

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN  
Second Session Fifteenth Legislature  
9th day

Friday, February 18, 1966

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

**WELCOME TO STUDENTS**

**Hon. D.V. Heald (Attorney General):** — Before the Orders of the Day, Mr. Speaker, I would like to direct your attention and the attention of all hon. members to the fact that in the Speaker's gallery this afternoon, we are being visited by 15 grade 9 students from the Bethune School in my constituency, accompanied by Mrs. J. Struthers, their principal, by Mr. and Mrs. Hickey, who part of the year live in the constituency of Arm River. I am very glad to have them here with me today. They are also accompanied by Mr. John Bull, the trustee, and Mr. Walter Swidrowich.

I am sure, Mr. Speaker, you would want me to extend the best wishes of this assembly to these students and to these visitors, and to wish them a pleasant and instructive afternoon.

**Hon. Members:** — Hear, hear!

**Mr. W. Smishek (Regina East):** — Mr. Speaker, I would like to welcome a group of 95 grade 8 students from the Imperial School in the city of Regina. They are seated in the east gallery and are accompanied by the school vice-principal, Mr. Bartel, and the teachers, Mr. Ebert and Mr. Dubrescue. I do hope, Mr. Speaker, that their stay here will be pleasant and educational.

**Hon. Members:** — Hear, hear!

**Hon. D. McFarlane (Minister of Agriculture):** — Before the Orders of the Day, Mr. Speaker, not to be outdone in this house, I want to introduce two fine groups of students from the very best part of the province, the first group in the Speaker's gallery from my own school district, Peebles, Saskatchewan, the biggest city in the province, and the second group, a grade 12 group, from the Grenfell High School, under the direction of their teachers, Mrs. Kent and Mrs. Mitchaluk. I am sure their stay here this afternoon will be most enjoyable, most educational, and I am sure they are going to come back on very many more occasions to watch the Liberal government in action over the next twenty years.

**Hon. Members:** — Hear, hear!

**ADDRESS IN REPLY**

The Assembly resumed the adjourned debate on the motion of Mr. MacDonald for an Address in Reply.

**Mr. A. Blakeney (Regina West):** — Mr. Speaker, when you called it 10 o'clock last evening, I had spoken on some of the previous remarks in this debate by the Minister of Welfare (Mr. Boldt), and by the Minister of

Mineral Resources (Mr. Cameron). The Minister of Welfare (Mr. Boldt) in speaking of the Government Insurance Office, said among other things, two things, first, that he was going to make the Government Insurance Office more efficient, and second, that normal insurance practices would be followed.

These announcements had an ominous sound, but just how ominous is now becoming a little more evident, because the facts are that he has directed the Insurance Office to make more money, he has directed the Insurance Office to be less effective in competing with private insurers, he has directed a wholesale increase in rates. Right now, agents are being advised of sharp increases in rates. In Regina, agents now, this day, are being advised that dwelling rates will go up from \$3 a thousand to \$3.50 a thousand, up 16 per cent. In towns like Birch Hills, the increase is even higher. In towns like Mortlach, Mr. Premier, or Regina Beach, Mr. Attorney General (Mr. Heald) or Qu'Appelle, Mr. Minister of Agriculture (Mr. McFarlane) the increase is up from \$4.50 a thousand to \$6.50 a thousand. Over 40 per cent. Now this will assuredly increase profits, and it will assuredly assist private insurers, but it is assuredly not efficiency. The purpose of the Government Insurance Office was to provide Saskatchewan people with insurance at the lowest possible rates.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Now, rate increases of 16 per cent, 30 per cent, 45 per cent, are not efficiency. It is a confession of failure, it is a confession that the present government is abandoning the purposes of the Government Insurance Office, abandoning the goal of low cost insurance, either because they cannot carry out that objective, or because they will not.

Turning now to the Minister of Mineral Resources (Mr. Cameron) — and I am sorry that he is not in his seat — I was struck last night with his rather remarkable defense. The only name that could leap to mind in describing him was a “second-story” man, because in his first story, in this 1965 story, he represented to this house that the government had entered into a contract to sell Saskair in accordance with the terms which he outlined in this house on March 22nd. In his second story, the 1966 story, he says that this isn't so. He tells us that the contract he announced on March 22nd in a prepared statement, which he read on the Orders of the Day, in his capacity as minister of the crown — and that is the only capacity in which he could read it on the Orders of the Day — was not a contract at all; that the government wasn't bound, Saskair wasn't bound, and that even he, himself, wasn't bound in any legal sense.

