an excellent financial record. They managed to gather together a certain amount of money towards the construction of the new hospital. I urge the Minister of Health (Mr. Steuart) to give these people some consideration and approve their efforts by approving a new hospital for Midale. They should be rewarded for their good management.

Now, Mr. Speaker, while I am on the subject of health services, I want to again direct some of these remarks to the Minister of Health (Mr. Steuart) regarding the Cancer Commission. All of the hon. members in this house recognize the fact that Saskatchewan on May 1st, 1930 became the first province in Canada to initiate a cancer control program. Through the years they have managed to be leaders in the field of cancer treatment and research. As a layman I have great regard for the ability of the doctors who devote their lives to the care of those persons afflicted with this dread disease. However, I do have some questions which I think need airing, because I feel that it has been many years since the program was inaugurated and in some areas updating may be necessary. I read the last report of the Cancer Commission, which incidentally, Mr. Speaker, was put forth in the calendar year of 1963. Now this is 1966, and I have not been able to find a report covering 1964, or 1965. It would seem that an agency of the government such as this should have its reports in the hands of the legislature much sooner, if we are to keep abreast of the changes and developments in this field.

The last report, as I read it, seems to contain much in the way of score keeping statistics, but very little in the way of results of the diagnosis and treatment. Now, one of the biggest bones of contention between the public and the Cancer Commission, which ultimately involves the government. Mr. Speaker, is the method of payment for cancer treatment. We, in Saskatchewan, are told that we have free cancer treatment, which under ordinary circumstances is true. On the other hand, there are some patients, and I know of five or six in my own limited experience, who do not find their cancer treatment so free, because of some breach of regulations, either unknown by the patient, or ignored by the family doctor in his advice to the patient – or of some other misunderstanding; they have been unable to collect their accounts. Now, this to me is bureaucratic and unfair. After all, these same people contribute to the tax burden of the province; they have had medical treatment, in some cases outside the province, but nevertheless due to other differences of opinion and regulations they are denied financial support.

Now there is one other area which we should certainly take a hard look at in regards to cancer treatment. This is the payment of drugs in terminal cases who leave the hospital. I understand there are some drugs that are paid for but the very great majority are not. As it stands these patients are supplied drugs under the cancer treatment program as long as they remain in the hospital. If, however, they decide to spend the remaining time of their lives at home, they do not qualify for drug payments.

By remaining in the hospital, these people cost the province between \$20 to \$30 per day. I contend we should ease their burden, should they decide to come home, by paying for these pain reducing drugs, because they, in fact, reduce the cost to the province by as much as \$30 a day by leaving the hospital.

I believe that the refusal by the Cancer Commission to pay these drug costs represents a gross injustice. If it takes an act of this legislature to rectify this situation, then we should do this merciful and just act and without delay. If drugs are refused to these out-patients by the Cancer Commission regulation, then the regulations should, or rather should I say must, be changed. I know of other cases where by consent of the doctor working for the Cancer Commission, a man was permitted to go to Mayo Clinic for further diagnosis. While he was at Mayo, he was told that he had to lose part of his leg to check the spread of a very rare type of cancer. He consented and the job was done by the experts at Mayo. When he got home, however, the bill for his operation was refused. To me, this kind of situation is unjust, and refusal of payment a disgrace. I feel the time has come to bring the payment for any kind of treatment of disease, including cancer, under medicare. There seems to be very little need now that we have medicare working reasonably well in this province for the payment of cancer treatment under two separate branches of Public Health.

Surely, the Cancer Control Program would in no way be hindered just because the bills were paid under medicare. There probably would have to be some details worked out, but the people of this province would never doubt that their treatment, wherever it was obtained, would be paid for and to this end I think we should strive.

Now, the Cancer Control Act of 1944 does not appear to have been significantly amended since that time. Regulations under the act have received only minor changes regarding residence requirements for free treatment. Over the year, methods of treating cancer have changed, detection methods have improved, but no major changes have been made in the regulations in nearly 20 years. I would ask the minister if major programs have been undertaken in the area of early detection of cancer in this province, methods of testing women regularly, for example, for cancer of the cervix. From articles I have read, these tests are relatively simple, and would indeed catch this type of cancer much earlier. We have TB vans going across the province every year, checking for tuberculosis in order to catch it early. Why not attempt to inaugurate something like this for cancer? I feel that our policy in the field of early detection should be examined and re-evaluated, rather than sitting back and observing the status quo.

There are other areas of a more minor nature which could be improved. For example, can anything be done to improve the appointment system in the clinics? Patients often tell me that they arrive early in the morning and then spend long periods of time in waiting rooms before they can be seen by a doctor. I realize this is not too different from any other doctor's office today. However, many of these people are elderly, and others are uncomfortably ill, and the long wait must be discouraging to them. For certain types of cancer, it should be possible to have the family physician review the patient regularly, and report to the Cancer commission, or refer the patient to a local specialist of the Cancer Clinic when necessary. Why must a cancer patient. Mr. Speaker, travel to Regina or Saskatoon for a routine review or examination? In many instances a surgeon in a smaller medical centre has performed

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the surgery with the approval of the Cancer Clinic. Now, if the surgeon, so operating, was capable of performing the surgery, then, I would think, that he should be able to, and be capable of, reviewing his patient. When the opinion of another doctor is required, then refer such patients to a local specialist, or to the Cancer Clinic.

We are told medical science has made more strides in the fight against disease and suffering, during the past 20 years than during any other period in history. Now we would be derelict in our duties as legislators, if we do not act promptly to keep pace with these scientific advances. It will be a hollow victory if we fail to bring this advanced medical knowledge and help to all our people.

Some Hon. Members: — Hear, Hear!

Mr. T.H. Weatherald (Cannington): — Mr. Speaker, last evening we were heartened and delighted by the election of the new member to this side of the house from the constituency of Bengough.

Some Hon. Members: — Hear, Hear!

Mr. Weatherald: — Certainly, I would like to thank the people of Bengough for giving us such a member, and I am very convinced that they have elected a member that will not only serve the government of Saskatchewan, but will serve the people of Bengough with honor, too.

Last June, I also was exceptionally delighted when in our part of the province, the government added a member to this side of the house in the person of John Gardner from the constituency of Moosomin.

Some Hon. Members: — Hear, Hear!

Mr. Weatherald: — John Gardner and I, I believe share some kind of a first in that we both live in the same rural municipality. I think that this is something which is a rare occurrence, and I am very pleased to say that with his co-operation many of the government's programs, particularly in the direction of highways, will be continued.

Mr. Gardner has an excellent education, and has lived in the part of Saskatchewan all of his life. So I again welcome him to the legislature as a representative of Moosomin constituency.

Some Hon. Members: — Hear, Hear!

Mr. Weatherald: — Mr. Speaker, this year has been one of the most prosperous this province has ever had. In many segments the economy has set records in production, and incomes are on an exceptionally high level. Although our province is very prosperous, I am convinced, Mr. Speaker, that there is one momentous decision which looms exceptionally large on the horizon, and this particularly is in the field of international trade. Our large exports of wheat, potash and oil will be secure once the federal government clearly established a closer balance of trade with the countries that buy these products. Negotiations under the general

agreement on tariffs and trade, which are now going on, will have a very significant bearing on this matter. The economy of the province of Saskatchewan will be greatly improved, provided that the federal government will establish tariffs and custom duties which facilitate bringing about multi-lateral trade.

It is abundantly clear, Mr. Speaker, that there is a market, an expanding market for our agricultural produce, for our oil, and for our potash. However, as everyone well knows all countries must sooner or later balance their trade. In 1964 the most up-to-date year for statistics, Britain, our second largest trading partner in both imports and exports, had a trade deficit with Canada of two to one. I am exceptionally delighted, Mr. Speaker, to see that our province government is doing everything it can to expand trade, insofar as our province is concerned, with Britain. This, I am convinced will help bring about a better relationship with our province, which hopes to expand its exports with Britain, by increasing our imports from that country.

Japan, our fifth largest trading partner had a trading deficit of about two and a half to one. China and Russia, both countries which we have large exports to, have had exceptionally large trading deficits with Canada. In many cases, these trading deficits are apt to rise as our exports of potash, and wheat improve. The demand for food in these countries is rising, which will result if we take advantage of these markets in that we will have a greater trade surplus with them.

Mr. Speaker, if Canada successfully finds its place in our economy for imports from countries that we have markets in, the potential in Saskatchewan, our province, will be made much more secure and will be abundantly increase. I am convinced, Mr. Speaker, that a solution to this problem must be found soon if these markets are to be made available for a long-term basis. The intentions of the federal government in this regard are to be watched, and certainly to be prodded by the people of this province. The large imbalance of trade now in our favor will not be tolerated by many of our customers if alternate sources of supply are available. In recent years we have had supply, price and quality in our favor, which gave Canada a great competitive advantage. I think that this is a situation which cannot be counted on indefinitely. If our advantage in this area declines, as it is apt to do, then the success or failure, with which we have managed to balance our trade with our best customers will become a very deciding factor. The advantages of exports, both to the people of Saskatchewan and Canada, have never been more vividly outlined than it is today.

Mr. Speaker, I would like to turn to another very important matter, and that is the cost of education. I think there are exceptionally few who do not accept the fact that education must receive an exceptionally high priority public expenditure in our economy. The training of man power is an absolute necessity for improved efficiency and full employment. For the first time we have had an in-plant training program in which the company, the federal government and the provincial government have shared the costs including living allowances. It is estimated that in the past year 1,200 to 2,000 people will have been trained. Between five and six industries by the end of this year will have specialized training in their plants. This is a new program, Mr. Speaker, and one which I am convinced that everyone should support.

A heavy equipment operator course is now being held in the province in various centres. The first group has now graduated. It is planned that approximately 475 people will be trained in heavy equipment operation during the winter months. This is done with the co-operation of the Department of Highways and Education so that trained operators will be available in the spring. However, Mr. Speaker, I am greatly disturbed at what appears to be a

great wastage of public funds particularly in the construction of school buildings. It appears that many in their desire for better facilities for education have thrown out the concept of buildings designed solely to function as a place for teaching and learning. Tremendous amounts of expenditure now appear to be going for sheer luxury and architectural beauty. Many expensive auditoriums, particularly in rural areas, are used sparingly, as students all go home on buses at 3:30 p.m. What is more disturbing is that often residents of the area have very poor roads, poor telephone service if any, while the schools seem to be somewhat luxurious. I would hope, Mr. Speaker, that greater use could be made of auditoriums by co-operation between local communities and school.

Some Hon. Members: — Hear, Hear!

Mr. Weatherald: — In many cases the situation has been that school facilities were not allowed to be used by the communities at all. I feel, Mr. Speaker, there is also a very definite room for standardization of construction of buildings of various sizes. This has been very successfully done in the field of small hospital construction, a program which the Department of Public Health has undertaken and through standardization has brought about a great number of economies. I feel quite certain, Mr. Speaker, that this program, applied to school construction, may well bring about substantial savings to the hard-pressed taxpayer insofar as education is concerned. I believe, Mr. Speaker, that the Department of Education is now working and studying such a program.

I would like to turn for a few moments to the field of winter works. This is a very important field in this province and one which practically all communities have participated in at one time or another. Many municipal and community projects have been assisted by it. However, I feel that it needs a complete review insofar as its purpose and its regulations are concerned.

In many communities it is a very well known practice that community projects such as rinks, halls, etc., are built by volunteers and other labor. This is a practice which is wide open for manipulation of hours of work and number of men, and so forth. To benefit, the community is often forced to wait until the season begins for winter works, which affects the programming of the project. It is completely unfair, Mr. Speaker, that for a number of reasons many communities benefit to a much greater extent than others, simply because in these cases the winter works program is not serving its intended purpose. It is working as a system of grants to worthy community projects.

I suggest, Mr. Speaker, that this is a problem which should be studied in this selected area and replaced with a system of straight grants on a percentage basis of total cost. This would remove much supervision of bookkeeping and serve the same purpose in a more equitable fashion. Assistance to these community projects is absolutely necessary and desirable but I would like to see it put on a more equitable and practical basis.

The winter works program has been used for this type of assistance, but I believe that it is a wide open question as to whether it is the right vehicle or not. The program is biased in that it is more beneficial to large centres which have large continuing public works programs, while smaller centres can only use the program for special purpose projects such as curling and skating rinks. Many rural municipalities are restricted in that they can

only do a little brush clearing. The winter works program is one which needs study and investigation with the purpose in mind of making a fairer and more equitable application of the program. The overall objectives of the winter works program should be reviewed and a new policy to take its place defined.

Mr. Speaker, the present government has done much in rural Saskatchewan in the field of highway construction. It has done a good deal to bring about a sensible policy insofar as small hospitals are concerned. We can well expect increased grants towards municipalities. Such programs as assistance for snow removal and assistance on grid roads, are welcomed. One further program which I hope, Mr. Speaker, that someday will be instituted is a program of assistance to certain types of recreation in this province. We are very sadly lacking in facilities for recreation. It seems that, while so many other areas of government are able to command financial support, that in many, many communities there is little or no recreation available to the people we live there. I hope this is an area which in the future will receive attention and assistance from both federal and provincial governments.

In summing up, Mr. Speaker, I would like to say that I feel the government is well on its way to doing a good job for Saskatchewan and providing good government. I, therefore, Mr. Speaker, cannot support the amendment but heartily support the motion.

Some Hon. Members: — Hear, Hear!

Mr. I. C. Nollet (Cut Knife): — Mr. Speaker, I wish first of all to assure the hon. member for Souris-Estevan (Mr. MacDougall) that not all the gladiators on this side of the house are downhearted. I am going to try to demonstrate to him that we are more dedicated than ever to replace this totally private enterprise government that we ever were before. I noted that the hon. member for Souris-Estevan (Mr. MacDougall) said that everyone had their eyes focused on Bengough last night, particularly the investors, Mr. Speaker. Nothing was said about anyone else, such as the people who are concerned about human well-being, but the investors.

In the course of my remarks this afternoon, Mr. Speaker, I hope to prove on a factual basis that this is nothing but a hoax and a bogey that is still being perpetrated after the evidence has been presented over and over that there never was anyone who refrained from investing money in Saskatchewan under the CCF administration. The record proves that to be correct. He was very concerned that had the vote favored us, as it very nearly did — and as a matter of fact, Mr. Speaker, we are the only party that can say that we increased our vote.

Some Hon. Members: — Hear, Hear!

Mr. Nollet: — The Liberals retained a status quo. This may be reassuring to hon. members opposite, I hope it is. They may have a reprieve and in the reprieve I would hope that they will amend some of their farfetched statements about previous stagnation and instant prosperity now. I would have expected too that the hon. Minister of Education (Mr. Trapp) yesterday would have made some extensive reference to his department, its policies, and the possibility of a reduction in taxed, particularly school taxes. He made no such reference, Mr. Speaker, in light of the fact that the amendment to His Honour's address states:

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This legislature regrets that the government has failed to give the necessary priorities to the needs of Saskatchewan people, especially our youth, for expanded educational opportunities and has failed to recognize the need for substantially reducing property taxes for education.

I thought he would give us some hint as to what might be done in this regard. Instead of that, Mr. Mr. Mr. Speaker, he dedicated 15 minutes to explain government policy, said nothing regarding the policy to relieve the property tax burden. Much of his time was spent complaining about statistics now eight months old and endeavored to explain to the people of Moosomin why their school taxes went up. The statistics complained about were those he gave to the legislature one year ago, and he spent more time comparing last year's Liberal grant with a four year average under the CCF government. He claimed these were the last four years. They weren't, Mr. Speaker. He lost one year in the process, 1964. He selected the . . .

Mr. D. G. Steuart (Minister of Health): — The year you lost.

Mr. Nollet: — . . . kind of year he wanted, the kind of proposition he wanted, to get the answer that he wants. He selected the answer that he wanted. He chose the figures he needed to get the answer that suited his purpose. Even so, Mr. Speaker, what did he prove after all? The Liberals, he says, increased school grants by \$300,000 over this average four year period. This is nothing, Mr. Speaker, to hooray about, to write home about at all. He chose grants per teacher as a standard measurement.

The Liberal grant compared to those two, three, four, five years before was less than \$30 per teacher. With great applause from his fellow MLA's on the other side he claimed this was striking a great blow for education. Well, Mr. Speaker, if this is all we can expect from the budget, perhaps the prediction of an editorial in the Leader Post is correct. For once the Leader Post is a bit critical and apprehensive about the Throne Speech when it said in an editorial appearing February 9th, 1966:

Revelation of the contents of the speech from the Throne for the opening of the 1966 session of the legislature left the people with a letdown feeling. The experience was somewhat akin to sitting akin to enjoy a television show only to discover that it is a repeat. In consequence when the budget comes down after the Throne speech debate's conclusion, it will likely also be old straw.

Now, the indications are from the Minister of Educations' remarks that this will perhaps be the case, I hope it isn't.

Mr. Speaker, with reference to the Throne Speech itself, and those speaking in support of it, is replete with suggestions that a miraculous transformation from stagnation to unlimited prosperity has taken place in Saskatchewan since 1964. The people of Saskatchewan by visible evidence and honest intelligence are not being misled by the Premier's irresponsible bombast and political hoodwinking. Indeed, his repetitious outcry of the Socialist stagnation bogey before and since the last general provincial election is an insult to the intelligence of the citizens in the field of both economic and social advance. Mr. Speaker, it will never

be forgotten that it was Saskatchewan against strong Liberal opposition and obstruction which led all Canada into the security provided by universal hospital and medical care insurance. Nor will it be forgotten either that from a totally economically depressed area the economy of this province progressed and grew in such a spectacular manner over the past 20 years that it was easily possible to not only provide these two major services but many others as well. This, Mr. Speaker, is the most concrete evidence of both economic and social advance in the province of Saskatchewan which cannot be contradicted. Our medicare plan is well recognized on its merits. Recently, Mr. Speaker, there was a delegation here from the province of Quebec, which province is at the present time thinking about a medicare plan to fit in with the national plan. Here is a quotation from the Leader Post of January 17, 1966, when this group were in Regina:

The group representatives told the Leader Post in an interview that they had no preconceived ideas about the type of health plan they want to recommend for Quebec, but Mr. Casanguay noted that Premier Lesage has said, 'The four requirements the federal government has stipulated for its proposed health insurance plan seem to be essential to any health insurance plan. One of these requirements is universality'.

The Saskatchewan plan contained these four ingredients which were laid down by the Prime Minister of Canada and apparently agreed to by the Premier of Quebec. Saskatchewan led the whole procession and we are the one and only province at the moment that can qualify completely within the plan outlined by Mr. Pearson last July.

Let us recount some more fact, Mr. Speaker. Looking back through the maze of existing babble of nonsense everyone proudly acknowledges that the 20 year period from 1944 to 1964 as the best 20 years in Saskatchewan history.

Some Hon. Members: — Hear, Hear!

Mr. Nollet: — It was during these years that the basis for Saskatchewan's present economic prosperity and social progress was developed and attained. The foundation structure for economic progress and better living is electrical power. Less than 16 years ago, Saskatchewan had no provincial-wide power network and had insufficient generating capacity to feed such a network. Towns, villages, hamlets and farms were without the benefit of this essential service. The entire countryside was depressed and still in darkness and discomfort. Over this same period of time, Mr. Speaker, all of this has been changed. Light and comfort have come to even the most remote areas of Saskatchewan where darkness and discomfort previously prevailed. The key element, power, also became available for industrial and mineral development. These are essential ingredients to progress and the foundation was firmly laid by the previous administration.

In consequence, the future growth and prosperity of our province became assured. It is well to remember that the development of an integrated power grid to encompass the entire province was strongly opposed and criticized by the Liberal opposition of the day who raised the usual hoary old hoax of interference with private enterprise and Socialist regimentation. Now, Mr. Speaker, has any member opposite, or anyone else the temerity to stand up and rise this silly bogey now. Certainly not, because this was an economic area where the government and only the government could

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do an adequate job of bringing equitable benefits to industry and people alike. It is also well to remember that the present, and we hope temporary Premier of the province, when in opposition, confidently referred to money loaned for the development of our power system as a crushing dead weight debt in an endeavor to discredit this vital self-liquidating service. Now in a feeble attempt to support this contention he endeavors to prove poor management by going through the motions of changing bookkeeping and accounting procedures to indicate greater profits. As a matter of fact, surplus or profits as the case may be will continue to increase with growth and expansion of this organization. It was necessary to borrow for expansion because the power consumption demand doubled every three to four years. Mr. Speaker, I don't know of any better measure of prosperity than this fact.

Now we are told by the hon. Minister of Public Health (Mr. Steuart) that to keep up with continued demands a further \$250,000,000 will be required over the present five year period up to 1970 for capital expenditures. Now I ask this question, Mr. Speaker, will the money borrowed for this self-liquidating purpose be now considered by the Premier as adding to the unbearable debt load carried by Saskatchewan people? Previously it was unbearable debt load, now it is demonstrated it was not only beneficial but a necessity.

The other statement he recently made, which apparently was to discredit this publicly owned service, was that only seven per cent of it was actually owned by Saskatchewan people. The hon. member for Arm River (Mr. Pederson) stated this is inaccurate, that some 20 to 25 per cent being paid for would be more correct.

But let's compare this to the hurried pulp mill deal to offset the heavy water plant fiasco. He doesn't talk about that anymore, Mr. Speaker. If ever there was a private enterprise fizzle it was this heavy water fiasco, with the taxpayer's money taking the risk by providing 30 per cent equity capital, plus a \$50,000,000 bond guarantee to a foreign company, plus a \$5,000,000 depressed area grant from Ottawa, plus an estimated \$100,000 year tax concession for a period of 20 years, plus free road construction 20 miles per year for ten years, for an industry, Mr. Speaker, that is supposed to be private enterprise.

Mr. Speaker, this apparently was necessary despite the much more favorable climate that was supposed to have come about with the advent of Liberal administration. The Premier admits that it was not easy to get a pulp mill for Saskatchewan. He certainly doesn't need to tell us this, Mr. Speaker. He stated they had cast about to some 37 companies before one would bite. It was only after a more attractive lure was used that one finally arose and swallowed the bait. By this statement he completely repudiates his persistent contention that it was a so-called Socialist climate that prevented the establishment of an economically competitive pulp mill in Saskatchewan. He finally admitted, as we all previously knew, that the real reasons we were unable to establish a viable pulp mill in our province can be attributed to geographical and economic factors. This is borne out by the fact that since the free enterprise Liberals assumed the reins of government at least four pulp mills were announced for B.C., some three for Quebec, and several new ones for Newfoundland as well. All without the benefit of the heavy public financial assistance lure required for Saskatchewan. Now, Mr. Speaker, will anyone say that this was because of a change of government. Of course not, Mr. Speaker.

Everyone agrees, including the members on this side of the house, that an economically viable pulp mill for Saskatchewan is a good thing especially for new employment opportunities. This is not the point at issue at all. The main point is the prospective new pulp mill is not a private enterprise venture at all, certainly not in the context so loudly described by the Premier. He said repeatedly, Mr. Speaker, "If we were lonely rid of the Socialists money would come running to Saskatchewan from other outside sources".

Well, it didn't. Instead the Premier went arunning and aflying in his new luxurious executive type plane, carrying the glad tidings that Saskatchewan was now liberated for a monopoly free enterprise dictatorship. That great new profit making opportunities were now available in Saskatchewan. By his own words some 37 companies were contacted without success. Finally in desperation he went aflying to New York, his holy citadel of private enterprise and money capital of the world. Did New York money in abundance respond to his billing and cooing and supersalesmanship? No. Of the \$65,000,000 required for the pulp mill, they only put up \$7,000,000, the province \$5,000,000 plus a guarantee for a \$50,000,000 loan, plus fringe benefits, tax concessions, provincial and municipal, over 200 miles of free roads, as I have mentioned, and, of course, a \$5,000,000 federal government depressed area grant.

Mr. Steuart: — Are you going to vote against it, Toby?

Mr. Nollet: — Incidentally, Mr. Speaker, the hon. member will know my position before I am through. Incidentally, Mr. Speaker, it's peculiar, isn't it? - Saskatchewan prior to 1964 was not a depressed area. They couldn't find any here. The federal Liberal government looked all over the place but no depressed area in Saskatchewan. But when the Liberals took over the administration of this province they immediately found a depressed area. As a matter of fact, Mr. Speaker, when we endeavored to get a heavy water plant for Estevan, we were told we couldn't qualify because we didn't have a depressed area, so that a pulp mill could qualify for a \$5,000,000 straight grant from the federal government. Perhaps this was the factor favoring a decision to establish a pulp mill in this province.

Now, Mr. Speaker, either Saskatchewan had been making good progress previously or it is a depressed area now, according to federal government standards, because a \$5,000,000 grant is now required to attract an industry to this province. I am not complaining about the industry. Not one bit. But I am complaining about this, that our friends, the members of the government benches told us, "Get rid of the Socialist and money will flow into this province abundantly". The facts are, it didn't.

Mr. Steuart: — It sure did.

Mr. Nollet: —The facts are there isn't a single major industry outside of the potash industry which came to this province without the taxpayers support, Mr. Speaker.

Mr. Steuart: — What about the pulp mill?

Mr. Nollet: — the facts are, Mr. Speaker, this is not a private

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enterprise project at all, as promised by the Premier, which would come running to our province. This is the point of issue, Mr. Speaker. Nothing else, and I would like to see them prove their unjustified bogeys and the scaremongering that the Socialists were keeping investment out of this province.

Now, Mr. Speaker, I want to make reference to using public monies and a public guarantee to support a private enterprise venture that is indeed not a private enterprise venture at all, but a hybrid sort of creature nourished with public money, the kind of creature as I understand it, Mr. Speaker, that doesn't perpetuate itself. I want to compare this to their treatment of farmers and people.

I haven't heard any concern expressed in a practical manner toward the needs of our small submarginal farmers for whom we are spending a lot of money for pastures and fodder projects. We made credit available to these farmers before we gave up the administration of this province, this credit has never been used. We can, however, provide money in terms of millions and guarantees in greater amounts to huge corporations that can stand on their own feet but not one cent of credit has been made available to small farmers to enable them to buy livestock and take advantage of expanding their holdings by the use of provincial pastures and fodder projects, Mr. Speaker, I complain very strongly on that score.

Mr. Speaker, the people of Saskatchewan, particularly the farm people, will long remember and give full credit to the CCF government for bringing to them the comforts and convenience that go with electrical power. Where darkness and discomfort prevailed previously we now have light and comfort. No amount of envious and petty political criticism will detract one iota from this wonderful accomplishment on behalf of our province and its people. Mr. Speaker, many prosperity-generating activities followed in the wake of major new power plant construction at Saskatoon. Estevan, Squaw Rapids and now the South Saskatchewan River Dam, undertaken by the CCF administration.

Let me mention some of these industries that were attracted and give the lie forever to the charge of Socialist stagnation. Some people have a great lot of political gall and have a very low regard for the intelligence of Saskatchewan people to consistently propagate this nonsense. Mr. Speaker, what are some of these industries? The Cement Plant of Regina initiated by Saskatchewan businessmen with provincial guarantee of bonds and it is all paid up. A pipe mill and a steel plant initiated by Saskatchewan businessmen, not outsiders, with a prospect of now burgeoning into an additional \$25,000,000 industry, this is the steel mill incidentally, Mr. Speaker, which the Premier when in opposition stated was going broke and by some coincidence the same was hastily said about Wizewood to justify getting rid of it too in a give-away to a huge outside business enterprise. Another industry which was established before we left office was a fertilizer plant at Regina, a helium plant at Swift Current, the only one in Canada in production in 1963. A salt mining plant at Unity, established early in the CCF's administration. Another cement plant at Saskatoon and two chemical plants at Saskatoon. The potash industry was actively interested in Saskatchewan potash as early as 1956 and before. The industry was launched and developing under a full head of steam in 1963.

In fact the Potash Company of America at Saskatoon started production in that area in 1957, but due to shaft difficulties

had to close down and discontinue production until again renewed in 1965 when the shaft problems were finally overcome. IMC active in 1956 in the Esterhazy area produced 1,000,000 tons of potash in 1963. Six more companies were active at that time, many of them in the Esterhazy area. The Esterhazy mine was sinking another shaft to double its production. The \$50,000,000 Kalium Chemical Solution Plant at Belle Plaine was established and completed in 1964, and produced or forecast production for 1964. The \$60,000,000 Alwinal potash development at Lanigan was announced in 1963, the shaft started and still under construction. The U.S. Borax Potash Company advised the previous administration of intent to proceed with development in early 1964. They weren't afraid, they were all coming in, no one could keep them out.

Other ones – Consolidated Mining and Smelting held land and were already doing testing for a \$65,000,000 development in the Delisle area and finally made an announcement on January 19th, 1965. Noranda Mines a \$72,000,000 development at Viscount were negotiating with the previous government regarding possible development near the Saskatchewan-Manitoba border, but later purchased land in the Viscount area. In 1964, the project was finally announced in February, 1965. The DuVal Corporation had been doing solution mining testing in Saskatchewan since 1962 and finally announced a \$63,000,000 project in the Saskatoon area in July 1965. Here are eight companies who were interested and active in Saskatchewan potash development before the CCF left office. The Thatcher government in spite of this still tried to make it appear that this wide interest in Saskatchewan potash development only occurred since they assumed office. In view of Liberal political plagiarism in this and other regards for sudden miracles, one wonders why a sudden miracle did not also take place in regard to Saskatchewan population increase, so often referred to by hon. members opposite. The latest figures from DBS show Saskatchewan and Prince Edward Island at the bottom of the list for all of Canada in terms of population increases. Apparently they are pretty prolific about other things but haven't as yet increased Saskatchewan's population.

Mr. Steuart: — We're working on it.

Mr. Nollet: — I recall, Mr. Speaker, when the hon. A. J. Kuziak, then Minister of Mineral Resources, speaking during the 1964 session of the legislature, in his budget debate, stated that in the three year period 1964 to 1967, Saskatchewan would produce its third billion dollars worth of mineral wealth of \$336,000,000 per year. He also confidently predicted at that time that Saskatchewan would by 1947 be producing and exporting 10,000,000 tons of potash annually, the equivalent in weight of 340,000,000 bushels of wheat. We are all pleased that this may now transpire but it has nothing whatever to do with the change in government. When the reins of government were turned over to the present administration the economy of Saskatchewan by every recognized standard was booming. No government in the history of this province has ever assumed office under more favorable circumstances than was the case in 1964.

Some Hon. Members: — Hear, Hear!

Mr. Nollet: — Mr. Speaker, the foundation structure was firmly laid with continued increasing revenues and further economic progress assured. The hon. members of the government need take no credit,

there was no stagnation. When members of the government and the Liberal party endeavor to twist facts into sudden miracles they unwittingly deny their own false propaganda of so-called Socialist stagnation and pay a profound tribute to the previous CCF administration which made it possible for them to talk in such exaggerated terms of new records being established. There is nothing really new in economic and social progress other than services destroyed, agencies liquidated, people fired and public servants intimidated by fear. Among some of the services destroyed was agricultural machinery testing, at a time when everyone is concerned about the increasing cost of machinery, when everyone, including the federal Minister of Agriculture, is again considering whether or not the federal government should inquire into the whole field of manufacture, sale, cost and distribution of farm implements. I noted, Mr. Speaker, the previous Conservative administration had such an inquiry made by a House of Commons committee. I made representations to this committee. Unfortunately this committee died on the order paper. I hope that if there is a new committee set up, either inside or outside the House of Commons, that it will do a more conclusive job of looking into this important area.

Another promise made was, independent allocation of crown lands, I intend to have a bit more to say about this either later on in my remarks this afternoon or at some other time. But in the meantime I want to reiterate the failure of this administration to make rehabilitation credit available to our small farmers, particularly in the north. But who can at the same time support huge and powerful industry to come into this province . . .

Some Hon. Members: — Hear, Hear!

Mr. Nollet: — . . . they still have the audacity to call this private enterprise – but very little individual enterprise for these poor farmers trying to eke out a living, particularly in the northern part of the province and elsewhere who have insufficient land holdings? I suppose, Mr. Speaker, that his urge to get industry in here by any and all means, taking all the risks, is to enable the Premier to flap his wings and crow – “pulp mill,” for example, “pulp mill” all over the place, as though he did it all on his own. Well, Mr. Speaker, what a price to pay for losing the heavy water plant! It was, and I think quite correctly suggested by the Leader of the Opposition (Mr. Lloyd) that if he was determined to have the heavy water plant, why could it not have been a publicly owned heavy water plant. After all, the parent company which was interested in those products was a public corporation. Another example of irresponsibility, selling our Saskatchewan’s northern airway service for a song, lock stock and barrel and then turning around and buying an expensive, ultramodern, executive type plane so that the Premier can fly hither and yon in the grand style of a middle east potentate to visit his profit seeking friends . . .

Some Hon. Members: — Hear, Hear!

Mr. Nollet: — Apparently, Mr. Speaker, it’s fine to have one costly socialized plane, provided it is most exclusively used for the number one license holder in this province while selling northern airways for a song. One socialized plane is a fine thing for our cigar-smoking Premier but certainly not to service the northland.

Some Hon. Members: — Hear, Hear!

Mr. Steuart: — Down with the . . .

Mr. Nollet: — No, Mr. Speaker, I am not a bit envious, even with all the latest safely devices that this plane has and even though I was completely pure in my soul and conscience, I still wouldn't like flying around as much as he does, particularly not to visit my fiends across the line in the state of Montana and take a fishing trip with them occasionally, or a visit to any of our rich friends. They'll come, they'll come to this province if the opportunities are economically sound. They don't need to have salesman Thatcher inviting them to come. Now, in line with his philosophy, he proposes a redistribution of wealth in the most unfair manner in the form of grants in favor of property, rather than equitable help to people in terms of services or per capita tax reduction for help to people like the old age pensioners of these aged people. There are so many areas of great need that, in my opinion, we should pay attention to these human needs rather than paying tribute to property. If a property tax bonus was to be made it could at least have had some priority basis for those in need. Again this was entirely forgotten.

Some Hon. Members: — Hear, Hear!

Mr. Nollet: — Mr. Speaker, before sitting down, I would like to refer again to the matter of this independent allocation committee set up by this administration, with the suggestion that there was no independent allocation of land previously. Now, Mr. Speaker, I want to comment on this because I am thoroughly familiar with all aspects of land allocations and all that is involved. I was rather delighted when I read in the Throne Speech a year ago that an independent allocation board would be set up. I was pleased that this was in the Liberal platform and I also propounded the idea that the allocation of land should be outside the administrative personnel of the department and placed in the hands of a completely independent outside committee. This was the promise made in the Liberal platform. This was the promise that was not fulfilled. Instead we got what was termed an independent review committee which was supposed to be above all interference and all authority, including the minister and including the deputy and the administrative people. Apparently the administrative people were to make the allocations and this board of review were to review complaints, but the review board's decision was to be final. I can recall the previous Minister of Agriculture, now in the safe haven of the Senate, where he looks very secure and appears to have a great peace of mind now. I rather envy him but I wouldn't want to be a Senator, Mr. Speaker, I can assure you of that.

Mr. Steuart: — They didn't have you in mind.

Mr. Nollet: — I wouldn't want his conscience. He stood up in this house and loudly proclaimed that forever and a day politics would be taken out of land allocations. He also told the Livestock Association and the Farmers Union this when he said "If anybody has any complaints don't come running to me because we now have an independent board". Well, what has happened, Mr. Speaker, to this paragon of virtue? They were telling all the people how independent they were going to be. I want to say the only reason I raised this is because I was sadly disappointed and because I wanted to

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espouse the cause of two people who to my mind were the more worthy people beyond question to receive an allocation of crown land than any case I have looked into in all my experience as minister, Mr. Speaker. I, therefore, put a question on the order paper and the following answer came back. Here is the question: "What were the names and addresses of the applicants for the NW 20-12-2 W2nd, close to Langbank". Who were the applicants – Louis Boris, Kennedy, another Andrew Boris, Kennedy, Ernest F. Gardner, Kennedy. How much land did they have? One had 1,120 acres, Louis Boris – 720, Ernest F. Gardner – 1,040 acres, Mr. Speaker. I understand from a press report made when he was running as the Liberal candidate in Moosomin the figure given was some 1,700 acres. This is the same Ernest F. Gardner who now sits as the member for Moosomin, Mr. Speaker, This man applied, which is his perfect right, but let's compare, let's compare his holdings with the two applicants favored by the Appeal Board. One John Yuhasz of Langbank – 480 acres, his brother Joe – 350 acres and in addition to this, the parents were also dependent on this land for income. This got around the district. This is one case that I went to look at personally, myself, to see what the facts were because often facts are distorted. I found the facts to be correct. I found this. These people had much waste land, some 32 head of cattle between the two brothers, no pasture – bare as a billiard table. I discovered this quarter section of crown land only one-half mile from them, no obstacles at all. On every count, Mr. Speaker, on the basis of need, proximity and everything, the allocation made by the Land Branch Administration was correct. The decision of the appeal Board was correct in saying the Yuhasz boys should get this land and they were duly notified by the Secretary of the appeal board, notified to this effect in these words, Mr. Speaker:

Your application for a lease on this land has been confirmed by the Allocation Appeal Board and a lease agreement will be prepared and forwarded to you for a signature as soon as possible. In the meantime it will be in order for you to take possession of the N.W. of 29-12-W2.

This, Mr. Speaker, in all my experience and in the judgment of anyone, was a legally binding commitment, made May 21st. Subsequently these two brothers got a letter from the department saying that another investigation would have to be made, that the matter would have to be referred again to the appeal board. Mr. Speaker, I thought this was very strange and I wondered who altered this decision, whose influence it was. Whose was it, Mr. Speaker? Well, I have a press clipping here, Mr. Speaker, that gives us some inkling. Apparently the former Minister of Agriculture, speaking at Whitewood, stated and I quote from the Leader Post press report of June 25th:

Former Agriculture Minister A.H. McDonald said here Thursday night . . .

It was he who stopped allocation of a lease for crown land in the Langbank district after a decision to grant the lease had been made by the independent appeal committee. Now what do you know about that, Mr. Speaker? What do you know about that? This same gentleman stands up in this legislature, the Premier behind him and the rest of our friends opposite, and says there will be no interference with land allocation. This is the most brazen, unjustified and unjust decision and interference that I have known on record, Mr. Speaker. During and after the by-election we were told, incidentally, by the former Minister of Agriculture (Mr. McDonald) that this was a pack of lies. Well, I'll leave it to

the judgment of the people of this province who was lying. These are the facts, Mr. Speaker. Facts.

Some Hon. Members: — Hear, Hear!

Mr. Nollet: — I gave a press statement and I asked the Premier to have a legal inquiry made and have the people who made these decisions tell us why the Appeal Board's decision was reversed and from what source. We know the source. It was the minister who stood up in this house and said there would be no interference with land allocation. Now, Mr. Speaker, after all this they were still reluctant to proceed with the issuance of the lease, although I know that the minister and every administrative official in the Lands Branch knew that they had made a legally binding commitment, that issuance of a lease will be binding.

Mr. Guy (Athabasca): — Louder.

Mr. Nollet: — You bet it will be louder and I am not talking the kind of drivel and garbage that you talk in this house.

Mr. Speaker: — You don't have to stoop to those kinds of words to make a point . . .

Mr. Nollet: — I'm sorry, Mr. Speaker, but I get great encouragement from the hon. member from Athabasca (Mr. Guy). He doesn't understand anything unless you get down to that level. I regret it very much and I'll try to observe the rules of the house.

Hon. J. W. Gardiner (Minister of Public Works): — Just be careful of public property.

Mr. Nollet: — Mr. Speaker, no lease was issued until January 18th, 1966. These boys had a tax notice from the municipality; they were denied the use of this land which they needed very badly. One of the objections raised was that the municipality said that a costly road would be required. Remember, Mr. Speaker, this was a grazing lease, cattle walk down road allowances. I went down this road allowance, even in the spring with a bit of water standing about. These cattle wouldn't even get the tops of their hoofs wet walking down to this land. And, as a matter of fact, I was told no road was asked for. There was no intention to build a road here at all, the access was there, Mr. Speaker, this was no objection. The need was there on every count, Mr. Speaker, a legal commitment was made and still the lease was not issued. I want my hon. friend, now sitting as a member for Moosomin (Mr. Gardner) to know that. I don't raise this for political reasons at all but in justice to see that justice is done. If he has any shame he should be ashamed that he made an appeal to the appeal board, because certainly he knew the circumstances of the two Yuhasz boys and their need for additional land. The hon. member for Moosomin had plenty of land and he had a teaching job in the winter time too. Certainly it was pretty presumptuous of him to even dare to appeal, but he did and the lease was not issued these two brothers until January 18th, 1966. It makes you wonder, Mr. Speaker, had we not raised this objection as to whether these boys would have finally had the allocation confirmed or not.

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Now, Mr. Speaker, I have just about used my full time in this debate. I have, I think, indicated quite substantially that the prosperity of Saskatchewan was assured before this administration left office, that we were a shining example to all of Canada in progressive social legislation.

Hon. W. Ross Thatcher (Premier): — Shining example!

Mr. Nollet: — Oh, yes, the hon. member smiles. Our medicare plan is recognized, our hospital services, the electrification of a sparsely populated area, and all the industries that came as a result. They are all visible and the evidence is there to see, Mr. Speaker. Mr. Speaker, for the reasons outlined in my remarks I cannot in conscience support the motion, but I will support the amendment.

Some Hon. Members: — Hear, Hear!

Hon. D.G. Stuart (Minister of Health): — Mr. Speaker, as I rise to speak in this debate I am sure that I am joined by all members to say how much we enjoyed the remarks of the former Minister of Agriculture, the hon. member from Cut Knife (Mr. Nollet). Before I go into any of those I would like to join with others who have congratulated the mover and the seconder, and just say that as long as we have young men of this caliber in the Liberal party we will be the government of Saskatchewan for many, many years to come. We have nothing to fear and this province can look forward to long years of excellent administration. As I say, we all enjoyed hearing the former Minister of Agriculture (Mr. Nollet) although I must admit that he is losing some of his steam, he has mellowed, they must be putting sedative in the snuff these days. I don't know but . . .

Some Hon. Members: — Hear, Hear!

Mr. Stuart: — . . . but he is not the old fireball he used to be. The only think, I wonder is why he couldn't work up such outraged indignation when he was the Minister of Agriculture. He should have known if he didn't know that the handing out of land leases was done on a purely political basis and on no other basis, but he waited until he got in the opposition. The he becomes Simon-pure like all the colleagues that he sits with.

I also wondered, Mr. Speaker, when he was talking about those great days under the Socialists when all that great development took place, I had to wonder why the people of Saskatchewan turned them out of office. I also wondered when he was talking about that development, he said "This is the only way it could have been done". I presumed he was talking about those crown corporations . . .

An Hon. Member: — Crown corporations?

Mr. Stuart: — Crown corporation, yes, the shoe mill and the box factory they had up there in Prince Albert and so on, the woolen mill – lost hundred and hundreds of thousands of dollars . . .