Now if this is true, and we must accept his statement for it, what can we make of the announcement which he read in this house last year. He said a contract for the sale of the corporation has been entered into. This was not true. He said the government obtained a price of \$947,000. This was not true. He said there was a written agreement. This was not true. He said there was a finished and signed contract for the sale of Saskair. This was not true. He declined to table the contract and almost one year later, laid a contract on the table of this house, dated April 15. However, Mr. Speaker, it isn't the minister's cavalier treatment of this house that I want to deal with, but rather the minister's cavalier treatment of the taxpayers' money. He poured scorn on the proposal that the old Saskair Board would

sell this corporation for \$700,000, and he was preening himself and saying, "I got \$858,000" or thereabouts. But to obtain this price the government gave much more than the assets of Saskair. They gave an undertaking not to go into the commercial flying business. They gave an undertaking to give the new company NorCanAir 75 per cent of the air operations — as defined in the contract — of the government for the next five years. They gave an undertaking that over the next 10 years they will pay to this new company, as a minimum, Mr. Speaker, as a minimum, \$2,750,000.

**An Hon. Member:** — What a deal, what a deal. Give away — give away.

**Mr. Blakeney:** — And, Mr. Speaker, this contract contains absolutely no guarantee as to the prices which they can be charged. No guarantee for the prices which they can be charged! The government is not able to do the flying itself, the government cannot go into the free market and get another carrier, the government is bound to use NorCanAir to pay \$2,750,000, without any price being fixed or negotiated for the services they must buy. Two million, seven hundred and fifty thousand dollars, without any adequate safeguards or, indeed, without any safeguards. Now, this is what the contract says, this is what the minister signed. He prides himself on getting an extra \$100,000, or even \$150,000, when all he has given for it is a blank cheque for \$2,750,000.

**Some Hon. Members:** — Hear, hear!

**Mr. Blakeney:** — Now, Mr. Speaker, if the Minister of Mineral Resources (Mr. Cameron) or the Attorney General (Mr. Heald) can find any saving clause in that contract, which protects the government on the price they must pay for the services for air operations, I haven't been able to find it. I leave it to you, Mr. Speaker, and to the people of Saskatchewan, whether they received a full price or even a fair price for this crown corporation which was put on the auction block.

Now, Mr. Speaker, it will be evident from my remarks, I will oppose the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. J.E. Brockelbank (Saskatoon City):** — Mr. Speaker, my first remarks today will necessarily be about the most beautiful city in Saskatchewan. I might even say the most beautiful city on the prairies, the city of Saskatoon. Saskatoon was incorporated in the year 1906. That makes 1966 the sixtieth anniversary of the city of Saskatoon. Over the years I have come to like and appreciate the city of Saskatoon, and in all humility, I think that they have returned the favour to me a little bit. I am sure that all members of this chamber will join me in wishing the city of Saskatoon a happy sixtieth birthday.

**Hon. Members:** — Hear, hear!

**Mr. Brockelbank (Saskatoon City):** — While I am giving out the congratulations, I think I would be remiss if I didn't remark on the establishment, the virtual establishment of a pulp plant north of the city of Prince Albert. I think this is a good move. However, although we may

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not be able to stop give-aways, and we may not be able to stop unsound development, we will do all in our power to bring it to the attention of this chamber and the people of Saskatchewan.

I want to lay particular emphasis on the matter of unsound development; I am not saying the development is unsound because the government to this point has given us precious little information about the agreements. However, I might just refer to something that was said in the Financial Post of October 9th, 1965. They are talking about the profit and prices of pulp in the industry, and they are talking about over-capacity:

Because of the over-capacity building up in the industry, mainly some mills now under construction on the west coast, many observers expect the price to drop as much as 20 per cent sometime in the next two years.

A rather ominous news report. There is another thing that strikes me in the area of possible unsound development. This is a news item I came across in the Star Phoenix of February 12th, 1966 and the heading is:

Thatcher's Incentives Too Juicy to Pass Up.

Provincial Secretary, Maitland Steinkoff, of the Manitoba Legislature, remarked that the incentives are too juicy to pass up. It appears he (meaning the Premier) has declared open season on the taxpayers' pocketbook.