Mr. A.M. Nicholson (Saskatoon City): — Six hundred . . .

Mr. Steuart: — Six hundred and thirty thousand dollars, why they lost that much in one year and they weren't even warmed up yet.

His observations on the Saskatchewan Power Corporation, I think this is when he hits the height. You showed so much ignorance about ordinary financial administration that I wonder how come they never made him the minister in charge of the SPC or the chairman of the board in their days of office. Because really when you examine how they ran that corporation, you would almost think that they would have had old Toby running it himself.

Some Hon. Members: — Hear, Hear!

Mr. Steuart: — Then of course, he joined the chorus over thee on the other side whining and complaining and sour grapes about the pulp mill. You know I'll deal with that a little later and I am sure others will in this debate also on this side of the house. But never have so many Socialists cried so much tears about their failure and our success as they have about the pulp mill.

Mr. C.G. Willis (Melfort-Tisdale): — What about the heavy water plant?

Mr. Steuart: — We are not having nearly as much trouble with our heavy water as you people appear to have over there, I can tell you that. Before we are through you might wish you hadn't raised the subject so often.

I am sure, Mr. Speaker, the members of the opposition would be disappointed if I didn't make the odd little remark about our great victory in Bengough . . .

Some Hon. Members: — Hear, Hear!

Mr. Steuart: — I'm sure that all members or almost all members join with me in congratulating our new member, Mr. Alex Mitchell, and welcoming him to this house. I can tell you that we think and we are confident he will be a very able successor to the late Sam Asbell.

Mr. Speaker, this was certainly a great vote of confidence as far as we were concerned in our government, our Premier, and our program. I see the hon. Leader of the Opposition (Mr. Lloyd) I don't know whether he is taking his exercise or not, but by the look of his girth he should have started about 10 years ago. You know, the other day he called me a man of small stature and a big tongue. I guess that is a school teacher's way of saying I'm a small man with a big mouth. He referred to the Premier as a kind of Cupid when he held up that picture of the Tribune the other day. He said "He looks like Cupid". Imagine him calling anybody names about what they look like. Well, I have just one suggestion for the Leader of the Opposition, that people that live in large, fat, bald houses shouldn't throw rocks.

Some Hon. Members: — Hear, Hear!

Mr. Steuart: — But I found the opposition's remarks on these occasions concerning these by-elections, which they invariably lose, I found them most interesting. Now, after Moosomin, they said, "Look how far the Liberals slipped and look how well we did".

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Last night, I understand, the Leader of the Opposition said “Oh, we did very well, we gained two per cent”. The Socialists gained two per cent, Mr. Speaker, let’s look at their records.

Since 1960, one deferred election we’ve won. We’ve won five by-elections. We lost one by-election and we won a general election. Seven victories out of eight. I think that is a pretty fair country record. Now, I will say this to the Socialists. They can’t blame all their disasters on their present leader. He can only take credit for five of them. But I have here, Mr. Speaker, a clipping from this morning’s Regina Leader Post, it says:

Provincial CCF Leader Lloyd said the results of the by-election showed the Liberals will lose a general election.

It goes on to say:

Obviously while the Liberals won this preliminary skirmish, the results transferred across the province indicate they will lose a general war. Mr. Thatcher’s comment was ‘Don’t tempt me’.

Well, you know, Mr. Speaker, the Leader of the Opposition reminds me of some of those Italian generals in the last war. They stumble, and he stumbles from victory to victory or rather from defeat to defeat, calling “Victory” until it ends in total disaster. Well, we on this side of the house, Mr. Speaker, wish them continued success. About 24 more victories like last night, and he will have accomplished in four years what it took us 20 years to do. We will have wiped the Socialists out altogether.

Some Hon. Members: — Hear, Hear!

Mr. Steuart: — But we should be fair. We want to be fair. The record actually shows that the present Leader of the Opposition, or under the present Leader of the Opposition, they only suffered five of these defeats. I suggest before you people get rid of him, that you remember that he did win Hanley. Of course, I have heard some good CCFers say when they think of the member from Hanley (Mr. Walker) “That was the greatest disaster of all”.

Some Hon. Members: — Hear, Hear!

Mr. Steuart: — But keep that in mind before you turf him out.

We all know, Mr. Speaker, that the calling of a general election is the prerogative of the Premier and I would advise the Leader of the Opposition (Mr. Lloyd) not to tempt him too far because he just might accommodate him. Arthur Thibault, (Kinistino) you will be the first to go, all painted in purple gas. On the other hand that might be exactly, Mr. Speaker, what the present Leader of the Opposition wants. I am sure this morning, I wonder where the hon. member, the ex-Minister of Health (Mr. Blakeney) is, I guess he is out campaigning already for the next leadership convention. But I am sure he can feel them breathing down his neck after his defeat yesterday. He feels maybe a general election will give him a breather but I can tell you, and I’ll predict, it will be a rather costly breather for the Socialists.

Mr. Speaker, our victory in Bengough was significant for several reasons. First, this was a seat that was held for years

by the CCF, in fact for 20 years. By holding it and by winning the victory yesterday we proved that we can win any seat in this province, and that is just what we will do when we call the next general election.

Second, it's a clear indication of the failures of both opposition parties, both the Socialists and the so-called Conservatives, that they failed to produce real opposition in this legislature, also that the people of Bengough left no doubt that they rejected the type of propaganda put forth by the Socialists in that campaign down in Bengough. So, Mr. Speaker, I would like to turn my attention for a few minutes to the opposition in this legislature, also that the people of Bengough left no doubt that they rejected the type of propaganda put forth by the Socialists in that campaign down in Bengough. So, Mr. Speaker, I would like to turn my attention for a few minutes to the opposition, both the NDP-CCF Socialists and I do wish they would shorten their name up . . .

An Hon. Member: — The Tory Socialists.

Mr. Stuart: — And the, well, the kind of kissin' cousin over there of the Socialists. I call him the "kissin' cousin" of the Socialists, because I have studied his record and listened to his utterances. You know last year in 35 divisions, 35 votes, that our friend the leader of the so-called Conservative party voted against free enterprise with the Socialists 60 per cent of the time.

Some Hon. Members: — Hear, Hear!

Mr. Stuart: — Well, I think you should applaud too. This leaves no doubt in my mind why he had such a sorry showing in Bengough yesterday. But you know, it must be encouraging for him that all of his Tory friends haven't deserted him. I have a letter here from one of them. This from Mr. Ed Nasserden, M.P. for the Rosthern constituency. I understand it was sent out on the franking privilege, or free mailing privilege. Now, I don't want to say anything about his free mailing or about the fact that \$18,000 a year M.P.'s should be minding their own business in Ottawa. I don't want to say anything about that because it upsets some of you, but I will say this, Mr. Speaker, that Alvin and his gang couldn't exactly be called a roaring success after the count of the votes down there in Bengough last night. But anyway, having now brought this question up, so I don't upset their feelings, I would just like to quote some passages. I think they are really touching or touched. The letter goes like this:

Dear Mr. and Mrs. Klein:

That's Mr. and Mrs. Everett Klein, Assiniboia, Saskatchewan.

The legislature is a lonely place for anyone who has been placed there alone. He has no one to second his motions. He has no one to share his burdens. Standing alone he must hold to his hopes and his devotions knowing in advance that his purposes will be frustrated by a lack of a seconder.

Well, I wonder if he is so lonely. We can't do anything for him over here and the people down there obviously refuse to do anything for him. Maybe you could move him over a little bit, move over Martin, Leader of the Opposition (Mr. Lloyd), in fact, there is an empty seat right there.

Mr. M. Pederson (Arm River): — . . . myself.

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Mr. Steuart: — You might feel a lot safer if you had him over there.

Mr. Pederson: — Would you table it? I would like to read it.

Mr. Steuart: — I have a wonderful suggestion from these people. That anytime he wants a seconder, they will gladly come down to Regina and second any of his motions, although he didn't seem to have much trouble last year. He always found a Socialist who was prepared, willing and able to second any of his motions that he brought forward.

Mr. Speaker, the job of the opposition in our parliamentary system is to oppose and this is a vital part of our parliamentary system. All the Leader of the Opposition and his colleagues seem to be able to do this session and most of last session is to whine and complain and call sour grapes. I'm sorry to say, this session so far and in the last session the performance of the opposition has been a pretty sad affair.

The second day of the last session the hon. member from Kelsey (Mr. Brockelbank) moved in and I must admit he really shook us up. But that was practically the last time that he was heard from. His only other bid to fame was the time he spied a stranger in the house and really stirred up a little action clearing out the galleries.

Mr. Speaker, last year the opposition started in with a bang and ended with a whimper. We, of course, felt that when their leader came back things would be different. Well, he did come back, and things have been different, the CCF performance has been even worse. Now besides being dull, they have become boring. Aside from his little sally into name calling, the Leader of the Opposition has been fairly consistent in his efforts to downgrade his province and the great development now taking place all over Saskatchewan.

You know, Mr. Speaker, they cry crocodile tears about the heavy water plant but the Socialists can't keep the joy out of their voices when they talk about Saskatchewan losing this important industry. Well, at least we tried and we will keep on trying. That's why we have succeeded in bringing new industry, new prosperity to this province and bringing them here at record rates.

I have to believe that the most feeble attempt to down-grade the exciting new development coming to Saskatchewan this last two years was made by the Leader of the Opposition. In his speech he suggested that we compare the record of his government in gaining new industries during their 48 month period 1960-63 to our 20 month record, May, 1964 to January 1966. He then claimed the Socialists had actually obtained more industry per month than we have. And you say, "Hear, Hear!" over there. Well, what nonsense! What utter fabrication! We remember this story. They used to peddle it before when they were in the government. We remember some of those industries. I remember one — they called it a foundry out in Lumsden. It produced beeswax and religious objects. They used to speak of this as a great industry. At peak periods it employed two people. Two people. I understand it went broke and cost the government of the province thousands of dollars.

Then I remember another one. There was a lawn ornament-making industry up around Saskatoon. This was a great industry they used to list. This is one that they referred to and I'm sure, the Leader of the Opposition would like to forget. The total employee force in this great industry was one, and when he got real busy he called in his wife.

Mr. Speaker, another one of these great industries produced septic tanks and in their peak periods employed up to three or four people.

Now, these small businesses were welcome and they are still welcome. But they only became industries through the imagination of a desperate Socialist government trying in vain to convince the people of Saskatchewan that we were really holding our own with the rest of Canada. Let me compare them with some of the industries we have been able to bring in. I'll just look at some notes I have here on some of the industries we have succeeded in bringing to this province. Potash mines . . .

Mr. Thatcher: — Six of them.

Mr. Steuart: — Six potash mines. Anglo Rouyn copper mine. The Prince Albert pulp mill. Primrose Forest Products. Simpson Lumber Company. I could go on and on but I would just make the Socialists feel bad and I'm liable to get our members a little too excited. Mr. Speaker, nothing illustrates the Socialist attitude towards the province's new-found prosperity better than their attitude towards the pulp mill.

First let me read from a pamphlet put out by the CCF in the recent Bengough by-election. I have it here, a rather grubby looking little affair called "Progress or Propaganda". The people gave their answer down there "Development or Deceit" and they gave their answer to that too. The great thing about this is that they mailed it to the people but they forgot to put enough postage on it. The ones I ran into were just a little disturbed at getting this piece of nonsense in the mail and having to pay for it. But anyway I just want to read what they say on page two. It has "Pulp Mill"?

How very much the Liberals want this! So does everyone in Saskatchewan. To that end, the CCF while in office assiduously promoted a pulp mill.

I think they should have put in "sidiously". But "assiduously" they put in anyway.

Incentives were offered to the extent that if it was considered necessary.

It said:

The individual or group or corporations couldn't be found that wanted to risk large sums of their money. Some proposals similar to the present proposal were received but rejected.

Well, Mr. Speaker, the Premier of the province put the lie to that piece of propaganda when he pointed out that during their time in office the Socialists had offered 78 per cent. At one time even 90 per cent backing for a pulp mill to come in

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here but they failed. They couldn't get one.

I dealt with these industries. Again they claim, "Liberals' 32 industries in 20 months; that is 1.5 per month does not measure up to the CCF record of 2.33 a month." Some industries! One employee; some two! But they do claim they got a fertilizer plant and I have to admit they did. I have never doubted their ability, nor has any of us on this side, for them to either produce or to maintain such a plant in the province of Saskatchewan.

Well, Mr. Speaker, I will leave the rest to the Ministers of Industry and Natural Resources who will deal with the pulp mill in some detail.

I would just like to turn for a few minutes, Mr. Speaker, to the member from Cumberland. I never like to pass the member from Cumberland (Mr. Berezowsky) up when I speak because he is a source of constant wonder to me. I always wonder how a man could be so consistently wrong. You know he may not be the world's champion at opening his mouth and putting both feet in it; but I'll tell you, Mr. Speaker, he'll make the finals.

First he called the Anglo Rouyn mine a peanut mine, but, Bill, I'll tell you it's a copper mine. He said that people who invested in it would go broke but the shares have doubled. I wish you would give me some stock tips, I would like that because I would just go the opposite way and I would make a fortune. Next he announced that the pulp mill would be up around Meath Park because he had seen the railroad ties piled up there. It turned out to be a train wreck. They established the pulp mill 50 miles further south around Prince Albert. The next thing he stated was a campaign of letters to the Prince Albert Herald and I may say that they are gems of confused thinking. I would like to quote one or two. I am quoting from a letter written to the Prince Albert Herald, January 26, I quote her, he said:

He forgot . . .

I wonder whom he is referring to, the Minister of – oh, Mr. Thatcher, the Premier . . .

He forgot to explain that the pulp and paper market are controlled by cartels and monopolies.

Oh, he loves those cartels and monopolies. Later on he goes on to say:

The minister and the propagandists have not explained why the profits had to be insured for the P.A. pulp company before profits were realized from production.

I can't follow him there and I am sure he can't explain it but I'll leave that. Then later on he says:

The Thatcher government gave away government airways for one-third of the cost and no one outside of the government . . .

Well, I can't tell them to just hold still, tonight, later on this day, the Minister of Mineral Resources (Mr. Cameron) will explain and I think to the discomfort of the members opposite, exactly what happened in the history of the government airways.

Friends, I think the best answer to Mr. Berezowsky (Cumberland) and to all the member of the opposition when they talk about

the pulp mill is contained in an editorial in the Prince Albert Herald the same day, January 26th . . .

Mr. W. J. Berezowsky (Cumberland) — Did you write it?

Mr. Steuart: — No, I didn't write this one. I wish I had. It says:

It's odd too, that Mr. Berezowsky should now quibble about the industry. Under the former CCF government many unsuccessful efforts were made to attract a pulp mill to this area.

I can tell him — I don't quote here — just before every election, but I go on to quote:

As late as 1963 it is understood that the CCF had approached a firm in the United States for them to locate here.

So now, who is calling the kettle black?

We would also assume too that many concessions were offered not only to this U.S. firm but to a Canadian promoter in 1956 when we in Prince Albert were told then it was assured of a pulp mill. As for giving away our birthright, this is utter nonsense. Had the CCF government been able to negotiate a mill here while in power, surely their supporters would not have considered this a selling out of our birthright. Let's face it. For years our birthright has been rotting in the north.

And then a little later on, Mr. Kramer evidently got into the act because I quote again from the editorial in the Prince Albert Herald. It said:

Mr. Kramer . . .

this is the member from the Battlefords.

. . . adds voice to pulp mill criticism.

It says:

Criticism continues to roll in from the opposition and pre-CCF supporters of the pulp mill for Prince Albert. The latest to deride the government for selling the province's resources down the drain comes from Mr. Eiling Kramer, former cabinet minister in the CCF government. Mr. Kramer is highly critical of the timber rights granted to the Prince Albert Pulp Company Ltd. But what else can we expect from these people? It took the present government just a little under 2 years to accomplish what the former government was unable to do in 20 years.

Again, it's sour grapes. Mr. Speaker . . .

Mr. E. Kramer (The Battlefords): — On a point of privilege, Mr. Speaker, the information that the editor of the Prince Albert Herald has there is incorrect.

Mr. Steuart: — Are you making a point of order, or . . .

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Mr. Kramer: — No, I'm . . .

Mr. Steuart: — . . . or just making noise?

Mr. Kramer: — . . . I'm simply saying, Mr. Speaker, that I was quoted incorrectly. The Premier got up the other day on a point hat was far less valid on a speech he was supposed to have made in Carrot River.

Mr. Steuart: — I'm sure it must have been the hon. member from The Battlefords that the great Winston Churchill had in mind when he said, "Socialism is government of the dubs by the dubs and for the dubs."

Some Hon. Members: — Hear, Hear!

Mr. Steuart: — You know, Mr. Speaker, I must say that the picture is depressing as it is obvious our Socialist friends sat on our resources, couldn't or wouldn't let anybody develop them and are now crying sour grapes when we succeed.

Mr. Speaker, if any of the members had occasion to observe the gentleman member, and I see he is in his seat now, from Regina West, (Mr. Blakeney). At least I think that is the seat he ended up with in the great mad shuffle on television last Saturday night. They were, no doubt, as disgusted as I was at the depths to which he sank in an effort to gain some political advantage. He referred to the Kern County Land Company and how this corporation was threatening Saskatchewan farmers. They had the same nonsense in this little pamphlet they put out in the by-election down in Bengough and out in the country — "Your farm, too, up for grabs" — and they go on and tell about the Kern County Land Company and I quote:

What is the Kern County Land Company. It is a giant American corporation, etc.

And they attempt to scare the people of the Bengough constituency just as they have attempted and succeeded for long years in frightening a great many of the people in the rest of the province about the bogey of capitalism. Well, the only threat that this corporation has made to the farmers of Saskatchewan is to increase their income by exploring for and discovering oil on the farmers' land, this being the stated intention of the firm in its documents of incorporation in Saskatchewan. They haven't yet tried to buy one acre of land in this province.

But let me turn to something else that the hon. member from Regina (Mr. Blakeney) the former Minister of Public Health said on that same television broadcast, referring to the Department of Public Health, the mental health program. The shameful remarks made by the ex-minister of Public Health in his desperate attempt to turn this health program into a political football are typical of the indiscriminate inconsistencies displayed by the Socialists now that they are out of office. The hon. member said and I quote:

We have developed Canada's finest mental health program, yet right now the Liberals are indiscriminately turning people out of the Weyburn institution.

Now, Mr. Speaker, this is a deliberate and calculated, I suggest, lie. Let's examine what the ex-Minister of Public Health wrote

to the Superintendent of the Saskatchewan Hospital at Weyburn when under date of May 20th, 1964, (I suggest at the time they were still living on borrowed time) and I quote: I have a copy of this letter and I quote from it:

I know that the same loyal support . . .

And I think it was part of this letter I was very impressed with but I was equally unimpressed when he said what he said on the television the other night.

May I say that I have been especially impressed by the work which you are carrying on at the Weyburn hospital. The decrease in the number of patients has been spectacular. I looked forward to discussing with Dr. Lawson, and you, in detail the methods by which this decrease was achieved to see whether they or some of them might be of more general application.

This was their attitude when they were in the government but to get a little political advantage he has taken this excellent program, a program that they started and we carried on, a program in which we are trying to do something to help the mentally ill of this province and has attempted to make a political football out of it.

An Hon. Member: — Shame, shame!

Mr. Steuart: — The fact that he failed miserably, Mr. Speaker, should give him the answer whether he will succeed in the future using the same kind of tactics.

Mr. Speaker, I suggest that the third reason we won the Bengough by-election was our record. This year's Throne Speech is proof positive that the Liberal government will not only carry out its full program but that we will do even more for the people of this province. The Liberal Party went to the people of Saskatchewan with a 22 point four-year program. The end of this present session will mark the halfway point in our four-year term of office. By then, Mr. Speaker, we will have completed more than half our program. In fact 15 out of 22 of those planks will have been put into effect.

Our Premier outlined this 15 point program in his address to this house. They make an impressive list of accomplishments for any government in a four-year term of office but they have been accomplished in only two years. This is only part of this government's achievements. For example, we have been told by the Premier that tax cuts will be continued. Industrial and business development will again set new records in the months and the years ahead. Telephone and Natural gas services will be extended into new areas of this province. Local government will be given more help. It is already enjoying a more co-operative relationship with the provincial government. Under the guidance of Dr. Howard Nixon and the member for Milestone (Mr. Macdonald), the Youth Agency has completed its studies and will present a vigorous, practical program for the consideration of this legislature. I think an indication of our attitude towards youth and cultural programs was given when our Premier predicted that their growth would soon warrant a separate department. Our complete plans for the Youth Agency will unfold with the amendments to the act in the presentation of the budget. I am sure, Mr. Speaker, that other ministers will acquaint this house with their programs.

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I will deal with some advancements in the health field as well as a very short review of major targets we have set for the Saskatchewan Power Corporation for 1966.

Mr. Speaker, since coming to office less than two years ago, we have kept faith with the people of this province in the important field of health. Specifically, we have maintained and improved the medical care plan. It is operating more smoothly and we have slowed down the rate of cost increase. We have given our guidelines and sensible plans for rebuilding them with sound operating guidelines and sensible plans for rebuilding as they become obsolete and rundown. We continued planning and making financial provision for a new hospital complex in Regina to serve the southern half of the province as well as extensions to the University Hospital in Saskatoon. We alleviated the heavy financial burden on parents of children suffering from cystic fibrosis by starting a program to supply them with drugs. We have agreed to increase provincial grants to the Anti-tuberculosis League to enable them to carry on their great work without adding to the burden of municipalities.

We launched a study into the shortage of nurses as well as nursing education, which could revolutionize the training of that vital profession. Just recently we set aside \$60,000 to purchase a vaccine against red measles as a first step in introducing an immunization program to protect young children in our province. We granted to workers, this year, in our mental hospitals and training schools, the largest pay increase that they have had in over 10 years. We have agreed to work with the Department of Social Welfare in the implementation of the Saskatchewan Assistance Plan whereby we will take the medical responsibility for an added twenty or thirty thousand indigents. This move will help thousands of people in need, and will prove a financial assistance to all municipal governments.

We placed severely retarded children who are in need of active medical and nursing care in small community hospitals. Now, these, Mr. Speaker, are just some of the things that we have done in the Department of Public Health. I will deal at greater length with my department, later in this session, but I wanted to mention these programs, to let this house and the people of this province know of some of the health highlights that have been accomplished during our term of office.

Mr. Speaker, I have given this brief outline of progressive measures we have taken in the health department, to expose the misrepresentation and false propaganda put out by the Socialists in opposition. I am sure most people in Saskatchewan are growing sick and tired of the whining criticism of the Socialists since they were turned out of office and put into opposition. To hear our friends opposite preaching sanctimoniously about "People before dollars" you would think they had a corner on all the humanity in the nation.

Well, Mr. Speaker, I would point out to them and to you that Liberal governments were building this nation and building this province, and providing for the welfare of our people long before anyone ever heard of them. And we will still be doing it long after their little political party is just a rather unpleasant memory.

Some Hon. Members: — Hear, Hear!

Mr. Steuart: — Mr. Speaker, before going into detail about programs

in the Power Corporation, I would just like to examine some of the statements made by the member for Arm River (Mr. Pederson) concerning this corporation. The hon. member from Arm River raised the question concerning the Premier's statement that the equity the people of Saskatchewan have in the Power Corporation is about seven and one half per cent. The member from Arm River suggested that some of the corporation's operating surplus, equity and sinking funds of the government of Saskatchewan and the capital contribution by the corporation's customers, added up to an equity in the corporation of some 20 or 25 per cent owned by the people of this province. Now the calculation of a seven and a half to eight per cent equity, to which I made reference, was made by using figures from the corporation's 1964 balance sheet. At December 31st, last, the corporation's gross obligations to the government of Saskatchewan for capital advancement were some \$454,000,000. At the same date the corporation's equity in the province of Saskatchewan sinking fund was in the order of \$71,000,000. The net debt to the government was \$383,000,000. Other long-term debt totaled \$9,000,000 and the accumulated appropriated and unappropriated operating surplus amounted to \$34,000,000. The sum of these three is \$426,000,000 of which \$34,000,000 is 7.9 per cent.

I would point out that the corporation's equity in the province of Saskatchewan's sinking fund has been recognized in this calculation. These contributions in aid of construction are added to the equity capital, the \$426,000,000 total I referred to if it were added, would be raised to some \$475,000,000. The debt portion of this total would become 82.5 per cent and the non-debt portion 17.5 per cent. In no case that I am aware of, do utility statements show a grouping of contributions in aid of construction, with shareholders' equity, which is evidence that these contributions are not considered to be equity. I raise this to make it clear that the Premier's statement that the people of Saskatchewan have less than 8 per cent equity in the Saskatchewan Power Corporation, was based on fact.

Now Mr. Speaker, before I deal at any length with the Power Corporation, I would like to mention briefly what has become known as the Basken affair. Let me make it crystal clear that regardless of the ranting of some union leaders, and regardless of the intemperate raving and ranting of the member from Hanley (Mr. Walker) in this house the other day, Mr. Basken was discharged pure and simply because he refused to obey an order when he was ordered transferred from Swift Current to Saskatoon. He refused to take this transfer and thus he was discharged. If we have reached the day in the province of Saskatchewan when a company can't transfer an individual without him obeying that order we have reached a pretty pass. If he finds it is an illegal order, or done contrary to union contract, let him lodge his complaint. This was the only reason Mr. Basken was fired, and I can tell you that Mr. Basken took his advice, I am sure, from some union leader, and from some of his so-called friends in the Socialist movement. He was a victim of their power, their hunger for power. Mr. Basken was a victim of the NDP Socialists, some labor leader's work in the party.

Mr. Speaker, before I go on with the Power Corporation, and some of its programs for the coming year, I would like to pay a tribute to the management of the Saskatchewan Power Corporation, the management and the employees. I think that it is through their efforts, through their imagination, through their work that we have had a successful year and that we are looking at and developing bold new practical plans for this giant corporation.

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Mr. Speaker, when we took over the responsibility of SPC in April of 1964, the forecast electrical requirements for 1966 were in the order of 2,600,000,000 kilowatt hours. That forecast has now been revised to some 3,200,000,000 kilowatt hours, an increase of 23 per cent. In 1964, the 1970 forecast was for a load of 3,800,000,000 kilowatt hours, but, because of our successful industrial development program, that forecast has now been revised to 4,600,000,000 kilowatt hours, again an increase of some 21 per cent.

In order to meet this demand for service, the Saskatchewan Power Corporation has had to embark on a vastly stepped-up program of expansion. The system's installed capacity will exceed 1,000 megawatts by 1968. This year, 1966, the corporation will be required to spend approximately \$8,000,000 on transmission facilities and a further \$8,000,000 on distribution. It is interesting to note that of these two totals, approximately \$4,500,000 will be outlays for extensions to new potash projects and approximately \$3,250,000 will be increased electrification in the oilfields.

The gas picture for the coming year provides a similar pattern of accelerated expansion and increasing demand for services. In this regard, I think it is worth noting that despite a 17 per cent increase in gas sales in the current winter season, the corporation has not had to deny customers the right to burn as much gas as they liked. This, Mr. Speaker, is in contrast to 1964 winter season, when, depending on gas supply arrangements made the previous spring, under the sponsorship of the former administration, more than 300 industrial and commercial gas customers were forced to curtail use of gas for as much as 30 days.

The corporation has not only increased gas supplies for the current season, but has also completed arrangements with Trans-Canada Pipelines Limited for large additional gas supplier for the next 25 years at good prices. In the distribution field, Mr. Speaker, the SPC has embarked upon a program to take natural gas to towns and villages that want it, but couldn't get it under the old rate system. The new program, one that relates the rate to be charged to the cost of supplying the service, will offer service to all communities where it is found that gas can be competitive with other fuels.

This first program of gas service to towns and villages, previously ruled out as uneconomical, will be carried out this year, in addition to the program of pipelines designed to meet the demands for far greater industrial activity. Now, naturally, this accelerate program of electrical and gas expansion is going to cost money. The Board of Directors of the Saskatchewan Power Corporation has indicated that it expects to spend approximately \$250,000,000 towards this end in the next five years. I would draw the attention of the hon. member from Cut Knife (Mr. Nollet) to the next passages; he might learn something, although I doubt it. It will be a heavy burden on your little brain Toby.

I am sure that there are few people who realize to what extent the Saskatchewan Power Corporation has been a charge on the government's cash supply in the past. In the five-year period, from 1960 – 64, the capital expansion program of the Saskatchewan Power Corporation amounted to \$245,000,000. But, during this same period it actually borrowed from the government, a total of \$266,000,000, despite the fact that it declared a so-called profit of \$17,000,000. The Saskatchewan Power Corporation borrowed eight per cent more money than the capital expansion it showed on its books. It had a general plan to set aside money each year

into a sinking fund, but, Mr. Speaker, neither the fund itself, nor the fund together with the money it earned as interest was sufficient to cover the debt payments as they fell due. In effect, the SPC was borrowing to make up the difference between the cash that it had available and the amount of its debts that were due for payment.

Now, Mr. Speaker, during the next five years, the SPC is to embark on an expansion program estimated to cost \$250,000,000. In addition, the corporation will be required to pay back approximately \$40,000,000 of debts as they become due. If matters were allowed to continue as they did in the past this \$250,000,000 program would cost the province somewhere around \$270,000,000. The Liberal government does not approve of the SPC borrowing money to pay past debts. It expects a sound business to take care of its past obligations by increasing its own reserves and profits. The profit made by the SPC during the past year totaled \$8,500,000. If the corporation keeps this achievement up for the next five years it will certainly be able to take care of that \$40,000,000 debt repayment.

Mr. Speaker, simply keeping its head above water is a long way sort of what this corporation expects from the SPC. It is a long way short of what the Board of Directors is convinced can be achieved. A detailed study of the corporation's financial practices has indicated that the public interest would be best served if the SPC aimed to get an economic price for its products. Further, a utility such as the SPC cannot be free from risk or loss. Should a serious loss occur, the government and the people of Saskatchewan would have to make it good.

To minimize this risk it is plainly desirable that a cushion, or equity be built up in the utility. This can only be done if the business makes an actual profit from its operations. Until this is done, the corporation cannot claim to be making ends meet, let alone claim that it is donating millions of dollars to the government each year as had been claimed in the past.

The Board of Directors, therefore, has set a target for the Saskatchewan Power Corporation, designed to provide the bare minimum in real profit that will enable it to carry out its objectives. The target for 1966 will be some \$10,000,000. The target will be reviewed each year with the objective of doing better in the future. If this target is reached and maintained for the next five years, the SPC will not only be able to meet its debt obligations but it will have a reserve of \$10,000,000 to invest in its own capital expansion program. Instead of asking for \$270,000,000 to finance its \$250,000,000 expansion, we will expect them to ask for not more than \$240,000,000. This target will not only let the government know what to expect of its largest crown corporation, but it will give the management and staff of the corporation an objective at which they can aim.

Mr. Speaker, we believe that the increased momentum of efficiency we have noted will be maintained if the staff have a definite objective each year. It is determined that the objectives will be met without raising the rates to the customers, and that quality of service should not only be maintained but improved. This means that the SPC will undertake and is undertaking a continuous program of reviewing the standards of its own efficiency. The first part of this continuous program was the separation of the electrical and gas business within the corporation. Although it is true that these two are both sources of energy, they are vastly different forms of business. It was a serious mistake

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to have allowed them to become so obscurely mixed as they were. However, these are just beginnings.

The whole program is not going to be accomplished overnight. But, from now on in, the Saskatchewan Power Corporation is going to act like a sound business. From now on the Board of Directors, the management, and the staff are going to aim for real profit from its operation, not one that will merely cover the cost of its borrowings, but one that will leave money in the bank after everything has been paid for. This money can be used to create debt-free capital, to build debt-free plants, or to create a nest egg as insurance against unforeseen risk. This money can be used to “buy back the Saskatchewan Power Corporation for the people of Saskatchewan”. This money can be used, Mr. Speaker, to be handed back to the government to be used in any way the government of the sees fit. If you don't run this corporation as a business like venture, you don't have the profits, you don't have any choice in the matter.

Mr. Speaker, let me make it crystal clear, we in the Liberal government do not look upon making the SPC profitable as an end in itself. We are, however, convinced that before we can declare a dividend from this corporation in the form of lower rates or annual payments to the Provincial Treasury we must have it operate on a businesslike basis. This was not done in the past, but it will be done in the future. We will then be able to achieve our final goal which is, or course, to pass back to the people the millions of dollars in benefits which will come from, and should come from a well-operated Power corporation.

Mr. Speaker, I was proud of the job done by the mover and seconder. I was proud of the Speech from the Throne. I will of course, oppose the amendment and I will vote for the motion.

Some Hon. Members: — Hear, Hear!

Mr. A.M. Nicholson (Saskatoon City): — Mr. Speaker, this is the first time I have spoken since the hon. member from Moosomin (Mr. Gardner) has taken his seat. I was down to Moosomin in the summertime and did my best to spare him from the responsibilities, now that he is here, I join with the members on both sides of the house in extending best wishes to him.

I note from his neighbors that he is very well educated, and has done some teaching at the university level. He indicated yesterday that he would not qualify for a teaching position in the field of statistics. He noted yesterday that our vote in the Moosomin constituency had dropped some 15 per cent, but in reply to questions from this side of the house, he refused to admit that the Liberal vote had dropped by a third. I think he might have given some credit to the lone member over to my left, by pointing out that the Conservative percentage had increased from zero to 26 per cent. I also wanted to mention that we all have had a good deal of sympathy for the member of the party who has asked to be Whip. The Whip opposite last year had a good deal of skill in handling the members of that side of the house, negotiating with our Whip. I am sure members in the chamber are glad to realize that his work as Whip has been recognized by the leader, and he now has a cabinet responsibility.

I join with others in congratulating the mover and seconder. The fact that the Premier had told everything that was

important in the Speech from the Throne throughout the province during recent weeks resulted in there being little for the mover and seconder to say that had any new appeal. Members on the other side of the house have drawn attention to some of the virtues in the Speech from the Throne. Nineteen sixty-five was a good year for Saskatchewan, for many people of Saskatchewan also. During the time at my disposal, I want to mention three serious defects in the Speech from the Throne as I hear it.

I note with regret that there is no mention of the needed extension to the University Hospital in Saskatoon. I was hoping that when the Minister of Health (Mr. Steuart) was on his feet this afternoon, he would have drawn attention to the fact that this detail was overlooked in the Speech from the Throne. Secondly, the proposed provision for the educational needs of Saskatchewan, in the 100th year of Canada's history, are quite inadequate and the amendment which was moved by our leader, I think pointed out the defects in the speech from this point of view. Thirdly the proposals for the care for the aged are just not good enough for those who worked so hard, through so many years, to make a better Saskatchewan and a better Canada.

People in northern Saskatchewan, and in the five Saskatoon constituencies in particular, are greatly disappointed that in this affluent year the Speech from the Throne makes no mention of the needed additions to the University Hospital. The Star Phoenix on November 8th, carried a feature story explaining why the morale at the University Hospital was at an all-time low, and why so many brilliant people in the hospital and in the medical field were leaving the province. The article reads:

Low morale among senior personnel at University Hospital has been reported and government cancellation of plans for addition to the hospital has been suggested as one reason for it. Low morale has been suggested as the reason for the resignation of several senior administrative staff members. Dr. A.L. Swanson, Executive Director, who spent eleven years leading and helping in the build-up of a training system in the hospital has already gone. Within the next three months, two of his assistants, J.L. Summers and A.R. Thorfinnson will leave. Dr. Swanson went to the hospital when it was opened. He has directed its growth from a single wing in 1954 to the present sprawling complex of 554 beds with accompanying service facilities, including residence quarters for 215 nurses, and 25 interns. Early in 1964, the legislature approved plans for construction of a two stage addition at an estimated cost of \$12,000,000. In the first stage a service wing was to be started this year.

This was in 1965 when this article appeared.

When completed it would have saved more space for patient beds. The second stage to begin on completion of the first would have included an urgently needed children's wing with separate entrance. Since then the Star Phoenix has carried some exchanges between the Minister of Health, Dr. George Urwin, Chairman of the University Hospital Board, and the Leader of the Opposition.

My leader (Mr. Lloyd) and Dr. Urwin seem to have had the last word. They seem to have clearly established that had there not been a change of government the service wing would be nearing completion now. I am pleased to quote from a letter the member for Regina

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west (Mr. Blakeney) sent Dr. Stewart Lindsay, the Secretary of the University Hospital Board, when the Regina West member was the Minister of Health. This letter was written on January 4th, 1963, and it reads in part:

I am pleased to inform you of the cabinet's decision to authorize the University Hospital Board to proceed with the planning of the proposed extension to the hospital. It is understood that the objective is to develop a systematic plan for the following additional facilities:

1. A service wing;
2. Rehabilitation wing with facilities for long term illness;
3. Pediatric wing.

The cabinet also agreed that the University Hospital is authorized to proceed with the architectural planning for the service wing.

I mention, Mr. Speaker, at that time the old Geriatric Centre in Saskatoon was receiving a good deal of public criticism. It was quite an old building, and prior to the writing of this letter there had been discussions between government, the University Hospital, and the medical college regarding the replacing of the geriatric facility; and the planned extension at the University Hospital would have had accommodation for at least 100 geriatric patients. It was expected that for northern Saskatchewan, when patients required a diagnosis to see what type of program would be best for them, they would have one of the best facilities in the continent available as part of University Hospital. It was expected that 90 of these beds would be active beds that would not be filled by patients for long time care and 210 of the 100 beds would be kept for patients for an extended period to find out how they responded to the new types of treatments that would be provided.

In the 10th annual report of the University Hospital Board to the Minister of Health last year, on page 6 of the report, you will find drawings of this service centre, the sunken basement, the main floor, the ground floor and the second floor. The success of Canada's first comprehensive hospital service program resulted in a tremendous increase in the number of patients which came to the University Hospital. Our people found that instead of being required to go to Rochester, Winnipeg, Toronto or Montreal in cases of critical illness, the University Hospital, the faculty medical college were available in Saskatoon, and people felt it was unnecessary to go anywhere else if you wanted the best care that was available. It was natural that the University Hospital would serve as the major specialized referral centre for Saskatchewan, particularly the northern half, and second, that it would assist in the education as the main medical training centre for the province, and third, would act as a medical centre for hospital research.

Provincial hospitalization in Saskatchewan has been followed by medicare, which undoubtedly will be followed by medicare all across Canada. Mr. Speaker, it is my view, that a great injustice has been done to the people of Saskatchewan by delaying for more than two years the planning of these essential additions to the University Hospital. The University Hospital really had its origin before the end of World War II, when MacKenzie King announced the intention of the federal government to institute a Dominion-wide system of universal health insurance. World War II demonstrated how seriously Canada's war effort had been handicapped when the first group of 200,000 young Canadians in the

prime of life were called for military service to serve their country, more than 44 per cent were rejected because they did not measure up to the then established medical standard. Saskatchewan at that time had the lowest ratio of doctors to the population of any Canadian province. The Association of Canadian Medical Colleges, meeting in Ottawa in 1943, recommended that Saskatchewan proceed as quickly as possible to set up a pre-medical school with degree conferring powers. It was known then and it has been established since that, if a community is to have an adequate supply of medical doctors, it is important that there should be training facilities where the young students while in medical college will become familiar with the people in the community and the specialists in the field. As was expected, an increasing number of Saskatchewan graduates have remained on in Saskatchewan to provide medical services to our people. Dr. Lindsay, who was then the Dean of the Saskatchewan School of Medicine at that time was given the green light by the university and by the Liberal government of the day to proceed with the plans for a medical college. When the CCF government was elected in 1944, Premier Douglas assumed the role of Minister of Health as well as the Premier of the Province. One of his first acts was to set up the Sigerist Commission under the distinguished chairmanship of Professor Henry Sigerist of John Hopkins to study the health needs of the province. The Sigerist Commission approved of a proposal to build a medical building and a 500 bed teaching hospital so placed that the two would be virtually under one roof with direct corridor connections. Mr. Speaker, unfortunately, as a result of costly delays during the past 20 months we are losing from Saskatchewan some of the great young people who were attracted to the University Hospital and to the University of Saskatchewan Medical College because of the exciting developments that were taking place in this part of the world. I note in this tenth annual report of the University Hospital that Dr. Peter Cameron, who was the Assistant Director of the Department of Rehabilitation in medicine, resigned on July 3rd, 1964, to take an important position in Ontario. Mr. A.R. Thorfinnson, who was the Assistant Director of the hospital and just appointed in August 1964, has recently resigned and gone to London, Ontario. Mr. Thorfinnson was well known to the Premier. He and his wife are graduates of the University of Saskatchewan as were their parents. They bought a fine home in Saskatoon and they were counting on seeing their children growing up and attending the university which had been attended by their parents and grandparents. But the Thorfinnsons have gone to eastern Canada because of the penny-pinching policies of the existing government in Saskatchewan. I know the picture of Dr. Swanson who was mentioned earlier who has also gone east.

About a year ago I had lunch with two young doctors in Saskatoon. One had written me a rather critical letter – I have found it a good thing for politicians to see people who write critical letters. So this young doctor and one of his medical friends had lunch with me. They made it clear that they had never voted for my party. They were critical of medicare but they gave us high marks for the priority that we had given medical and hospital care during the twenty years we were in office.

Just before the session started this year I thought it might be useful to talk to these young doctors to find out whether there had been any improvement during the year or not. They both had told me a year ago that they were not born in Saskatchewan. They did not come here because of the weather. They had come to Saskatoon exclusively because of the very exciting things that were being done in the field of health. But I found that both of the young doctors with their families have left Saskatchewan and are

no longer with us.

Mr. Speaker, I am sure there are very few educational centres in Canada where in the summertime they close off 100 hospital beds as they did in the University Hospital last year, under the pretext that nurses are in short supply. Of course nurses are in short supply. The University Hospital has no funds except the funds made available by the government of the day. University Hospital is unlike municipal or religious hospitals that have other sources of funds available when deficits roll up. I would expect that without an expanding university hospital and an adequate budget it is not going to be possible to attract and teach the required number of medical students to meet the health needs of Saskatchewan in the years to come.

I am aware that the Speech from the Throne made some reference to the increased expenditures in the field of education. I know that the Minister of Education (Mr. Trapp) had a few remarks yesterday but he had resumed his place before I thought he had started to discuss this important topic. Now the Minister of Education might have gone back further than the last year we were in office, or the first five years that we were in office; he might have gone back to the entire period when the Liberals were in office after the defeat of the Anderson government in 1934 until they were replaced by the CCF in 1944. I went through the estimates to find out what sort of money Ministers of Education had in those good old days. Hon. members might be interested in knowing that the year ending in 1936 the minister had \$2,600,000. The next year he had \$2,800,000. In 1937 estimates dropped, they were cutting then, \$2,600,000. In 1938 estimates were up to \$3,200,000, then \$3,700,000, the next year \$4,000,000, \$4,050,000, \$4,090,000, \$4,100,000 and \$4,400,000. A total of \$35,700,000 in a ten year period. Now what does a minister prove by saying that last year he had \$61,600,000 and that when we were in office five years ago or ten years ago or fifteen years ago, we did or did not raise enough. In year 1966, when we are planning for Canada's centenary, when we are living in an economy which the Premier tells us is very buoyant, and it is very buoyant, the Minister of Education (Mr. Trapp) and the government of the day will have come up with something more in keeping with the needs than they have indicated so far.