Another quote, Mr. Speaker, this is from the article entitled "Growth and Responsibility" delivered by R.M. Fowler, the President of the Canadian Pulp and Paper Association, January 28, 1966:

The decision to undertake a new investment in a pulp and paper mill is much more than a gay old-fashioned adventure in private enterprise. It raises social responsibilities for the investor and for the governments involved in the undertaking.

I want to assure the members in this chamber that I am completely sincere about offering congratulations to them on the establishment of a pulp mill in the province of Saskatchewan, just as sincere as I was last year. I am quoting from the Record of Debates and Proceedings last year when I rose in this chamber. I had this to say.

I would like to express in the beginning, Mr. Speaker, satisfaction with two recent developments that have taken place in Saskatchewan, the establishment of a potash mine operation at Viscount, and the location of a heavy water plant at Estevan. The potash is private capital and will be a continuation of the extraction of potash begun a few years ago. The location of a heavy water plant at Estevan is welcome. This plant is a living vindication of the policies of the past government as they regard governmental assistance in the development of basic industry.

While I am talking about industry and resource development I must, in all fairness, refer to the hometown paper, the Saskatoon Star Phoenix, they have a headline "Saskatchewan Economy Bounds

Upwards” and they mention minerals increase, the value of oil and liquefied hydrocarbon production up, potash mines coming into production, factory shipments up, all-time highs in manufacturing, electrical energy consumption up, and during the first nine months of this particular year, retail sales up, considerably.

It is rather interesting to note, Mr. Speaker, that this paper was printed in 1962, not 1965 or 1966.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank (Saskatoon City):** — And I sometimes fear for our democratic system when the Premier stands in his place in this legislature and rants and raves about the stagnation in Saskatchewan. I think the lie is put to his own statement, those very statements that he makes right in this one page of the Star Phoenix in 1962, at the top of the page, Mr. Chairman:

Meeting Unanimously Backs Leader’s Blistering Broadside.

This is the leader of the Liberal party in 1962, addressing a Liberal convention in Saskatoon. Quote:

We have lived under Socialism for 18 years. We know the regimentation, the industrial stagnation, and the lack of development with Socialism.

Mr. Speaker, in the very same page:

Personal income shows jump, Saskatchewan economy bounds upwards. Potash, helium, the whole show.

I think as long as the people can . . .

**Hon. D.G. Stuart (Minister of Health):** — Is that the Edmonton paper?

**Mr. Brockelbank (Saskatoon City):** — That is the Saskatoon Star Phoenix, Mr. Minister of Health. To get to the Throne Speech, Mr. Speaker, I was intrigued by the statement in the Throne Speech about automation and job re-classification.

The record shows that the Minister of Labour (Mr. Coderre) has not performed in accordance with the intentions of the Throne Speech, as I read them. The stand taken across Canada by the Oil Workers Union has been reinforced by the Friedman Royal Commission Report, which, in effect, states:

Employees have the right to bargain changing conditions affecting employment brought about by automation.

The Friedman Report was to the labor, as the Royal Commission on Medicare was to the medicare plan in Saskatchewan, brought in by the CCF government.

The day after the so-called B.C. formula came into existence, our Minister of Labour (Mr. Coderre) issued a “Me too” statement, summed up in the following words by the news article in the Star Phoenix of November 25th. The minister said:

The British Columbia settlement formula for an oil

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workers' strike was described today by Saskatchewan Labour Minister (L.P. Coderre) as "the obvious solution".

Well, I agree, Mr. Speaker, it was the obvious solution to a lot of those problems that were brought about. However, he did precious little to effect a settlement at the Moose Jaw Refinery, as he has done less to clear up the situation at the Saskatoon Refinery, where an unfortunately prolonged labor dispute is now entering its sixth month.

I had intended to submit a brief that was presented to the Saskatoon City Council by the union, and interested parties. I notice that the brief has been put on the desks of the hon. members, so it will not be necessary for me to submit that at this time.

I can only assume that the Minister of Labour's (Mr. Coderre) hands must be numb, for he has been sitting on them for almost three months. He has been doing nothing, n-o-t-h-i-n-g.