The Liberal government in Ottawa and the Liberal government in Saskatchewan are both failing to provide their fair share of the cost of education. In such an affluent Saskatchewan as the Speech from the Throne has forecast, the provincial government should be paying more of the cost of education and relieving the hard-pressed taxpayers who had the Premier shedding crocodile tears all the period he was in the opposition. I understand that at present the provincial government pays about 50 per cent of the cost of education in the school units, about one-third of the cost of elementary education in the city schools, and about one quarter of the cost of high school education in the cities. And I would think that there being such an affluent period as we are now in, the Minister of Education and the Provincial Treasurer should be able to increase this share to 50 per cent across the board. Cities like Saskatoon and Regina, which are the third and fourth most rapidly growing cities on the Canadian scene, are in a very difficult position because of the very high capital costs that are necessary in keeping pace with the influx of people and the cost of education. I understand that in Alberta, in both Edmonton and Calgary, the provincial government has had to come to the assistance of these cities as they coped to meet

with their problems. I would think that the government of Saskatchewan this year should come up with a better proposal to meet their share of the cost of education for the cities.

I mentioned previously that when World War I broke out, of the first group to be called it was found that 44 per cent were rejected because of physical disabilities, and a similar analysis would indicate that a very high percentage of those young people did not have the necessary educational requirements. A question was asked some time ago in the House of Commons as to the cost of training pilots for the Air Force. The reply was a figure of around \$100,000. This is the cost that the federal government provides after the parents and the people of the community provide public and high school education up to grade 12. To be eligible to take the training one must have grade 12. Now if the federal government is prepared to spend \$100,000 for this part of the education after one has the first 12 years, it would appear to me that same federal authority should be sharing a much higher percentage of the cost of education across Canada.

In the second annual review of the Economic Council of Canada, I was interested in finding that education was given such high priority. In the chapter under education three central questions are raised. First, to what extent did the average education of the working population increase over the half century from 1911 to 1961, and how does this compare with the increases that took place in the United States over the same period? Secondly, what relationships are there between the levels of education attainments and the levels of income for various groups in the Canadian economy? Thirdly, what contribution has rising education made to the over-all growth of the Canadian economy?

Well, Mr. Speaker, there are answers to these three questions. There has been a substantial long term rise in the educational attainments of the Canadian labor force, but the average level of such attainments has been much below that of the United States and has increased more slowly than in the United States. There has been a widening of the educational gap between the two countries and this must give us all concern. When we see the movies describing the very affluent society south of the border, I think it is most important that we do everything within our power so that our people who have the capabilities of the people south of the border would have the same advantages. This gap appears to widen particularly at the secondary school level in the inter-war years and particularly at the university level in the post-war period. The income of individuals is generally closely related to the extent of formal schooling. In fact available data show that difference in lifetime earnings of individuals classified by occupational groups appear to be directly associated with differences in the levels of schooling. Moreover additional income benefits derived from obtaining a high school or university education in relation to the cost of such education are somewhat higher in Canada than in the United States, and the rates of return from increased investment in education would appear to compare very favorably with returns available from other types of investments.

The benefits of increase education, according to certain calculations and assumptions, are estimated to have counted for a share in the general area of one-quarter of the increase both in the average standard of living and the productivity of Canadians from 1911 to 1961. Although this is a large contribution

it is apparently substantially lower than that indicated in comparable estimates for the United States. It is interesting to note that nearly every large employer in Canada and the United States is offering incentives to employees to take upgrading courses on a part-time basis or to take time off to return to university.

The tables showing the average annual income from employment by levels of education made by the off-farm labor force in 1960 are of special interest. Those having eight years of elementary school or less, had an average income of \$3,526. Those who had one to three years high school had an average of nearly \$900 more, of \$4,478. Those who had four to five years high school had an extra thousand or \$5,493. Those with some university, average \$6,190. Those who had a university degree had an extra three thousand or \$9,188. May I repeat again, for those who had only an elementary education the average was \$3,526 as compared with \$9,188, for those with a university degree. I had the good fortune to attend university, chiefly because of my father's thrift in the early days and enjoyed the benefits of a university education. I want for all children in Saskatchewan and in Canada the advantages that many people take for granted. The budget for Saskatchewan must include sufficient so that all those who are capable of taking university education, and wish to take it, should have the wherewithal to proceed.

President Kennedy in his last message to Congress on education on January 29, 1963, stated:

This nation is committed to greater investment in economic growth and recent research has shown that one of the most beneficial of all such investments is education, accounting for some 40 per cent of the nation's growth in productivity in recent years. It is an investment which yields a substantial return in the higher wages and purchasing power of trade worker, in the products and techniques which come from skilled minds and in contrast with expansion of this nation's storehouse of useful knowledge.

I regret, Mr. Speaker, that in the Speech from the Throne, speeches delivered by the mover and seconder and other speakers on the government side, indicate that the needs of education have been sadly neglected during the past two years. By the time the new technical institute in Saskatchewan had been operating for a few months, it was clear it was required to be enlarged. Consequently the budget of 1964 made provision for an immediate addition to this important issue. Again two years have been lost before any construction could be started in providing this addition which is sorely needed in northern Saskatchewan.

The Economic Council points out that there are five particular areas that apply to Canada, including Saskatchewan; first, the closing of the remaining gaps in secondary school facilities. Although these facilities are now widely available, there are still some parts of the country and some parts of the population for which secondary school facilities and opportunities are seriously inadequate. There is an urgent need to remedy these deficiencies so that education at the secondary level is a real and practical possibility for all children. Secondly, the reduction of drop-outs in high school and the increase of retention to achieve a much higher rate of high school completion is important. Thirdly, the tremendous expansion required especially

At the university and post-secondary technical school level, in terms of high enrolment rates and retention rates for those of post-secondary school age in the circumstances of unprecedented upsurge in the numbers of young people who will be moving out of the 15 to 19 age group into the 20 to 24 age group over the coming decade. Fourthly, the more rapid development of facilities for a sharply accelerated flow of professional and other highly skilled manpower at the post-graduate university level, the level at which we have made the least progress to date in the Canadian educational system. Fifthly, vigorous efforts to improve the quality and methods of education.

The Premier has made a great many speeches about the shortage of Saskatchewan manpower and the need to import workers from other countries. There is no reason under the sun why the young people of Saskatchewan who have been waiting for a chance to go to technical school should be denied any longer the training which we should be providing in Canada, rather than expecting people in less fortunate parts of the world to send their young people to a rich country like Canada to do the jobs that our own people can do.

Mr. Speaker, I have a few more remarks to make that I can't complete before the supper hour, I wonder if we could call it 5:30 at this point.

The Assembly recessed at 5:30 until 7:30 PM.

Mr. Nicholson: — The Throne Speech failed to make reference to the providing of the essential additional services which the University Hospital at Saskatoon requires. The Throne Speech also failed to outline the type of educational facilities that Saskatchewan should be planning in this important year. In view of the fact that we are now making plans for 1966-67, when Canada will be 100 years old, I consider one of the most serious defects of the Throne Speech is that no mention has been made of Saskatchewan's pioneers or senior citizens. There are references to the South Saskatchewan Irrigation Project, Uniform time, Mineral Development, Liquor Outlets, but not a word about the needs of those who came to Saskatchewan 50,60,70 or more years ago and will be living to celebrate our country's one hundredth anniversary. I hope that someone on the government side before this debate concludes will make some remarks which are more constructive than those made by the Minister of Welfare (Mr. Boldt) with his comments on Miss Lola Wilson, as the government's contribution to Saskatchewan's elder citizens.

Although Miss Wilson was attached to the Department of Health, when she was working on the Saskatchewan's Aged and Long-Term Illness survey, I cannot let these unkind remarks made by the Minister go without saying something. I understand that as soon as Miss Wilson was fired by the Minister of Welfare of one Liberal government, she was offered employment immediately by another Liberal government in Ottawa. It is quite unfair to Miss Wilson to suggest that she was given a job anywhere, anytime in her lifetime and a car, for any other reason than that she was without doubt the best one qualified for that particular job.

Some Hon. Members: — Hear, Hear!

Mr. Nicholson: — I have no knowledge of Miss Wilson's political views

but I would be surprised if she was a member or an active supporter of any political party. She is without doubt the best authority in her particular field anywhere in Canada. I have in my hand a report of the Special Senate Committee on Ageing, and on page 174 I read:

The Saskatchewan Aged and Long-Term Illness Survey received financial support from the nation health grants. Between the years 1959 and 1964, inclusive, over \$79,000 was allotted to this project which is to date the most extensive and comprehensive study of ageing undertaken in Canada and might well provide a model for other provinces willing to undertake similar studies, the incentive of a federal health grant being available. The Saskatchewan study covers such topics as basic population data, economics, housing, health and welfare, education and leisure time activities, the role of the church and research and includes detailed recommendations for these actions.

I submit, Mr. Speaker, that this report has been described in this way chiefly because of the very brilliant mind and the painstaking work of Miss Wilson while she was receiving financial assistance from both federal and provincial governments and working with a distinguished group of Saskatchewan citizens. I'll name a few of them in a few moments. On the previous page it is mentioned that the federal government as early as 1955 thought that, as we were approaching our centenary, people in the various provinces should be giving some consideration to the problems of the ageing, an area sadly neglected in this young county. So the federal government came up with grants, incentive grants. Both Liberal and Conservative governments supported these grants through the years.

Members might be interested in knowing that Newfoundland didn't take advantage of them, nor Prince Edward Island, nor Nova Scotia, nor New Brunswick, nor Manitoba, nor Alberta but Quebec picked up over \$500,000, Ontario just over \$41,000, Saskatchewan \$105,000, British Columbia \$23,000. Miss Wilson while working on the Saskatchewan scene was involved in this very exciting undertaking.

The senate set up a committee recently to study the problems of the ageing and Senator Croll's committee went out of its way to suggest that the work done in Saskatchewan might be reviewed by the other provinces. They made a number of interesting proposals. The first that they considered to be the most important, was that the federal government guarantee a minimum income as a right, to all persons 65 years of age or over who have resided in Canada for ten years, without a means test or a needs test, that would be \$1,260, \$105 a month per single person. On the theory that two can live cheaper than one, a couple over 65 would have \$2,220, this would work out at \$185 per month. The government should pay the difference between these levels and that actual income. This would be adjusted annually on the basis of consumer price indices. If your income was \$600, you would file an income tax return at the end of the year and this would go to Ottawa. Presently you would get back a cheque for \$660 to bring your average monthly income to \$105 per month. Or course, if you had an income of \$50,000 and were over 65 you would pay your income tax but this would guarantee that no single person over 65 in Canada would have less than \$105 a month. They used the established figures that have been in existence for some time in connection with the administration of the Old Age Assistance Act. All of the ten provinces and the federal government have accepted these \$1,260 and \$2,220 figures for a number of years. Since the outstanding

report of the senate was available prior to the preparing of the Throne Speech and also before the speech of the Minister of Welfare (Mr. Boldt), I am disappointed that the Minister of Welfare made no reference to this proposed change by the senate that wouldn't cost the taxpayers of Saskatchewan anything.

The Senate Committee hurried on to point out that the extraordinary needs for the individual over 65 would be covered under the proposed Canada Assistance Program. They also pointed out that the people they were speaking about now over 65 lived through two World Wars, a depression, a recession, and an inflationary period. Now finally when they are retired they find that the standard of living on which they have retired has eroded because of the spiral of costs. We find a new group coming along who are retiring but who cannot benefit from the Canada Pension Plan because it's too late for them to contribute. Mr. Speaker, there are 1,500,000 people in Canada in this group and Saskatchewan has more than its share because our share of people over 65 is slightly above the Canadian average. Senator Croll said:

They cannot keep their pre-retirement standards of living. They have already abandoned that in the face of rising prices and depleted sources. They are having a struggle for the necessities of life. For them time is running out. They cannot wait.

What they need they need now. I know that most of the people fight these needs with money. Well, a study of the problem makes one realize that they are not quite right. It's hard to convince them otherwise. They need our concern, our continuity. They need part time work, and they need retraining if they are in good health. They need ways to overcome loneliness and they need to feel that they are not redundant. Above all, they need to be looked upon as human beings with dignity. The problems that beset the aged and the ageing in the second half of the century is so unlike the problems of the first half. It's largely unknown in realistic perspective. It's quite obvious that neglect and lack of planning and direction, in fact, basic ignorance of what are the real needs of the elderly, economically, socially and culturally have led us to recommend the establishment of a national commission on ageing whose purpose it would be to co-ordinate, plan and organize programs for aged.

Mr. Speaker, after \$79,000 has been spent in Saskatchewan in finding out the best solutions for the ageing, this was exactly what was done. Lola Wilson was assigned to set up a commission to do exactly as the federal senate recommends. It is very hard to understand why to save 10 per cent in the most affluent period of Saskatchewan's history the new government, 20 months ago, decided to pick on the old people of this province to save a few dollars by closing their eyes to the needs of this large group of our people.

The committee who worked with Miss Wilson included Dr. F.D. Heal of Moose Jaw, Right Reverend P.S. Kinlin of Regina, Nathan Medd, president of the Old Age Pensioner Association for Canada, Everett Murphy, now president of SARM, Joe Wilkie, Regina Alderman, Mrs. Trew, president of the Women's Section of the Saskatchewan Farmers Union, E.G. Gosse of Prince Albert representing the Saskatchewan Chamber of Commerce, Dr. Matthews, now director of Social Medicine at University Hospital in Saskatoon, and others of Saskatchewan's most outstanding citizens of all

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political parties representing a cross section of our community. They came to the conclusion that Saskatchewan, in preparing for their own 60th anniversary and for the centennial, should have a committee to be familiar with the problems and make recommendations to the community. The Senate committee said that this is one of the most urgent problems. They also said:

There will be immediate need for a central agency assigned responsibility to provide consultation, education, information and co-ordination of activities. Agencies and organizations both official and voluntary as well as communities are going to need help in the establishment of priorities for developing as well as guidance and advice in the setting up of programs and services.

Now, I am aware that the minister said that this branch has merely been transferred to another agency of government, another agency that is overworked and understaffed. I challenge the minister to produce a single document that has been prepared since Miss Wilson left to indicate that Saskatchewan is aware of the problems outlined in such detail in this 200 page report that the Senate Committee brought down the other day.

I am sure that if the minister had attended the recent Canadian Conference on Ageing in Toronto a few weeks ago and if he had realized that Miss Wilson was one of the distinguished people asked to prepare and submit paper, he might have reconsidered his unfortunate remarks a few days ago. I'm sorry I wasn't able to attend this conference myself but I have read about it and took the trouble to get some of the papers. I haven't seen in the press that the minister was in attendance or I haven't read of any submission that he made, but here are two of the papers that Miss Wilson presented. One tells about a community down in Iowa that could be a Saskatchewan community and somebody in Saskatchewan should be coming up with the ideas of this sort. I know we are building a lot of nursing homes but this is a policy that was good ten years ago and 20 years ago but it isn't good enough in the year 1967. This is what the Senate Committee is saying but there is no one employed by the Saskatchewan government at the present time who is worried about this or saying anything about it.

Here is what has happened down in Iowa in Earlham, a rural community with 800 people. They were going to build a nursing home but they thought otherwise. They changed their plans. Instead in July, 1963, they started to arrange a community service to serve the aged and the ill in Earlham, Iowa. The construction of a nursing home had been planned but it was abandoned. The unique features of the Earlham story are – 1. – that expressed need for community service took precedence over the construction of an institution and 2. that rural community is served by some programs often merely mentioned in large urban centres. For example, homemaker service, handyman service, community centre, counseling, transportation, meals on wheels, employment for elderly people, all these things, Mr. Speaker, have been done in Earlham, Iowa, because someone with the imagination of Lola Wilson was able to involve the people in a project which didn't cost nearly as much as a nursing home and made a much better contribution to the people in the 60's and 70's and 80's and the 90's, living in this rural community.

May I draw the minister's attention to the other paper presented by Miss Lola Wilson, who is Consultant on Ageing, Research and Statistics, Ottawa Canada. Here is her paper on "Leisure"

Increasingly machines are taking over tasks formerly requiring many hours of manpower. More than 700 computers are in use in Canada in 1965 as against less than 90 five years ago. Automation and cybernation are not for future possible consideration; they are upon us. Alcoholism, juvenile delinquency, violence, marital problems, promiscuity, and just deep seated unhappiness all appear to be increasing. Not infrequently these are associated with boredom which lurks in the shadows ready to pounce upon those unprepared for the benefits society is offering. The dream of a society where everyone has plenty of time and money to spend as he pleases could turn into a nightmare. Boredom can grow to catastrophic proportions when men lose a purpose in life. Work has signified such a purpose, the crucial question, the answer to which can not be delayed is whether or not society can balance its technological advances with purposeful forms of leisure including recreation so that a good life can become a reality.

And so 28 pages packed with information.

Here is a reference to the United Auto Workers and the Agricultural Workers who in 1964 had reached an agreement which will provide \$400 a month for their employees at 60 who have had 25 years of service in the automotive industry. All right, give a 60 year old \$400 for life at 60 and if he hasn't done anything but work there could be some problems in planning the leisure time. And this is all that, this is one of the problems that the Senate Committee said is very important and will have to be carefully considered.

Senator Croll points out that the Canadian Medical Association in its brief urged more organized home care and homemakers' service as desirable alternatives to institutional care and believes this should be a public responsibility. This has been outlined in the Hall Commission Report. All across the country, in the United States, in Canada, in Europe, they are saying let's get away from the building of hostels and nursing homes and putting the old folks to bed. Keep them in the community just as long as possible. This is what Lola Wilson was supposed to be doing in Saskatchewan if the present Provincial Treasurer hadn't issued a directive "Slash ten per cent all across the way".

Mr. Speaker, if the 89 recommendations that are submitted in this outstanding report on the ageing are to be implemented it will be essential that in the various provinces and at the federal level there should be a division on services for the ageing with competent staff and adequate budget so that communities wishing to set up programs such as meals on wheels, home visitation, telephoning service, would be able to get the technical advice and the know-how so that these programs can be organized and financed.

Some Hon. Members: — Hear, Hear!

Mr. Nicholson: — I am sure that when one considers that we have more than the Canadian average of our citizens over 65 and that in no place in Canada did those in this age group have it quite as rough as we had during those terrible years 1930 to 1940, and the War Years, the pinching of pennies to reduce our services to the aged is not way for us to be celebrating the 100th birthday of Canada.

Some Hon. Members: — Hear, Hear!

Hon. A.C. Cameron: (Minister of Mineral Resources) — Mr. Speaker, I don't intend to speak at any length but I thought I should take an opportunity to answer at least some of the criticism that has been leveled at my Department of Mineral Resources. It seems to me that everybody is talking about minerals and mineral resources these days and everybody says "Everybody is doing it, why shouldn't I?" That seems to be the general approach. I'm not concerned about them talking about mineral resources but I am a bit alarmed at the approach they are taking to this tremendous development that is going on in the province. The theme of the opposition is that we have sold our resources. We have given away our resources. We've sold them out to our big friends in the big industries.

You know, I made a little trip to Bengough too. I was rather surprised when I was visiting one farmer. After greeting him and telling him who I was and telling him I was interested in knowing how the Liberal provincial program was being accepted and what criticisms he had, that we were anxious to continue the program for the next two years, he said: "I have one severe criticism, it's this selling out of the provincial resources". Well, I said, "What have you in mind particularly?" Well, he said, "Oil, particularly; second to that potash". Well, I said that we have a great deal of oil in the province yet to be found. He said "I'm not blaming you or your government because the oil resources have been sold out years ago to American capital and it was the CCF that sold out and brought in this American money". And he said "It was the CCF that brought in American capital in the potash and I'm against American capital. But it seems to me that you have done nothing other than the others did. These resources were sold out before you people came into office". Now, I thought at least the man had his convictions . . .

Mr. A. E. Blakeney (Regina West): — I thought we scared them all away.

Mr. Cameron: — . . . about American capital. I want to take some of the statements that were made — the member for Regina West (Mr. Blakeney) hasn't spoken yet but he issued a press release from his office about a week ago. I was rather amused when I read it because his press release would lead us to believe that this member's heart really bleeds for the co-ops and the independent oil companies, he said:

The removal of the net royalty bid was designed to discriminate against the co-op and the small independent. It was designed to favor the large oil companies.

Now, Mr. Speaker, if this works as a detriment to the small independent companies they are really a bear for punishment because in 1964, from April 1st, 1964, 35 small independent oil companies have registered for the first time in the province of Saskatchewan: Names that were previously foreign to Saskatchewan, such as Amex Petroleum, Atlantic Pacific Minerals, Berkley Oil and Gas, Evergreen Petroleums Limited, Numac Oil and Gas etc.

I want to speak a moment on royalty bidding. New royalty bidding was removed, that I agree to. It was removed on a trial basis and it was explained in consultation with industry, with the Independent Petroleum Association and the other associations. While

we were removing it on a trial basis, it was understood that if any independent or any co-op or any other company should ask us to reinstate it we would give consideration to that request. To this day, neither the co-op nor one independent oil company has asked that we revert to net royalties bidding.