**Mr. I. MacDougall (Souris-Estevan):** — He can spell.

**Mr. Brockelbank (Saskatoon City):** — Correction. I see the hon. members are laughing over there, they think that is quite funny. Well, I assure you there are over 100 men in Saskatoon that aren't laughing with you, and there are close to 100 women that are not happy about this situation, and there are over 200 children that aren't prepared to start laughing at this time.

I think I should make a correction. I said the Minister of Labour (Mr. Coderre) has been doing nothing. Well, he has been doing something, he has been attempting to suppress the Basken Conciliation Report.

**Hon. L.P. Coderre (Minister of Labour):** — I deny that. You are putting words in my mouth. It is not so. There has been no suppression whatever of that report.

**Mr. Brockelbank (Saskatoon City):** — If the Minister of Labour will sit down, I will substantiate what I have just said.

**Mr. Coderre:** — You can't do it.

**Mr. Brockelbank (Saskatoon City):** — Hold your whist a minute. The whole Basken hatchet job was to be conducted under a blanket of secrecy. I will enumerate four points that apparently the planners thought were necessary to have complete secrecy in the hearings and investigation of the Basken case.

1. Appoint a Chairman that they could count on.
2. Have the hearings in camera.
3. The refusal of pertinent information by the Minister of Health, who is the Chairman of the crown corporation involved.

and finally:

4. The reports not to be made public.

This was the Minister of Labour's duty, to make sure that this

didn't happen. However, it was drawn to the Minister of Labour's attention that this report had to be made public, it was a public document. There the weakest link in the chain broke, and the public now knows what went on in the conciliation hearings. This report is available to the public, and I think the public should be invited to write to the Minister of Labour and ask for a complete copy of the Basken Conciliation Report, not just working people, anyone that is interested in civil liberty. Farmers should have a look at the Basken Report and read it. It will be good reading. I was particularly impressed when the hon. Attorney General (Mr. Heald) rose in his seat, wrapped in a cloth of righteous indignation. He didn't like the hon. member from Hanley's (Mr. Walker) "unwarranted attack on the former President of the Law Society". Well, Mr. Speaker, I think that any man who is chosen as the chairman of a conciliation board and allows himself to be put in a position where there is an obvious conflict of interest, then he has to take the consequences of accepting that chairmanship.

While I am talking about Liberal lawyers and conflict of interests, I just happen to have come across something else the other day about a Liberal lawyer and conflict of interest. This is Maclean's Magazine, 1962, March 10th. Now I will just read the pertinent paragraphs.

This is about municipal corruption in Canada, a feature article in Maclean's March 10th, 1962 edition:

Let us take the case of Arnprior in Eastern Ontario. Here the Arnprior Development Company, setting out a new subdivision, had agreed in 1957 to pay for water sewers as called for by bylaw. The next year, company lawyers drafted another agreement, transferring the cost of the sewers to the taxpayers. Then as councilmen, the two lawyers voted for it. The lawyers were J.J. Green, then candidate for the leadership of the Liberal party in Ontario, and Conlin Mulvihill, president of the local Conservative Association.

Mr. Speaker, this article is riven through with names of prominent Liberals and Conservatives involved in municipal corruptions across Canada.

Now, some people may not recognize J.J. Green of Arnprior, Ontario. Well for the uninformed, he is the Hon. J.J. Green, the Minister of Agriculture, for Canada now, and I should think that the farmers of the prairies should keep one eye on J.J. Green in the future for conflict of interests.

Mr. Green made a tour out west and had reams of publicity, headlines from all the newspapers, but the thing is, Mr. Speaker, what is he going to do about some of the things that got in the headlines, those headlines about Canadian Pacific Railway, what is he going to do?

I have always thought the Premier of Saskatchewan should be forthright with the citizens and in particular with the youth of Saskatchewan. I have here two clippings from the Saskatoon Star Phoenix that speak volumes about the Premier's lack of forthrightness with the people of Saskatchewan. The first one is dated November 5th, 1965:

NDP will form Minority Government at University

and right below it:

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Premier Says Not Enthused.

Now I wouldn't be enthused if I was the Premier either, but one year earlier the article appeared in the Star Phoenix on November 12, 1964:

Liberals Eke Out Narrow Campus Win.

Underneath the Premier says:

Campus Vote Good Index.