I want to comment on one or two of the remarks of the member from Hanley (Mr. Walker). In reference to the Premier's statement that we had seven new oil pools discovered in the past year, he thought, "I really got a cincher" when he quoted a press report in which the Minister of Mineral Resources was quoted as having said there had been no major field discovery in Saskatchewan in the past year. Then he said:

This emphasizes that these seven new pools just do not exist, the minister stated so.

Mr. Speaker, you recall I could see that the member was digging a hole for himself and I rose in my position to warn him what a major discovery is, but as usual he paid no heed. He went on digging his hole, throwing the dirt in every direction to assume that because there was no major discovery there was no activity. I couldn't help but think of the saying "Fools rush in where angels fear to tread" because he hadn't the foggiest idea what a major discovery is, no conception of it. What is a major discovery? Industry looks upon a major discovery of a field that has from 75,000,000 to 100,000,000 barrels of reserve. That is a major discovery. Major reserves of these proportions are found mostly in the Middle East. The average daily production of wells in the Middle East is from 400 to 700 barrels per day. The average daily production of Saskatchewan wells is 30 to 60 barrels per day.

Then he rose and rested from his digging. He was happy, he said, in the knowledge that the minister said there had been no major oil discoveries in Saskatchewan. Then he referred to them as "piddly pools". I want to tell you, Mr. Speaker, all of our pools in Saskatchewan could be so downgraded as piddly-pools because of the type of structure that we have. We must look for oil like you look for a needle in a haystack, for a little pool here and a small pool there, but these seven pools have added from 15,000,000 to 25,000,000 barrels to our reserves. There are some 70 producing wells in these piddly pools now, and it is estimated that in 1966 these seven piddly pools will add to our stream some 3,000,000 barrels of oil to the province of Saskatchewan. When I answered the question today in the response to the question from the member for Kelsey (Mr. Brockelbank), I was able to list in addition to these seven pools, eighteen more discoveries.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Selling out our resources, let me just tell you this. That our oil production has increased from 71,300,000 barrels in 1963 to 81,400,000 in 1964 and to the estimated, unprecedented amount of between 88,000,000 and 89,000,000 barrels for the fiscal year 1965-66. Let me tell you this, that on every dollar's worth of oil that is produced in the province of Saskatchewan the government receives 12 ½ per cent in royalties. Saskatchewan has claimed and Saskatchewan has received the full royalty on every gallon of oil that has been produced in this province. Where is your sell-out? And apart from the royalty the new interest in exploration all over this province has brought to Saskatchewan this year an additional \$12,500,000 in bonus bids for the right to rent this land, and with one sale yet to go in this fiscal year,

we will exceed \$13,000,000 in bonus bids. A record, Mr. Speaker, that has never been equaled in the history of Saskatchewan.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — When I became Minister of Mineral Resources I found that the former government had a line drawn across Saskatchewan from the Alberta border to the Manitoba border south of Saskatoon. They called this the A.B. line. There was no activity north of this A.B. line. Any oil company that wanted a permit to go in and explore for oil north of the A.B. line just had to walk into the Department of Mineral Resources and say “I want it” and they got it for nothing. But in spite of this there were few takers because if you gave away nothing for nothing, it is still nothing. I changed the policy. I erased that A.B. line. I said to the oil companies if you want land north of the former A.B. line for exploration you are going to have to compete on the open market to get it. They have been competing on the open market. Today we have north of the former A.B. line 16,000,000 acres under exploration and the companies at public auction paid \$750,000 to get it. They didn’t get it for nothing. It is interesting to note that his \$750,000 which we got for the land north of the A.B. line is more than sufficient to carry the mining incentive program in northern Saskatchewan.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Speaking of the northern incentive program I notice that is one program that they are not talking about. This was announced in November, 1964. When we announced it the mining industry and the mining officials all across Canada said it was the most far-reaching and the most forward looking mining program on the North American continent. For years, we had had aerial surveys taken of the north and maps were made. This was an essential part of the exploration of the north. But if we were going to find and develop mines we had to do something other than just taking aerial surveys. This program was designed to bring these people down out of the air and to put them on the ground with diamond drilling and pick and axe and trenching machines, to go in and open up these highly mineralized areas. I can report, Mr. Speaker, that is precisely what they are doing.

Last year on the ground the industry spent over \$3,000,000 in diamond drilling and trenching and hard work in going into the bowels of the earth. In addition to that, many millions more were spent in sinking shafts and bringing the mines into production. Compare that record with the total sum of \$350,000, one quarter of a million dollars, that was spent in all northern Saskatchewan in 1963. I think some of the results of this program can be seen from the comments of the trapper. I went up to the Trappers Convention because I was asked to come up and speak to them on the incentive programs in northern Saskatchewan. I read in the Prince Albert paper of an interview with one of the trappers. He said:

I have lived in the north pretty nearly all my life. I have been coming to these Trappers Conventions for seventeen years. This is the first year that we trappers have come out of the north and come to Prince Albert to the Trappers Convention on our own money. For seventeen years we have been coming on the handouts of the provincial government. It is a tremendous feeling to be able to come out and pay your own way.

Of course, it's a tremendous feeling because with mining activity to supplement that which they are getting in fur and fishing and the forest industry these people are earning their way and they are being clothed with a sense of dignity.

When we talk about the sell out of the resources of this province, I challenge the opposition to produce one instance where nay of the taxpayers' dollars found their way into the pockets of the oil companies. I challenge you to come up with one instance where we have given away a dollar to the oil industry. I am getting, Mr. Speaker, just a little fed up with the carping criticism, the innuendos and sneers, to try to implant mistrust in the hearts of the people, that somewhere, somehow, this government must have given away something or they couldn't have accomplished the miracle which we see about us.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — The vote in Bengough and other places, indicates how they have discredited themselves in this approach that we have sold out the resources of the people. Go to the north and tell them that up there. Go to Meadow Lake in the area north of the A.B. line where you see these companies coming in. Tell them that up there. Go to the south-west where all the excitement is now taking place and tell them out there. Tell them anywhere and they will give you your answer to the question that we have sold out resources. I think I have said enough, Mr. Speaker, to indicate that we have had enough of these destructive, obstructionist tactics, not in the interests of the people, but to put their political gain ahead of the interests of the province.

Mr. Speaker, the other day the Leader of the Opposition (Mr. Lloyd) when speaking, said that he thought this chamber was entitled to hear the story of Saskair. He said it is time that the story was told to the people of this chamber. I agree with him, I think it is and I propose to spend the next few minutes to tell this story. I was very amused the other day to listen to the other member from Regina (Mr. Whelan). He really went into a song and dance. He came charging out like a knight of old on his white horse, fortified with an armor of indignation. He was going to call down a motion of censure on the minister for the manner in which the minister had handled the sale of Saskair.

I noticed my old friend, the former Minister of Agriculture (Mr. Nollet) didn't say very much today, but I caught what he did say. He said "Selling these resources, selling these crown corporations, selling Saskair for a song". I agree, Mr. Speaker, the house is entitled to know the story of Saskair. When I became the minister of Saskair, one of the first things I did was to go to Prince Albert to familiarize myself with the operations. On landing there, of course, I visited the staff and went through the workshop. My first surprise was when the workers told me that in all the years they had worked in Saskair, I was the first minister that had dropped in to chat with them and to say hello. They said, "Yes, we have seen the ministers arrive in the plane, we have seen the taxis waiting to take them on their way, but they always seemed too busy to come in and have a chat with us." The member for North Battleford (Mr. Kramer) was the minister prior to me, and the same remarks apply.

I asked for the financial statements of the corporation, and I asked for the previous minutes of the board meetings in order that I could become conversant with the operations of Saskair.

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My first task was to sit down and digest the board minutes of 1962 to get the feeling of what it was all about. I didn't have to go back beyond the year, 1962 to realize that the former board knew that they had, indeed, a problem child on their hands. This book records the story of dwindling work, mounting deficits and imminent bankruptcy, unless something drastic was done. The former board, to give them fairness, were wrestling with the problem. Here are some of the steps the former board were considering in 1962 in facing the winter coming on.

You know what the one suggestion was. Close down all flying in the winter, except for one plane stationed at La Ronge. They would leave the people stranded in the middle of winter because they figured that they couldn't afford to carry on the operations of Saskair. Failing this, a proposal was under consideration, and this is a good one – it noted that if the union wished it could operate the planes during the winter. But then note this, it said it could operate them upon one condition that they would do so without wages, but would share in the profits of the winter operations. Needless to say, the union said “no, thank you”. Then to my surprise, Mr. Speaker, I found that this board in 1962 were actively negotiating a sale of Saskair – mind you that – a sale of Saskair. What was the type of negotiation the CCF government was carrying on for the sale of Saskair. Well, it is recorded again that they found a Mr. Babcock, he represented a company by the name of Husky Aircraft Limited in B.C.

Mr. Nollet: — Not Tim . . .

Mr. Cameron: — Mr. Babcock was invited in and he gave the board an offer to purchase all assets, including cash, fixed assets, and liabilities, reckoned as of October 31, 1961 – what was the price? \$645,000.

An Hon. Member: — No . . .

Mr. Cameron: — Here is now they were to pay for it. A new company was to be formed, Husky Aircraft of Saskatchewan. It is interesting to note how this company proposed to raise this purchase price. They gave the board two alternatives – first, to raise the purchase price by merely issuing to the government \$645,000,000 worth of company's bonds, payable in 10 years, with interest at five per cent. Mr. Babcock said” If you don't like this one, I'll give you a second alternative” and Mr. Speaker, this was even more bizarre. Under the second alternative this new company that was to be organized would issue 15 year debentures, but these debentures were to be guaranteed by they provincial government. Then in turn they were going to use these 15 year debentures, guaranteed by the government, to pay the government to purchase Saskair. Mr. Speaker, if any company . . .

An Hon. Member: — . . . you look pretty sick . . .

Mr. Cameron: — . . . if any company came in to my office with a proposition of this nature, I would escort him to the door and ask him never to return.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — It is true the government didn't accept this offer,

but they asked Mr. Babcock, "Can't you do a little better?" Mr. Babcock said "I'll take another look at it." It is reported that he came back in a couple of weeks after having taken a look at this his bid at this time. Mr. Babcock said "I'll give you an offer" and it was this. He reduced the purchase price from \$645,000 to \$550,000. This \$550,000 was to be paid one-half in cash and the other half by a five and one half per cent, 10 to 13 year, sinking fund debenture, a sinking fund debenture in which he put a bit in each year and at the end of 15 years, there would be sufficient there to pay the government. Then the board said to Mr. Babcock, "Now, we have had three offers from you; we will give you an offer. This is the offer the CCF government made to Mr. Babcock, namely, they offered Mr. Babcock all assets, all fixed assets, all cash for the sum of \$600,000 in cash, or they said to him, "If you can't pay cash, \$700,000, one-half in cash, and the balance over five years with a mortgage on the fixed assets". This was a firm proposition given to them by the government of Saskatchewan.

Mr. Babcock said "I'll have another look". He had another look and he came back and said "I have lost all interest." That, you think, Mr. Speaker, would have ended it, but the government was so anxious to sell Saskair that it thought of another gimmick. It approached the employees, and asked the employees if they would be interested in buying Saskair. What were the terms they offered the employees? Six hundred thousand to buy everything, lock, stock and barrel, on easy terms over a period of years. The book records that at first the union showed keen interest. Then the union reported back and said on looking over the operations of the company "We have lost interest". Even the employees wouldn't look at the company with a ten foot pole.

Then they said, "Well, it is very evident that we can't sell Saskair", so then the minutes record that having gone through these gymnastics, not having been successful, they decided they would issue a press release, a press release which would state that there was no substance to the rumor that Saskair was for sale, and that the government had never had any intention of selling Saskair. I should mention here, Mr. Speaker, that the board did find one step they thought they could take that might help Saskair. A decision was made to change the name. It used to be the Saskatchewan Government Airlines. They thought "Perhaps if we change the name it might help". You know the reason for changing the name as recorded, because business men, in particular American tourists, did not like the government.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Then a new name, Saskair, was painted on the planes. They then commissioned a photographer, a photo firm, to make a movie of the operations with the new name, and this movie was made for distribution in the United States.

An Hon. Member: — American?

Mr. Cameron: — I know, Mr. Speaker, because the account for payment came over my desk. What did we do? Having been alerted to this extent to the plight of Saskair, I suggested, and the government agreed, that we engage a firm of consultants with wide experience in aviation in order to assess Saskair and its operations. Mr. Speaker, their report verified that conditions were exactly as reported by the former board. Their recommendation was brief and it was to the point, namely, "Saskair would require massive sums of new

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capital if Saskair was to be made competitive with other operators in northern Saskatchewan. Failing this, as a government operation, unless we spend these massive sums we could look forward to continuing losses over a period of years.

Mr. Brockelbank (Kelsey): — Mr. Speaker, could the hon. minister table that report?

Mr. Cameron: — Yes, I have it with me. Now, let me turn, Mr. Speaker, I may have spoken out of turn, I'll have to check with my colleagues in the government whether or not to table it.

An Hon. Member: — That figures.

Mr. Cameron: — Because as well as Saskair . . .

An Hon. Member: — Mr. Speaker . . .

Mr. Cameron: — Sit down, will you? I'm making . . .

Mr. Brockelbank (Kelsey): — Mr. Speaker, on a point of order. I asked the minister if he would table this report. The minister is quoting from a report.

Mr. Cameron: — I'm not . . .

Mr. Brockelbank (Kelsey): — I think a responsible minister is required to table papers from which he quotes. Well, he was quoting from the report directly. He says the report says . . .

Mr. Guy (Athabasca): — He takes full responsibility.

Mr. Cameron: — If you got a letter from your girlfriend and you said it said . . . would you be quoting?

Mr. Willis (Melfort-Tisdale): — Aha, now this is getting interesting.

An Hon. Member: — Whose girlfriend?

An Hon. Member: — I'm not sure whose girl friend, Alex!

Mr. Speaker: — Well, it seems to me that we have various categories of papers and letters and so forth that get read in legislatures. The basic rule governing the laying of state papers, as stated in Erskine May, is as follows:

A Minister of the Crown is not at liberty to read or quote from a dispatch or other State Paper not before the House, unless he be prepared to lay it upon the table. (17th edition, p. 458). There is, however, a qualification to this rule, for while a State Paper cited in debate ought to be tabled, a Minister can decline to table such a paper on the grounds that it is not in the public interest to make the document public. (May, p. 458). Herein lies the source of conflict between a Minister's responsibility

to the House, and his responsibility to safeguard the public interest. The Speaker must be careful that in defending the rights of the house, he does not place a Minister in a position in which he must act contrary to that interest.

In the final analysis the responsible minister, not the house or the speaker, is the only person competent to judge. I think that covers the whole thing.

Mr. Cameron: — Mr. Speaker, I think since I am the responsible minister, I think I am competent to judge. I was about to explain to the member from Kelsey (Mr. Brockelbank) — but he was so hasty — I was about to explain to him that the reason I checked and said I would consult my colleagues is because the report deals likewise with air ambulance, which is not under my jurisdiction, so courtesy, in itself would demand that I ask my colleague whether he is prepared to table it because of some reference to an operation under his charge.

I consulted with my colleague, he says he is prepared to table it, and so am I, and it shall be tabled.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Now, then, having pointed out what is in the report, at least, the conclusion that it would require either massive sums of continued losses, we decided that perhaps it would be in the best interests of the province rather than to invest huge sums of money, to put the corporation up for sale. In doing so, Mr. Speaker, we didn't sneak anyone in through the back door unknown to the public. We made it known by a press release to all the people of Saskatchewan that we proposed to sell Saskair, provided certain conditions could be met. We spelled out the conditions and invited companies to submit their offers. Mr. Speaker, the conditions were tough. First, we said, to take over the assets of the corporation that is almost bankrupt, they must continue to operate all the lines even though these lines were losing money. They were obligated to guarantee the employees positions and rights. We would insist that the heart of the operation remain in Prince Albert. They were to guarantee that the basic fleet necessary for fire fighting be maintained for government use in the province. All these commitments we spelled out in advance. We said we felt if these commitments could be met, and we were able to get back the \$600,000 that was invested by Government Finance Office in Saskair, plus a fair return or interest on the money, plus these guarantees that the operations would be continued, no layoff of men, no cancellation of routes, and a price tag in the neighborhood of \$1,000,000, we said we felt it was in the public interest to sell.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Now I know many people said to me, “you must be kind of out of your mind to try to sell . . .”

Mr. Blakeney: — When . . .

Mr. Cameron: — When I announced these tough conditions. They said “That is impossible”. If ever a feat of salesmanship was required, it was required here to dispose of Saskair under those guarantees.

Saskatchewan's own people, Saskatchewan's own businessmen from Prince Albert and La Ronge came in to see us. They said, "We think in the interests of Prince Albert and in the interests of northern Saskatchewan that we can undertake these obligations and meet them." We said, "We are pleased to hear this but to show your sincerity before we negotiate, we expect you to make a deposit of \$10,000 and then we will start talking business." They made the deposit to show their good faith. They met the conditions and the sale was negotiated. Now then . . .

Mr. E Kramer (The Battlefords): — You'll have . . .

Mr. Cameron: — You have a hard enough time to absorb what I am telling you, if you will sit quiet, let alone interfering . . . Now then, the terms were agreed upon. An agreement was reached on a Saturday, since the house was in session I took the first opportunity on the next sitting day, on Monday, to announce in the house the terms and conditions of the agreement. I was rather amazed when I reviewed them the other day after remarks I heard, at the amount of information I did not give the house. I want to refresh your memory and I am quoting now; it has been already tabled because it is in Hansard, I hope you won't interfere this time and I quote:]

The government felt it would be desirable that the corporation be sold, provided certain conditions could be met. The first and undoubtedly paramount consideration was that those services being provided to northern areas of the province be maintained. If the province could be assured of a continuation of these services, and the government could recover the advance investment of \$600,000, plus a fair return on that investment, it would then be in the public interest to dispose of the corporation. I wish to inform the assembly that negotiations for the sale of Saskair were concluded late Saturday. A contract for the sale of Saskair has been entered into. The contract is subject to ratification by the Air Transport Board.

Then I said:

You will appreciate, I am sure, that a transaction of this magnitude is necessarily intricate.

Further quote:

There are a number of incidental matters such as the acquisition of certain titles, transfer of licenses, leases and permits, all of which remain to be dealt with between now and the closing date of the sale.

Then I outlined the terms of the agreement.

The government obtained a price of \$947,000, calculated with reference to the auditor's financial report submitted in December. Approximately forty per cent, or nearly \$400,000 is payable in cash, the balance at 5 $\frac{3}{4}$ per cent interest is payable by monthly installments over a ten year period. Under provisions of this Sale Agreement, the purchaser is bound to maintain all existing services presently provided by Saskair.

and then in my statement to the house, I listed those services. This is what I said they were bound to do:

To maintain the air base and maintenance shop in Prince Albert, to continue the flight from Prince Albert to Uranium city, including the three return trips per week, to maintain the permanent bases at La Ronge and Uranium city and Buffalo Narrows, and the four summer bases, together with the flights thereto, as authorized under existing licenses. To maintain fire suppression aircraft, including the Canso Water bombers, and other specially equipped planes for smoke jumping parachutists, for the sole purpose of government use. In return the government has undertaken to contract services with a minimum of \$275,000, and a maximum of \$400,000, as the need arises.

Now, Mr. Speaker, they had one whole year in which they went around the province and accused the government of denying them information about the sale of Saskair. They used these tactics on the Monday when I announced it and said there were many, many details to be taken care of. They immediately shot in an order for a return asking for the agreement. Now when the return was tabled, it said on the particular date, the Provincial Secretary didn't have the copies of the agreement.

An Hon. Member: — There wasn't any . . .

Mr. Cameron: — Just a minute, control yourself . . .

An Hon. Member: — You say these things and then . . .

Mr. Cameron: — The answer came back – nil. Now, keep that in mind, because I'm going to deal with it in a little later . . .

Mr. Brockelbank (Kelsey): — One year later.

Mr. Cameron: — Mr. Speaker, I am going to table one of my own copies of the agreement tonight. I was amazed when I reread it today. I didn't overlook in my statement to the house, I didn't omit one detail of what is in here.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — They had the details one year ago, a full disclosure of what the sale was. All the wiggling in the worked is not going to prevent revealing the dastardly tricks they resorted to in an effort to discredit the government and to lead the people to believe that we sold them out on Saskair.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Now, Mr. Speaker, I have a little more to tell yet. When we negotiated thus far, I had no conception of the problems that lay ahead. Any purchaser wants to see the titles, to the assets he proposes to buy; we went to gather up these titles. What did we find? Assets that were listed in the report as belonging to Saskair, what did we find? The city of Prince Albert came forward with a contract entered into by the government and the city of Prince Albert, in which they claimed that this agreement between the government and the city of Prince Albert gave the city of Prince Albert the hangar and the work shop in the

event that Saskair was removed or sold. So then you are in the position where the city of Prince Albert claims the hangar, and the workshop . . .

An Hon. Member: — Other deals . . .

Mr. Cameron: — We found some other assets which we thought Saskair had at La Ronge and at Martin Lake, we found they were listed as assets, but in essence they were the property of those municipal corporations. Then the government came along later on, set up boundaries fro La Ronge and Martin Lake, and incorporated these urban centres into municipal corporations. What did they do? In setting up the boundaries they moved them out beyond the property of Saskair, so when they became a village they owned all the property of Saskair which was within the village boundaries. There was a clear case of the left hand not knowing what the right hand was doing. They had no conception that they didn't own these assets, they were recorded every year on the auditor's statement, when in fact the city of Prince Albert, the village of La Ronge, and the corporation of Martin Lake own practically all the buildings that we had.

Then we had to proceed and negotiate with the city of Prince Albert. We had to go away up north and negotiate with Martin Lake officials, and negotiate with the officials of the village of La Ronge, to see if we couldn't buy back what we thought were our own assets. These negotiations, of course, took a great deal of time, having to go into the remote areas of Martin Lake. Their officials meet in Uranium city, I understand they only meet about once in two months, and sometimes once in three months. So, we had to wait until we could get them into Uranium City for a meeting and time was precious, because the winter was upon us. But negotiations, of necessity, took a considerable time. We knew that the Air Transport Board would not transfer licenses to any organizations until it was satisfied as to the ownership of the assets which the purchaser claimed it owned. As a result of this, the sale which we had hoped to complete in November was carried over until late summer and early fall before it could be completed, putting us in the position of having to operate Saskair during another winter of heavy losses.

Mr. Speaker, I want to turn now to something else, which in my humble judgment is even worse.

An Hon. Member: — Another deal . . .

Mr. Cameron: — When we came to protect the employees' interests, because we had given a commitment, and we insisted the purchasers give them a commitment that the employees' positions and jobs were secure, when we came to fulfil that commitment, what did we find? This startling revelation. Mr. Speaker, we found that the employees had not received their full holiday pay for each of the years extending back to 1958. Some of these employees had devoted their talent . . .

An Hon. Member: — Somebody made a statement on . . .

Mr. Cameron: — . . . and their loyalty to Saskair ever since it had been incorporated. Some of them had over \$2,000 in earned holiday

pay that the corporation had never got around to paying them.

Hon. D Boldt (Minister of Social Welfare): — Let them go on social aid.

Mr. Cameron: — Yet we have on the statuettes of this province, a statute called the Annual Holiday Act, in which every employer of men, must pay them holiday pay. It must be paid within a period of 10 months. If they don't do it they are subject to heavy penalty, and if necessary, to foreclosure and confiscation of the business. Here is a law for the employers of Saskatchewan, this was the law for the other fellows. Here is a government supposedly concerned with humanity, who flouts the law of the land and treats its own employees in such a despicable manner.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — We went to Prince Albert and sat down with the employees, checked their records, and verified the amount of back pay they had coming. Then we reached a mutually satisfactory agreement. We came back to Regina and Mr. Speaker, every cheque to every individual employee for back holiday pay went out forthwith.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Then we said to the employees, "Since you have built up a pension fund to which you have contributed, to which the corporation has contributed over the years, we will take your contributions, plus the contributions which the corporation has made over the years, totaling some \$131,000 and refund it." We said, "We will remit to you by cheque your share of this pension fund" and cheques went out to each employee in the amount of \$131,000.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Of course, in any business that has employees for years, these employees have built up an unused sick leave benefit. The employees naturally were concerned what became of them in the case of illness. With a new company taking over, they had no credit in the new company. We sat down with the employees and representatives of the new company, and together they agreed to set up a fund to be administered by a joint board of management and employees, to administer this unused sick leave fund. We said, "To assure you employees that your benefits for earned sick leave will be protected, we will contribute \$15,000 to this fund to get you started and to give you security."

Mr. Speaker, just a few days ago I received, I think, one of the most heart-warming letters of appreciation that I have ever received from the employees of Saskair, expressing their

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thanks and their appreciation of the manner in which we protected their rights and guaranteed their security. That letter, Mr. Speaker, I shall treasure for many years to come.

Now, that is the story of Saskair, excepting this. In answer to the return, after giving all of the details in the chamber, precisely what is in the contract, the opposition moved an order for return. I had said in the house that many things were yet to be straightened out. You may not realize what was yet to be done, even I didn't realize when I spoke in the house. They asked for the agreement on this date. The answer came back nil. The member from Regina north (Mr. Whelan) comes in on his white charger and he is going to move a motion of censure . . .

Mr. D. Stuart (Minister of Public Health): — On his Kiddy Car . . .

Mr. Cameron: — . . . maybe it was on his Kiddy Car, I guess it was, a motion of censure on this cabinet minister and on this government for denying the people of Saskatchewan, and this chamber, information about the sale of Saskair.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — Now, then let me clear up this little bit of shenanigans once and for all. A meeting, one of many, was held with the representatives of NorCanAir on March 20th, that is the Saturday I referred to, at which an agreement was arrived at for the purchase of Saskair, and signatures attested to the agreement. Now, I, as minister of Saskair, felt it my responsibility, though I signed the agreement, that I as the minister, could not commit the board to the sale of Saskair and would ask the board to ratify the sale. Hence, the agreement was submitted to a meeting of the Board of Directors of Saskair. They passed an official resolution ratifying the sale to clear the board of its responsibilities. Such a resolution was agreed at a full board meeting on March 25th. Having obtained the approval of the board, the agreement would naturally have to be submitted to the government for approval. No crown corporation Board of Directors can up and sell a corporation that they are administering, so it had to go to the cabinet for approval. This was done on April 15th and an order in council, no. 602-15 gave government approval to the contract I had negotiated. Subsequent to this, immediately thereafter, this document was retyped, incorporating some minor suggestions, that we had suggested and they had suggested as a matter of tidying up and clarifying some paragraphs here and there. This in turn was again signed by the officials of NorCanAir, by myself on behalf of the Saskair and by the Premier as Provincial Treasurer, dated April 15th, 1965. Now, they didn't even give us until April 15th, to tidy up and get the agreement in shape for tabling.

Now, Mr. Speaker, why did I outline so fully the details of the contract? Because I could foresee, that by the time the board met and by the time the cabinet approved this agreement, the house would be over, I felt that the members of the legislature were entitled to have a full disclosure of this contract. That is why I stepped it up, and rose in my seat and gave the disclosures that I did, so that you would have the information I didn't have to give it, but I gave it, believing that as a responsible minister and a member of this house, all members of this chamber were entitled to the information as speedily as it could be given.

I may say this, Mr. Speaker, if I had known, or though, for one moment, that as a result of this action of mine, that the government and myself would be subjected to ridicule and to criticism all summer in an effort to discredit us, I am very doubtful if that information would have laid before the house when it was. Mr. Speaker, the document which I am about to table, verifies that the opposition had a full disclosure within forty-eight hours of the time when the original document was signed. To think how they degraded themselves, and the use they put it to, will bring nothing but disrespect to them throughout the province.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — I want to say this, Mr. Speaker, in closing, it is hard negotiating when you are protecting so many people's interests, and trying to obtain a fair return. I want to say throughout the year not one letter of condemnation was written by anyone but the Socialist opposition and one or two of their friends whose names are well known. I invite you to go into northern Saskatchewan today and hear what they have to say about the operations of Saskair and the security they have now.

I want to give you the results of this. After purchasing back these assets, operating at a loss throughout the winter, the sale of Saskair, still gave us net \$845,000 and interest on the balance over the 10 years will give the province on this sale, net receipt of slightly over \$1,000,000. We have reclaimed for the people of this province the investment of \$600,000 and on top of this we have secured for the people interest on this investment since 1955 at slightly less than six per cent. So we got their money back plus a six per cent return on that investment . . .

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — . . . and we unloaded a defunct and dying corporation. Mr. Speaker, I want to say that I am proud that I was able to play some small part in securing for the people the investment they had sunk into Saskair, to inject new blood into a dying aviation venture, and now today to see it healthy and growing and playing an ever increasing role in providing transportation to our people of the north.

Before I take my seat, I want to express my appreciation to the news media of this province for the way in which they treated their news stories, revealing to the people precisely what was going on, and in a manner which kept the public informed, while in no way interfering with the negotiations between us and NorCanAir. I want to express my appreciation to the city council of Prince Albert, to the officials of La Ronge, and to the officials of Martin Lake, for their helpfulness and co-operation in assisting us to sort out and put in order the horrible, tangled mess.

Some Hon. Members: — Hear, Hear!

Mr. Cameron: — I want to congratulate the officials of NorCanAir. We felt when we began to negotiate with them that here we had men, Saskatchewan businessmen of character and integrity. We felt confident that they were sincere in their objectives and that they could undertake this most difficult task and make a success of it.

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I want to congratulate them on the splendid job they are doing in this revitalized, healthy, vigorous air operation, that is bringing such tremendous transportation facilities to northern Saskatchewan.

Some Hon. Members: — Hear, Hear!

Mr. Brockelbank (Kelsey): — Mr. Speaker, before the hon. minister sits down could I ask him one question, please? I took it that the hon. minister said that Saskair was operated by the crown corporation last winter. That means that the Crown Corporation Committee will handle the report.

Mr. Cameron: — In answer to the member's question, we operated Saskair for part of this fiscal year. The annual report is now being prepared. We will submit it to the Crown Corporations Committee, and that portion of the operations that we are responsible for in the crown corporation during the past fiscal year.

Mr. E.I. Wood (Swift Current): — I would like to ask the hon. member a question before he sits down. The hon. member indicated that he had a signed agreement on a Saturday evening, why was this not tabled in response to the question that was asked?

Mr. Cameron: — It was a signed agreement with me as minister of Saskair, and with the officials of NorCanAir, my contract and their contract, but it had to be submitted to the board for approval. It had to be submitted to the government for approval. I outlined that we had an agreement of sale, it was signed, and I outlined the terms and provisions. It didn't become an official document of the government until cabinet had passed an order in council approving it.

Mr. Kramer (The Battlefords): — Mr. Speaker, I want to apologize to the hon. Minister of Mineral Resources. I mentioned a halo awhile ago and then noticed it was the hon

Mr. Speaker: — ORDER, ORDER! That is the end of all those comments.

Mr. W.E. Smishek (Regina East): — Mr. Speaker, I want to thank the minister for letting us know that the \$135,000 or the \$131,000 the Saskair employees contributed to the pension plan was paid back to the employees. It would have been unfortunate, and I suppose illegal, if anything otherwise was done. It was money that they contributed and they were entitled to it. I am happy that they got it back.

Mr. Speaker, in rising to take part in this debate, I want at the outset to extend my congratulations to the member elect for the constituency of Bengough. Naturally I would have liked to have seen it otherwise, that is, to have had Mr. Dahlman take a seat on this side of the house. However, the people of Bengough made a decision and we on this side of the house are prepared to accept it. The Premier, yesterday, said this victory of Mr. Mitchell's say lead him on to temptation. Well, Mr. Speaker, we know that the Premier in the past has been let to temptation very easily, but I certainly believe that he will think twice before he calls an early general election. However, if I may tempt him, I'll say

that we on this side of the house are prepared to accept the challenge any time, and accept the consequences, and the sooner the better, Mr. Speaker.

Some Hon. Members: — Hear, Hear!

Mr. Smishek: — Also, I want to extend my congratulations to the member from Moosomin (Mr. Gardner). I want also to tell him that when the by-election campaign was on that I did spend several days in Moosomin, doing my bit with the hope of preventing him from taking a seat in this chamber. I want to tell him this, Mr. Speaker, so that he knows that I am the union organizer, the hon. member from Milestone referred to. I participated in the Moosomin by-election on my own time, at my own expense, using my own car. I was not as fortunate as the cabinet ministers were in using government cars, and on being on government expenses. Nor did I have the advantage that the hon. member for Last Mountain (Mr. MacLennan) had, being Legislative Secretary to the Premier, he was being paid a \$2,000 yearly bonus, with a government expense account. The hon. member from Last Mountain (Mr. MacLennan) spent, I understand all his time during the campaign in Moosomin, acting as a campaign manager. It is precisely for this reason, Mr. Speaker, that we on this side of the house oppose the idea of the establishment of Legislative Secretaries, because we feared that their jobs would lead to, or end in them being political organizers for the Liberal party, Liberal bagmen at government expense.

Some Hon. Members: — Hear, Hear!

Mr. Smishek: — I want also to extend my compliments to the hon. member Wilkie (Mr. McIsaac) on his appointment as Minister of Municipal Affairs. I would also like to suggest to him that he immediately look into the shabby treatment that the urban centres are getting from this government since it took office.

I would like to concur in the remarks made by the hon. member for Hanley (Mr. Walker) the other day with regard to the advice he gave to the member for Canora (Mr. Romuld). Let's have a by-election. Resign and give the people a chance to decide whom they want to represent them.

One year ago, when I took part in this debate in the Throne Speech, I reminded the Premier and his colleagues of the Liberal's shameful record of constantly maligning and attacking labor, the labor laws and the labor organizations of this province. I suggested that the Liberals might consider turning a new leaf, making a new start, try to get along with the people of Saskatchewan and their organizations and respect and recognize citizenship rights.

We on this side of the house believe that in a democratic society people have the right to differ with regards to politics, legislation, religion, economic and social matters, everything and anything. We believe that people should have the right to different opinions and should have the right to promote and expound the ideas they have, so long as they are legal and within the limits permitted by law. In a democratic society I suggest that it is the obligation of government to protect these rights of people and not condemn them as has been the case in the several months.

But what did the hon. member for Milestone (Mr. MacDonald) the mover of the Throne Speech tell us. In effect he said that

he as Liberal MLA for Milestone, a school teacher, a member of the Saskatchewan School Teachers' Federation and teachers' union, he has a Legislative Secretary being paid \$2,000 a year more than an ordinary member with a government expense account, that he should have the right to campaign for a candidate of his party in the Bengough by-election. But he did not stop there, Mr. Speaker. He proceeded to attack labor and by implication suggested that I, as a CCF MLA for the city of Regina, who belongs to a labor organization and works for a union should not have the same right to promote a candidate of my choice. If I do, I take a chance on being criticized and condemned by the Liberals. This is the Liberal version of people's rights.

The member for Milestone (Mr. MacDonald) is not the only one guilty of this perversion of the democratic rights of people. There are the hon. Minister of Health (Mr. Steuart), the Minister of Public Works (Mr. Gardiner), supported by the Leader Post editorial writer E.N. Davis, and other of their colleagues who have had a lot to say about union organizers working in the by-election at Bengough. Well, Mr. Speaker, what are the facts: The truth is that no union organizer worked in Bengough any time during the campaign. We admit, Mr. Speaker, two people who are on the provincial payroll or our political party and who have had past union associations have worked in Bengough. I repeat they are full time employees of our party. Both were born on a farm and raised on a farm, both I suggest have more interests in common with the farmers of Saskatchewan and have had more farm experience than many members on the government side of the house.

Some Hon. Members: — Hear, Hear!

Mr. Smishek: — Mr. Speaker, I was interested in noting the other day, reading in the Moose Jaw Times Herald, the accusations made by the hon. Minister of Public Works (Mr. Gardiner). He suggested that if a trade unionist, particularly a trade unionist who is employed by a labor union is elected as a public representative he should resign his employment. The Minister of Public Works is inclined to give advice very easily, but he certainly does not ever try to apply the same rules to himself. I note, Mr. Speaker, that the member for Melville (Mr. Gardiner), the hon. Minister of Public Works, when he was first elected to this legislature as a private member, I see that he did not resign his position as clerk for the town of Lemberg. He stayed on the payroll and received monies from the public area. I notice also, Mr. Speaker, that the hon. Minister of Public Works only wants to suggest rules for people on this side of the house. Why didn't the hon. minister also suggest that some rules apply to his colleagues on being elected, and who are working for wages. For example, the hon. member for Kindersley-Kerrobert (Mr. Howes) is a Municipal Secretary. Why didn't the minister suggest the he should resign, or the hon. member for Athabasca (Mr. Guy), or the hon. member for Milestone, (Mr. MacDonald), who are school teachers, or the hon. member for Souris-Estevan (Mr. MacDougall) who is employed by Producers Pipe Line. What about some of his colleagues, why did they not resign from the numerous directorships that they hold in companies. I notice that the Minister of Natural Resources, (Mr. McFarlane) still is the director of seven companies, the Minister of Highways (Mr. Grant) still holds directorships for five companies, the Hon. Minister of Health (Mr. Steuart) is still a director of a company. It seems, Mr. Speaker, that as far as the Liberals are concerned they make one set of rules for themselves and state that a different set of rules should apply to the people on this side of the

house. Mr. Speaker, the hon. minister had more to say. He suggested that I on being elected, I was somehow squeezing somebody else out of a job, also that the former Minister of Public Works had somehow replaced somebody else after being employed by the Saskatchewan Federation of Labour. Mr. Speaker, I suggest that this is a deliberate lie on the part of the minister and he knows it. The former Minister of Public Works (Mr. Davies) was an employee of the Saskatchewan Federation of Labour for a least . . .

Hon. J. W. Gardiner (Minister of Public Works): — Mr. Speaker, I don't believe any member can make a statement about another member such as has just been made by the member for Regina East (Mr. Smishek) and I would ask that it be withdrawn.

Mr. Speaker: — The point of order is well taken.

Mr. Smishek: — Well, Mr. Speaker, I will withdraw the word "Lie" and substitute it by saying that this was far from the truth what the minister was stating.

Mr. Speaker, the former Minister of Public Works (Mr. Davies) as I was saying, was an employee of the Saskatchewan Federation of Labour and he had the right to return. And, Mr. Speaker, further I would suggest or tell you, with reference to some of the other accusations regarding salaries being paid to the hon. member from Moose Jaw (Mr. Davies) and myself, that the minister was trying to misrepresent our wages as a result of us being members in this legislature. The wages paid to us recognize the fact that we do have to take time off to sit in the legislature and do political work. Our wages are, therefore, reduced proportionately and this is recognized by the labor movement. Mr. Speaker, the minister also suggested in his remarks that somehow or other the Trade Union Movement should become politically neutral and should not participate in politics. Well, Mr. Speaker, the Liberals would only like those people who agree with them to be active politically. Anyone who disagrees with them they would like to have them neutralized politically.

Ever since I can remember Liberal party spokesmen have been guilty of trying to drive a wedge between labor and farmer, between one section of the community and another. They have tried to distort the facts regarding people who may be on social aid. They fabricated fantastic stories about the Public Health program such as the Hospital Medical Care plan. They are a party of pitting one group of people against another. A shameful record indeed, I would suggest.

Let me continue, Mr. Speaker, with regard to the distortions of the Liberal party spokesmen in connection with labor, labor problems in employment, labor force and wages in Saskatchewan and elsewhere.

The Premier in his address stated that the objectives of the Liberal party were to achieve full employment and high wages. Yet, wherever and whenever workers strive to achieve these objectives through their organizations, they are the first to malign, condemn and persecute the workers. For example, the Premier the other day made the following accusations about the grain handlers in Vancouver and I quote:

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The boys who push the brooms around at most elevators can go whistling merrily on their way at \$8,000 a year.

A lie, Mr. Speaker, a lie. The highest, qualified . . .

Mr. Thatcher: — Mr. Speaker . . .

Mr. Speaker: — ORDER, ORDER! Now I think it's necessary to properly state the law of parliament in regard to calling people's statements lies. It's in order for an hon. member to state that what was said by another member was incorrect or not in accordance with the facts. It is not in order for any hon. member to say that an hon. member mad a statement that was not true and that he knew it was not true at the time. Neither is it in accordance with parliamentary rules and procedures to call anybody a deliberate liar, anybody in this house any time.

Mr. Thatcher: — May I rise?

Mr. Speaker: — ORDER! I want to draw the attention of all members of this house to the fact that we are collectively, we are individually members for our seats, we are collectively members of this house and anybody that lowers the prestige and the dignity of one member of this house lowers the prestige and the dignity of all.

Mr. Thatcher: — Now, Mr. Speaker, may I rise on a point of order. What the hon. member was quoting was a quotation I made from the Canadian Cattlemen, October issue, the editor said that, I didn't.

Mr. Kramer: — Further to points of order, Mr. Speaker, I submit that possibly the hon. member for Regina (Mr. Smishek) is only taking a cue from the hon. Minister of Public Health (Mr. Steuart) who used the word "lie" and was not called to order this afternoon. The record will show this.

Mr. Speaker: — I don't think you are adding much to the stature of the debate either. Now let's continue to debate.

Mr. Kramer: — I simply wanted to draw it to your attention, Sir.

Mr. Speaker: — Let the member continue.

Mr. Smishek: — Mr. Speaker, the statement came from the mouth of the Premier. He certainly must have believed in it to have quoted it, and I should state emphatically, Mr. Speaker, that the statement is incorrect. The figure he quoted is not true. The highest qualified tradesman, a millwright in Vancouver, providing he works all year around, which is most cases is not the case, would fall at least \$1,200 a year short of this figure. The sweeper, the job the Premier referred to, according to the latest bargaining agreement – and, Mr. Speaker, I have a copy of it with me and I am prepared to file it with this house – receives \$2.64 an hour and will remain at the same rate until November 30, 1967. This means that he receives \$210 a month or \$2,500 a year less than what the Premier has charged. As is well known, Mr. Speaker, the jobs of sweepers in elevators are the dirtiest and among the most health-hazardous jobs that there are in the industry and, furthermore, Mr. Speaker, these jobs are not on a year-round basis. I

was in communication with the people in Vancouver and they tell me that they are lucky, fortunate, if they get nine months of employment a year. Mr. Speaker, I would also point out that the jobs at \$2.64 an hour are certainly at the prevailing rate in Vancouver. I noticed, according to the Labor Gazette, the latest issue, the average wages in the province of British Columbia are \$2.62 an hour, compared to \$2.11 an hour in Saskatchewan. Mr. Speaker, I further checked these rates with similar jobs in the province of Saskatchewan in the case of people doing similar work in mills. It is interesting that these rates compare \$2.02, \$2.11, \$2.20 per hour for similar kinds of jobs.