**Some Hon. Members:** — Hear, hear!

**Mr. Brockelbank (Saskatoon City):** — Incidentally, and I don't see the Premier in his seat, incidentally, Mr. Premier, where are the university students that are normally invited to this chamber to hear the speech of the Leader of the Opposition and the Premier in the Throne Debate? Perhaps it is the fact that the university elections didn't come off as expected. The Saskatoon Campus New Democrats won the campus election this year, I had the honor of being asked to the Speaker, which I accepted. I want to say, Mr. Speaker, that I heartily appreciate the job that the Speaker has to do in making the snap decisions, especially when you have a bunch of hungry university students on each side of you.

During the session in the campus forum, the governing party brought in legislation for amending the Criminal Code regarding abortions, birth control, and homosexuality. In the past these topics have been topics which seem to engender off-color jokes. I was pleasantly surprised to find that they backed up their bills with sound reason and convincing debate. There were numerous other bills prepared covering the economic planning, ombudsman, automobile safety and national health plan. These young people have shown a serious, mature approach to the problems of the world of today. I have been assured by the campus party leaders that they will be sending me a copy of the letter to the provincial government, asking for a suitable mace for their parliamentary forum. This assembly should not find this request too difficult to honor, because last year we donated a considerable sum towards the purchase of a mace for Prince Edward Island. I understand the Prince Edward Island mace had been stolen by some Yankee border jumpers in the dim distant past.

I would also suggest that the Regina campus be given favourable consideration upon a request of a similar nature. Has the Premier been forthright with our young people? I propose to show that he hasn't and is not. In 1964, the Premier before he took power had this to say — under a heading of:

Liberals Aim at Youth Drain, May 9th, 1964, Leader Post:

It will be the constant concern of the new government to improve and expand various types of educational opportunities for our young people. We will also give constant attention to policies designed to enlarge employment and professional opportunities for these young people in the province of Saskatchewan.

The apparent dragging of feet in the technical school matter has put the province of Saskatchewan a year and a half to



two years behind the rate of growth that was evident before the previous government.

Where is the Youth Review Committee Report? What are its findings? Why hadn't that report been presented, when it has been said twice in the past that the report was to be presented to us before this time.

The mover of the Address in Reply made a minute reference to youth in his speech. The seconder didn't even mention the word. The youth of Saskatchewan after only two years are turning away from the Liberal party. In this particular newspaper that I referred to earlier, we have a picture of five clean-cut young Saskatchewan people. "The young Grits elect executive". Mr. Speaker, of those five, two have already turned their backs on the Premier. They have seen the inner workings of the Liberal party. They have turned away, saddened and disillusioned at what they have seen.

Some years ago, over the opposition of the Liberal party, the CCF government at the time brought in legislation to give the vote to 20 year olds, 19 year olds and 18 year olds. Our confidence in youth has been justified many times over. Saskatchewan young people are exercising democratic political judgment in accordance with their demonstrated ability.

Saskatchewan in recent years has been faced with dislocations of urbanization and in addition our society is becoming increasingly mobile. Changes I have mentioned require adjustment in the approach and application to the programs of physical fitness, culture and recreation. I note with interest that a number of programs inaugurated by the previous government have been retained and in fact enlarged. The Continuing Education Branch of the Department of Education now encompasses the physical fitness and recreation function.

Mr. Speaker, I emphasize that it is unfortunate that the Youth Review Committee Report has not been presented to the members of this legislature upon completion but instead will be presented to this legislature when the government finds it expedient to do it. However, if the Youth Review Committee supports a continuation and enlargement of past programs with appropriate innovations for the times in which we live, it will be assured of our support.

In conclusion, Mr. Speaker, I would like to read one conclusion from the second annual Economic Council of Canada Report:

We recommend that the advancement of education at all levels be given a very high place in public policy and the investment in education be accorded the highest rank in scale of priorities.

For that reason, Mr. Speaker, I did support the amendment and cannot vote for the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. J.A. Pepper (Weyburn):** — Mr. Speaker, I rise to take part in this debate hoping that in my few remarks I can add something constructive as well

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as critical to what I think has been a very vague and far from spectacular Throne Speech. I will endeavor, Mr. Speaker, to keep my remarks, my material, and my manner of debate from drifting to as low a level as that which some who hold responsible positions in our legislature seem to enjoy doing.