The facts regarding the movement of grain to the west coast are, as the hon. Leader of the Opposition has described, slow movement of grain must be attributed to the lack of a national transportation policy and to the CPR for which the Liberal federal government must assume full responsibility and the provincial Liberal governments must also assume their share of the blame for not prodding and demanding of the federal government an immediate solution. The Premier tried to attribute the plight of the farmer to the rail and grain handler's strikes. I say nonsense. This is a red herring the Premier is accustomed to dragging in by the tail in defence of the bankrupt policies of the Liberal party, wherever and wherever they hold office. The Premier and Senator McDonald at their own convention acknowledged the Liberals do not have any farm policy. There has been no rail strike, no grain handlers' strike, no harbor strike during the current crop year and this the Premier knows very well, Mr. Speaker, I have a letter from the west coast grain handlers in regard to the charges and accusations the Premier made here the other day. They asked me to advise the Premier of our province that he should spend less time and I quote:

Criticising and being sarcastic about the industrial workers or the broom pushers of the west coast and spend more time clamoring to the federal government and the railways to see that sufficient boxcars of grain are shipped to the west coast to keep the grain elevators running at full capacity. During each month last fall there has been a tremendous shortage of cars in the respective elevator trackage for unloading areas. From time to time many layoffs have been experienced, even on one shift operation in some cases. The union has always been prepared to work three shifts if necessary, and at least when necessary to receive cars and load out ships, but there have not been sufficient cars on many occasions to provide full receiving and loading operation for one shift per day in many elevators.

Mr. Speaker, I want to discuss briefly some of the Liberal exaggerations over the past several months and, since this session opened, regarding employment, unemployment and their 80,000 job promise. Referring first to the potash industry and its potential for providing new jobs. May I say that I believe the potash industry holds an important and a great potential for economic development and economic expansion of the province. As is well known the potash discoveries were made in the province during the period of CCF administration. The three potash mills were in production or on the verge of production prior to May 22nd, 1964. Incidentally, Mr. Speaker, I attended one of the industrial openings last summer in this city. There were some people from eastern Canada who had interests in this particular plant that opened. There were a number of people that made speeches including the Premier. The Premier got exuberant in his usual way regarding the potash development of the province. Following the Premier the President of

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this particular corporation spoke and even he had to make a remark that really he didn't believe that the Liberals planted the potash in the ground since May 22nd, 1964.

The question of how many direct and indirect jobs this industry will provide I suggest still remains unknown. The fact is that the Liberal government is doing nothing about finding out the facts of what the potential this industry holds in respect to employment. But here are some of the exaggerations and some of the guesswork that goes on.

At a press conference in Moose Jaw on August 26th when questioned by reporters, the Premier said "that in the next few years I expect 6,000 people to be employed directly in these plants." On Friday last, Mr. Speaker, the Premier in this house increased this figure to 8,000. The exuberant member for Milestone (Mr. MacDonald) during his Throne Speech, like the Premier, said this "Our potential needs in the labor market are also just beginning. The 35,000 men in the potash field", and he went on "the goal of the Liberal party to providing 80,000 new jobs will be a practical reality in the next two years." I will deal with the 80,000 job promise in a second, Mr. Speaker.

But here is the Liberal confusion, one day it's 6,000 jobs, a few weeks later it's 35,000 jobs, then back to 8,000 jobs. What will it be tomorrow? Fifty thousand or 100,000 and then the day following probably some smaller figure. Now what about the indirect jobs? Here too the same kind of confusion is created. In August, during the same press conference, the Premier is quoted in the press as saying that 35,000 jobs will emerge. Last Thursday the figure dropped to 25,000 and so the numbers game continues.

Now what about the 80,000 job promise? I want to ask the Minister of Labour (Mr. Coderre) and the Premier again how many new jobs have been created in Saskatchewan since the government took office in May, 1964. I want a specific answer. I want an exact figure. I think the people of Saskatchewan and this legislature deserve an accurate estimation. Mr. Speaker, I suggest that they do not know. The other day I asked the Minister of Labour a question on what was the size of the Saskatchewan non-agricultural labor force as at June 30th, 1964 and as of December 31st, 1964, and every three months thereafter to the end of 1965. The minister had no answer. He converted the question to an order for return.

Yet when it comes to pulling figures out of a hat for propaganda purposes the minister gets carried away with reckless abandon. The Minister of Labour, while addressing the Saskatchewan Federation of Labor convention last fall, stated this:

It has been estimated that we now have 20,000 more employees in the various trades and industries outside of agriculture than we had a year ago.

Twenty thousand new jobs – I can spend the next hour presenting facts to disprove his claim, but one example will suffice. How come them, Mr. Speaker, is it that the population increase during this period has only been somewhere between 7,000 and 8,000? If there was an increase in the labor force to the extent of 20,000 people, I suggest that the population increase would have been somewhere in the neighborhood of 60,000, not 7,000 or 8,000 as it is. This is even making generous provision for the farm urban population shift. During the 1964 election campaign, we will all remember, the number one plank of the Liberal party read "Create

80,000 new job opportunities for Saskatchewan young people in four years through a dynamic Industrial Development Program.

Last Saturday, February 12, there appeared a newspaper advertisement and I have a copy here with me. The advertisement, I notice has been altered. I notice there were two very significant changes with regard to this particular promise. It is no longer 80,000 jobs but has been changed and it has been changed very significantly. It now reads this way: "provide thousands of new jobs for our people through industrial and mining development". See the change? It is also significant, Mr. Speaker, I suggest, that it has now been moved from number one spot to no. 13. I would suggest that it is going to become the unlucky no. 13. In midterm, Mr. Speaker, the promise has been amended, altered, changed, forgotten and thrown into the waste paper basket. Typical, Mr. Speaker, typical of Liberal broken promises.

The same kind of distortion is repeated in the so-called labor shortage. In July the Premier was in need of a headline so he pulled a figure out of thin air and said "There is a 10,000 labour shortage:, when in fact, on checking with the National Employment Offices there were 7,000 unemployed and looking for work, this exclusive of the thousands who were not registered with any NES office. I inquired of the press whether they did any checking with the NES offices before they printed the story. The reporter replied: "Well, I suppose I should have, yes, this would have been a good idea". Well, Mr. Speaker, the junior Minister of Municipal Affairs (Mr. McIsaac) believing that his Premier might be saying the truth, is also reported in the press on August 24th as saying in Meadow Lake at a meeting of the Saskatchewan Urban Municipalities Association, "At the present there is a labor shortage, as a result of potash and northern mining development".

I wrote the minister advising him that I received enquiries regularly from unemployed workers about where they might find jobs. I asked him to provide me with detailed information regarding the labor shortage, that is, the type of jobs that are available, where they may exist and where the unemployed may be able to apply for these jobs. I also asked him to give me the rates of pay, hours of work, and general working conditions that may be offered in these jobs. The minister replied . . .

Mr. Speaker: — ORDER! It now being 9:30 p.m. order 30 (3), it becomes necessary to put the question on the amendment to the motion before the house.

Amendment negatived on the following division:

YEAS — 25

Messieurs

| | | |
|------------------------------|----------|----------------------|
| Lloyd | Cooper | Wood |
| Nollet | Walker | Brockelbank (Kelsey) |
| Blakeney | Davies | Thibault |
| Willis | Whelan | Nicholson |
| Kramer | Dewhurst | Berezowsky |
| Michayluk | Smishek | Baker |
| Wooff | Snyder | Broten |
| Larson | Robbins | Pepper |
| Brockelbank (Saskatoon City) | | |

NAYS —29

Messieurs

| | | |
|---------------------|--------------------|-----------------|
| Thatcher | Howes | Boldt |
| Cameron | Steuart | Heald |
| Gardiner (Melville) | Guy | Merchant (Mrs.) |
| Loken | MacDougall | Grant |
| Coderre | Bjarnason | Trapp |
| Cuelenaere | McIsaac | MacDonald |
| Gallagher | Breker | Leith |
| Radloff | Romuld | Weatherald |
| MacLennan | Larochelle | Hooker |
| Coupland | Gardner (Moosomin) | |

The assembly resumed the adjourned debate on the proposed motion.

Mr. Smishek: — Mr. Speaker, I was saying that I wrote the Minister of Municipal Affairs (Mr. McIsaac) to inquire where he got his information. I asked him a number of questions. The minister replied saying “My comments at the meeting largely concerned a shortage of skilled and professional people”. Well, this is not what he said to the press. The shortage in regard to technical, skilled and professional persons is not unique in Saskatchewan. It is not a new problem, this problem has been with us since we joined Confederation I suggest. It is a national problem. It is a universal problem. The issue, Mr. Speaker, is not that a shortage of skilled and professional people exists; the issue is what is the government doing about it. I suggest nothing. They are sitting on their hands.

Mr. Speaker, a number of my colleagues on this side of the house have pointed out sharply and concisely that lack of policy in regard to training and retraining programs, the lack of provision of adequate finance in regard to education.

Mr. Speaker, I would in conclusion like to make reference to a few very pertinent and important issues of concern to citizens of Regina. One of my major concerns is in respect of the third hospital. The people of Regina are in need of a third hospital. The committee that was established, the Dr. Agnew-Hartman Committee reported last summer. They made a specific recommendation, a clear recommendation, that a 370 bed hospital be built in Regina. We have been waiting to hear from the minister what action will be taken by the government. Speaking this afternoon, the minister passed over this problem very lightly. Mr. Speaker, I would urge the minister that before this house adjourns that we get a clear and specific answer from the minister as to what the government is going to do about building a third hospital for the people of Regina.

I would also like to comment in respect to some of the promises that were being during the election campaign. One promise that the Liberals made was namely that 50 per cent of the education costs of the city of Regina were going to be met by the provincial government. The truth is that last year only about one-third of the cost was met from provincial grants. The education costs to the city of Regina soared to in excess of \$10,000,000, and the government only provided grants of somewhere slightly over \$3,000,000. Liberals promised that there would be tax equalization, and equitable sharing of gasoline revenues for the construction of roads and the maintenance of roads in the city of Regina. Well, according to the estimates we had last year, the average

per capita intake to the treasury is going to be something like \$33.50 from gasoline sources alone.

Taking a look at the expenditures, the provincial government is going to be giving the city of Regina a return of something like \$3.29. So we as citizens of Regina pay approximately \$33.50 to the province for gasoline taxes and only get back \$3.29. So we as citizens of Regina pay approximately \$33.50 to the province for gasoline taxes and only get back \$3.29. Mr. Speaker, the Liberals promised specifically that there was going to be some equalization, some recognition of the need to provide urban municipalities with more revenue. They also promised that they would immediately move to providing free text books from grade 1 to 12. Well, we do have a suggestion that they are going to provide texts for grade 9, nothing for grade 12, nothing for grade 11, nothing for grade 10. Well, Mr. Speaker, I suppose we should be thankful for small mercies.

Mr. Speaker, I shall not support the motion.

Mr. Blakeney (Regina West): — Mr. Speaker, if I may use that traditional comment which is accurate in this case, it had not been my intention to join this debate, until I heard some of the remarks of hon. members opposite. The nature of the remarks and particularly the inaccuracies they contain and the misconceptions they exhibited suggested to me that I ought to add a few comments to the debate.

I am going to talk on three subjects and I hope briefly on each. The first is with respect to the remarks of the minister in charge of the Government Insurance Office. The minister advised the house when he started his remarks that he was new to the insurance industry. I felt as I listened that that remark was superfluous. I felt that while, indeed, he may be new to the insurance industry, it was a pity that he made it so painfully obvious to the house as he proceeded with his remarks.

Some Hon. Members: — Hear, Hear!

Mr. Blakeney: — He talked about the Saskatchewan Government Insurance Office and about the Saskatchewan Fidelity Company Limited. He properly advised the house that the Saskatchewan Guarantee and Fidelity Company Limited has been purchased in order to engage in the direct writing of insurance in other provinces of Canada. He properly advised the house that that purpose proved to be abortive, and that the S.G. & F. had not, in fact, engaged in direct writing to any substantial extent. It is true that some direct writing was done in the State of Montana, and that it was not entirely successful. But it is false and quite false to suggest that all or any major part or any substantial part of any loss incurred by the Saskatchewan Guarantee and Fidelity Company Limited is due to its direct writing, either in Montana or elsewhere. As the minister pointed out very clearly, the Saskatchewan Guarantee and Fidelity Company Limited was used as a reinsurance vehicle; it was used to reinsure risks which were written by the Saskatchewan Government Insurance Office; and it was used for the reasons stated by the minister, ie. that the corporate structure of the Saskatchewan Guarantee and Fidelity Company Limited was understood and accepted in the insurance markets of the world where reinsurance is bought and sold. The corporate structure of the Government Insurance Office was not so accepted since it was an unique corporation. No government, Liberal or otherwise, had previously had the courage to establish its own insurance office

for the writing of general insurance business in this way.

I want to say this: because the Government Insurance Office was writing a substantial volume of business and because it was difficult for it to get reinsurance facilities, the S.G. & F. was used as a vehicle, and the S.G. & F. Company Limited engaged in reinsurance throughout the whole world . . .

Mr. Stuart: — Russian fishing boats . . .

Mr. Blakeney: — The nature of reinsurance is such that it is fundamentally a trading operation as opposed to a buy-sell operation. If I take a package of risks that I want reinsured, and go into the insurance markets of the world, I'm expected to take some risks back. This is the way the job is done . . .

Mr. Stuart: — We didn't argue.

Mr. Blakeney: — Right. It may well be true that in the negotiations of these risks, losses will be incurred in some cases, gains will be incurred in others. I noted that the minister recited all of the treaties on which there had been losses, and he didn't recite any of the treaties on which there had been gains.

Mr. Stuart: — Because there wasn't any.

Mr. Blakeney: — Mr. Speaker, the minister has made his speech, and we all appreciated it. We would appreciate it if he would extend to us the same courtesies as we extended to him.

An Hon. Member: — Where did you take your insurance business?

Mr. Blakeney: — I don't know where I took it, but it is obvious that I am somewhat better informed than the member for Prince Albert (Mr. Stuart) and I would suggest that he retain his seat and listen carefully.

Mr. Stuart: — You are making a fool of yourself.

Mr. Blakeney: — Now, then, how much reinsurance would be marketed in these markets of the world over the period when the S.G. & F. company Limited was in business. How many millions in insurance? During this period the Saskatchewan Government Insurance Office wrote over \$100,000,000 in premiums.

Mr. Stuart: — That one stuck in your throat.

Mr. Blakeney: — This excludes A.A.I.A. premiums, some of which are reinsured, it excludes any direct writings by the S.G. & F. Company Limited. If these were included there would be well over \$200,000,000 worth of insurance, which would need to be laid off, or reinsured. Now, this is a lot of business, but vast sums of reinsurance were laid off, or reinsured in the markets of the world. And it was on the basis of the managerial decisions of people in the insurance office. Now, it is true that with all

the brilliance of hindsight, it can be seen that some money was lost on reinsurance. Someone is going to have to lose, someone is going to have to lose on a trade, both people can't win on reinsurance . . .

Mr. Steuart: — Why did the West have to win?

Mr. Blakeney: — You may well ask “why was it necessary that the Government Insurance Office negotiate in the markets of the world on an unfavorable basis? I will give you two reasons; one is that the risks of the Government Insurance Office were concentrated in a way which is not normal in the insurance business. This means, of course, for the benefit of the member for Melville (Mr. Gardiner) that in a town like Lemberg, it might be possible for the Government Insurance Office to have every second building insured.

Mr. Gardiner: — Well, they didn't have it all.

Mr. Blakeney: — They may not have in Lemberg, because you were assiduously working for another company – I am aware of that – and not for the Government Insurance Office. You were working for an out-of-province company. That is your right, but I wouldn't brag about it if I were a good Saskatchewan citizen.

Some Hon. Members: — Hear, Hear!

Mr. Blakeney: — But one reason is that the risks were heavily concentrated. The second reason is that the rate structure in Saskatchewan has been such as suggested to the industry that risks were very high. How else can you explain in the markets of Manchester, or London, the fact that there had prevailed in Saskatchewan, rates as high as \$3 a thousand, if there weren't very great risks in Saskatchewan?

Now, it wasn't possible to explain to these people that these rates were not true rates, but were extortionate rates which were charged by the private insurance companies before the Government Insurance Office got into business. But such, in fact, was the case, and it was some short time before it could be established that Saskatchewan risks were no greater – the hazards in insuring or reinsuring in Saskatchewan risks were no greater, - than elsewhere in Canada. You would never have known that if you looked at the private insurance rates prior to the establishment of the SGIO

So, on balance, as I said, someone has to win and someone has to lose. It is true of the \$200,000,000 worth of insurance which was written, up to \$3,000,000 may have been lost, but this hardly represents a devastating indictment of the management of the insurance office. If, it is a devastating indictment of the management, we must surely look with some surprise at the fact that the top management has been retained by the present government, virtually all of them. It is true that the secretary has gone, but he was not engaged in the reinsurance business. The General Manager who has served for the last six, seven, or ten years, is still there as an Investment Advisor and the Chief Underwriter has been elevated to the post of General Manager. The Chief Reinsurance Underwriter is still there. Now it can hardly be argued that this

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suggests to the present government that these people were grossly inefficient. They, in fact, were not. They took normal risks of business. They did not win them all. They lost some, but they won a great number. They established a very enviable record, and it is quite out of keeping with the loyalty which I would have thought a minister would show to the staff under him for him to parade a series of figures in this house, and suggest that these people were grossly inefficient when the facts are quite to the contrary.

Some Hon. Members: — Hear, Hear!

Mr. A. E. Blakeney (Regina West): — Now, may I turn for a moment to the Minister of Public Health, the member for Prince Albert (Mr. Steuart). He suggested that there was something reprehensible about calling to the attention of the public the fact that people are being discharged from the institution at Weyburn, in a manner which is entirely deplorable. He suggested that the policy that he is carrying on is the same policy that was carried on by the previous government. Now, allow me to point out for his benefit and for the benefit of the house, a few salient differences.

It is true that under the previous government every effort was made to discharge people from the mental institution, particularly the one at Weyburn where a very active program was carried on; people who were not in need for psychiatric treatment or care but were in need, fundamentally, of nursing care. But a good deal of care was taken to see not only that these people were discharged at Weyburn, but to take some care where they ended up. Now, this is where we part company with the Minister of Public Health, the member for Prince Albert (Mr. Steuart). He has established a vast number of so-called approved homes under the Mental Health Act. Most of them in the city of Regina are older homes, they are not proper nursing homes, and may I call to the attention of the Minister of Welfare (Mr. Boldt) that not one, and if one, only one, would meet the minimum standards which he insists upon under the Housing and Special-Care Homes Act. They simply won't meet them, they simply are not up to the minimum standard. Yet the Minister of Public Health (Mr. Steuart) is setting up these places under his aegis and putting dozens and hundreds of older people from the institution at Weyburn into these homes which will not meet the minimum standards set by the Minister of Welfare.

Some Hon. Members: — Hear, Hear!

Mr. Blakeney: — Now, he know this, he is going to say there were such homes before and he is quite right; but there were one, or two, or three of them,. and they were under the closest supervision.

Mr. Steuart: — By whom?

Mr. Blakeney: — By the psychiatric social workers at Weyburn.

Mr. Steuart: — Name one.

Mr. Blakeney: — But it just happens that the Minister of Public Health (Mr. Steuart) can't name one because he is not providing a sufficient number of psychiatric social workers at Weyburn.

Mr. Steuart: — You can't either.

Mr. Blakeney: — I can name several.

An Hon. Member: — Mr. Speaker, I ask the minister to name one, on a point of privilege.

Mr. Speaker: — ORDER! The member from Regina is making a speech, let him go on.

Mr. Blakeney: — I have a number that I can name, there is Smith and there is Bedard, but now let's, Mr. Speaker, make this perfectly clear. There are no more psychiatric social workers than there were three years ago, and there are five or six times as many approved homes to be supervised. He will say that these places are right and proper, but I tell him that he ought to go there and see for himself, or he should read some of the letters that I am getting. I got one yesterday about the manner in which this particular lady was shunted from Weyburn to a private nursing home at Regina Beach, thence to another one in Regina . . .

Mr. Steuart: — Will the hon. member table the letter when he is finished.

Mr. Blakeney: — I am under not obligation to table the letter. I will take full responsibility and for his benefit, so as not to publish the name, I will provide him with the letter.

Mr. Steuart: — I just asked.

Mr. Blakeney: — This woman is in her nineties. Because she has been shunted from pillar to post, I have a letter from her daughter, commenting on this written to me. She is a constituent of the member for Arm River (Mr. Pederson). She wrote me because I had made the TV broadcast which the member for Prince Albert (Mr. Steuart) so deplores, - she writes:

I was very encouraged to hear a statement from you on TV.

and so on,

This is of vital interest to me as our mother at the age of 91, almost two years ago had to be taken to Weyburn,

and so it goes on. It is quite a story, and it is not the only one. I have several others; so has the lady member for Regina (Mrs. Cooper). I am surprised that members opposite have not received them. So if the member for Prince Albert (Mr. Steuart) is not aware of this situation, I would suggest that he make himself aware of it. I realize that his efforts to justify the actions of the Power Corporation take most of his time, but I would suggest that he find some small segment of time to devote to the situation which he is creating by permitting his staff, indiscriminately, and I repeat the word, indiscriminately, to discharge persons from the Weyburn Mental Institution.

I rose particularly, to comment on the remarks of the member

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for Maple Creek (Mr. Cameron) the Minister of Mineral Resources. He provided us with an absolutely remarkable principle tonight in saying that it is entirely proper for a minister of the crown to stand in this house and announce things as being government policy, and then later advise us that, of course, the government wasn't committed to the policy at all.

Mr. Thatcher: — It is 10 o'clock.

The assembly adjourned at 10.00 o'clock p.m.