I would like to congratulate the mover of the Speech from the Throne, the member from Milestone (Mr. MacDonald) and the seconder, the member from Last Mountain (Mr. MacLennan), on the capable manner in which they delivered their respective addresses.

I, as a citizen of this province, am pleased to see industrial development and I certainly hope that this development will continue. But I do take issue with the hon. members across the floor when they stand up and try to take all the credit for this buoyant condition, and this development that has taken place within our province to date. Might I suggest to the hon. member that the buoyant conditions and the opening of new development could not have happened had it not been for the vision, the planning and the pioneering of the CCF government.

**Some Hon. Members:** — Hear, hear!

**Mr. J.A. Pepper:** — This has to take place in any province prior to industry coming in.

I would like to just remind them that the power, highways and water resources are three of the important elements that any province must have before industry commences. These three elements were provided by the CCF government as well as the best medicare and hospitalization plan in Canada.

Also, Mr. Speaker, many hundreds of oil wells have been drilled. The world's largest water flooding plant was established. Saskatchewan became the potash capital of the world. This all happened under the previous CCF government. We had hoped that the present government could, since it has taken over the administration, prove itself worthy of this position, but unless it changes the pattern it seems to be following in the last 20 months, I am afraid the people of Saskatchewan are going to voice their disapproval.

I will deal very briefly, Mr. Speaker, with the field of taxes. Our hon. members across the floor say that in spite of the tax cuts in last session, the taxes are still too high and they are going to remedy this. You will remember how they went about bragging how they had reduced the sales tax, the use of purple gas in farm trucks, how they lifted the mineral tax from farmers. But did you notice they are not saying much about the \$20 increase in medicare? The increase in school taxes last year? The new tobacco tax costing the smoker five to ten dollars more? The increase in car insurance rates and higher again this year? The increase in grazing fees? This certainly helps the farming people. So you see, Mr. Speaker, what reason have we to think, or the public in general, that our tax reduction will be any different from last year's? Nothing different, Mr. Speaker, perhaps another tax shift.

As for Home-owner grants, I will not repeat what previous speakers have said but I certainly feel there could be a more equitable way of distributing a grant than in this manner and I might add a more honorable way.

In the field of agriculture, being a farmer I have watched the government's provision very closely in this department, and being from Weyburn constituency this is a department which is very important to my constituents. I notice that they are going to approve legislation respecting animal diseases, setting up new community pastures, proposal of further sums for soil testing. This might all be well and good but I think first we should help our small farmers by lower interest rates and with longer term loans so that our young farmers might first get themselves into a position where they can make use of these former provisions. What use is the animal disease legislation if a small farmer hasn't got help to finance and purchase his cattle to begin with? Just last year the government took away one of the protections that the farmer had when it came to purchasing machinery, the Agriculture Machinery Act, where he had some assurance of getting the best for his money.

Perhaps one of the most important challenges that face the people of Saskatchewan and Canada lies in the field of education. But this is something that is going to continue for some time to come. Consequently if a government finds itself in such a buoyant condition as the Premier advises us that it is in, this is a good place to spend some of its excess revenue. Not just because of the necessity of preparing our youth for future professions, not just because of this necessity, but what we must realize is that our youth of today are our citizens of tomorrow and our province is just as good as we the people or citizens make it.

I have always been interested in the child or the young person that goes through public school and then finds out that in grade 9 or 10 he cannot keep abreast with the rest of the class and decides that he might as well quit, or we refer to it as 'drop out'. A person in some particular field whether it is mechanic, agriculture, whatever it might be, may far excel many of the other students. I feel that some vocational or technical school for such students is the answer, a place where they can attend and get further help and instruction in their particular choice of profession. This is why I think these young people must have greater consideration than they have had in the past and a larger budget given to provide technical education for them.

I thought at the last session that there were going to be large steps and measures taken to build these types of schools. I think I even went so far as to suggest to the hon. member from Touchwood (Mr. Trapp) that we would be very pleased to have one in Weyburn. But I felt very disappointed that Weyburn had not been considered, but I find today that we are just as near to having one built as any of the other places in the province. We have no plans to my knowledge nor have they. Another year gone by, another promise not fulfilled. But I have heard rumors, Mr. Speaker, that we are to have a composite high school in Weyburn. I am in complete agreement with this but I question if it will take the place in educating our students, especially the drop-outs, and qualifying them to go out and take their place in earning an honest living that a technical or a vocational school would.

I am pleased to hear of the large highway program and with tourist trade and modern day transportation this is very important. Consider that in 1944 when the former CCF government took office there were some 132 miles of dust free highways in Saskatchewan. In 1963 there was a total of 3,961 miles. A very

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good record. This was done according to our present government when the buoyancy of the province was not like it is today. So the people of Saskatchewan now have every right to expect much greater gains in this department than we ever witnessed before.

The former CCF government built many miles of grid roads, with assistance to the local municipalities, linking up our main shopping centres all through the province. The rural people appreciated these roads and I think it is certainly the duty of the government to begin paying a portion of the cost of maintenance of these. As I happen to have been the municipal councillor for 12 consecutive years I realize what this program has cost and meant to the rural people.

I also know, Mr. Speaker, that during the oil boom in the constituency of Weyburn back in 1956, '57, and '58, in a short period of one and a half years five bridges were broken down in one municipality. These bridges were necessary to help the oil companies drill and discover and operate their wells. These five bridges were replaced and repaired with heavier structures all within this short period of time, so that industry and oil development would not be held up. This was done by the former CCF government. But since that time in 1964 another bridge has been broken through in the same area. Here it is February in 1966 and the bridge is still waiting to be replaced. This is in the heart of an oil field where there are upwards of 600 wells centralized through one unitization plant. I wonder why the delay. Is it inefficiency or is it that our present government cannot cope with these problems? These roads and bridges are very important to the economy of our province.

I would like to say just a word in regard to health. We would like to know just what expansions are to be expected in the health program. There is no mention of prescription drugs, chiropractors, optometrists being included in medicare. I am sure we and the public would like to know. This department is very important. We have made great gains in the past and we have a hospitalization and medicare plan that is the envy of all of Canada. Let's not stand still and let deteriorate what we have now achieved. Let's go forward and blaze the way for even a better coverage. This will build a better and a stronger and healthier nation and do far more towards achieving health, happiness and contentment than the opening of several more liquor outlets in our province. Mr. Speaker, there are sufficient licensed premises and liquor stores in operation now to handle any increased volume of liquor sales that might be necessary.

I would like to just refer to health again and say a word in regard to the mental health program. This is something that is quite a concern at present in my constituency, and I am very pleased to learn, Mr. Speaker, that a committee or board has been set up to explore and look into the provisions and the conditions of what we refer to as half-way houses. These places throughout our province are in charge of considerable numbers of patients. The principle involved and the aim to rehabilitate some of these patients away from mental hospital surroundings are good but it must be done in a manner or at a rate of speed that does not exceed the preparations and the facilities arranged to look after these patients. Good homes and qualified personnel must be there to administer their drugs and give them nursing care. This mental sickness could happen to any of us and I am all out for working for a program which could help to readjust them to a more normal way of living. But let's not hurry

it too fast and ruin something that if handled properly and timely could be good. I hope, Mr. Speaker, that our Department of Health is prepared to watch this very closely because it is creating great worry and concern to many people such as they are now doing.

I have one other disappointment and this is the rail line abandonment. In the Speech from the Throne this was never mentioned, Mr. Speaker. I think it is very important and should have had a very prominent place in this Speech. Now, Mr. Speaker, I have tried as I said earlier to be constructive as well as critical with my remarks. One has no right to criticize if he has nothing to offer in its place. But from these remarks I feel sure you will have recognized that I am not supporting the motion.

**Some Hon. Members:** — Hear, hear!

**Hon. J.M. Cuelenaere (Minister of Natural Resources):** — Mr. Speaker, I join with those who have already congratulated the hon. member from Moosomin (Mr. Gardner), on his election and on his first address in this house; with those who congratulated the mover and the seconder of the Address in Reply; and I associate myself with the commendations that they have received.

I join in expressing a word of warm welcome to Mr. Bradshaw, the Acting Clerk of the Assembly. I also want to join with those who have spoken yesterday and today in congratulating Mr. Alec Mitchell on his election in the Bengough constituency. We on this side of the house are looking forward to having him with us in the house.

Mr. Speaker, since this is my first opportunity to speak during radio time may I once again thank the people of the constituency of Shellbrook for the honour and the privilege of representing them in this assembly. I can only express the hope that the efforts of this government will bring a greater degree of prosperity and development to all parts of the constituency but particularly the northern part which will directly be affected by forestry development. Because no. 40 and no. 3 highways are fast becoming main routes to the National Park and to northern Saskatchewan I expect that a good start will be made on highway no. 240, commonly known as the Cookson road this year, and I look to the Minister of Highways (Mr. Grant) to improve and oil no. 55 from Debden to Big River and then on to Green Lake.

Mr. Speaker, before going on with my address I would like to draw to your attention the annual report of my department. It represents a departure from the previous and other reports. The Johnson Royal Commission on government administration commented and made recommendations respecting annual reports. It pointed out on page 292 that the annual reports had become increasingly lavish and expensive. It stated that these reports are required to fulfil the department's responsibility to the legislature and at the same time perform a valuable public relations function. It concludes by saying:

Savings can undoubtedly be affected in their production without necessarily downgrading their quality and appearance.

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Our report this year effected a saving by reducing the unit cost from \$2.23 to \$1.24 per copy, almost a dollar. At the same time I hope that we have better fulfilled our responsibility to the legislature and that the report will perform a valuable public function.

**Some Hon. Members:** — Hear, hear!

**Mr. Cuelenaere:** — In passing I want to congratulate and express my appreciation to Mr. Vandale, our director of Conservation Information Service, and his staff and our officials for their work in preparing the report.

Mr. Speaker, the Throne Speech makes two references to matters relating to the Department of Natural Resources, Indian and Metis and the pulp mill. This afternoon I intended to deal briefly with the Indian and Metis branch and at some length with the pulp agreements.

With reference to the Indian and Metis the speech states:

Approval of the legislature will be sought for a program to accelerate the program of employment of our citizens of Indian ancestry so that they may more rapidly achieve the opportunity of our increasing prosperity.

Already academic, vocational and technical upgrading programs are underway in several areas including heavy equipment operations, rodmen in surveys, domestic training, academic upgrading, agricultural courses, carpentry, welding and other similar trades. These programs are now in operation and were planned in co-operation with the federal Indian branch and the Department of Education. It has been the responsibility of our branch to provide the major planning and coordination. Further programs are being organized including training in the pulp operation in the Prince Albert area.

Since the branch was organized some ten months ago, much emphasis has been given to placement. In this period the branch has been successful in placing about 300 persons in gainful employment. While many secured only temporary work and others remained on the job for a relatively short time, a goodly number have found permanent gainful employment. I look forward to an acceleration of this program.

Our placement program has been noted and favourably commented upon by a number of people throughout Canada. Mr. McEwen, the executive director at the Indian Eskimo Association of Canada, praised our efforts and described it as one of the most practical programs that has been adopted for some time. The Hon. Duff Roblin, Premier of Manitoba, appears to be advocating a similar program for Manitoba. In an address which he made recently relating to industrial development he said as is reported in the Winnipeg Free Press:

The government means to see that the doors will be held open for Indian and Metis people.

I would like the Indian and Metis people to know that in this province the door has already been open for them and I hope that more and more of them will avail themselves of the opportunities offered to them in training and in job opportunities.

So much for the Indian and Metis branch.

Probably the most significant matter during the past years relating to my department and probably one of the most significant matters affecting the economy of the province during the past year was the announcement of the construction of a pulp mill at Prince Albert. With respect to the pulp mill the Throne Speech states:

My ministers will ask you to approve legislation enabling the government to assist in the establishment of a pulp manufacturing plant at Prince Albert.

This will take the form of two acts which will be introduced later this session, one public and one private. The private bill will be introduced on behalf of the city of Prince Albert to confirm tax arrangements made between the city and the pulp company. The public bill will be an act authorizing the provincial treasurer to, firstly, guarantee the bonds of the Prince Albert pulp company in the sum of \$46,500,000 in American funds or approximately \$50,000,000 in Canadian funds at the present rate of exchange; secondly, to purchase shares in the company to the value of \$1,500,000; and thirdly, to accept additional shares to the value of \$1,500,000 as compensation for the guarantee of the bonds. Mr. Speaker, this public act will afford the official opposition the opportunity to stand up and be counted on the subject of the pulp mill.

**Mr. R.A. Walker (Hanley):** — Table the contract too.

**Mr. Cuelenaere:** — It will give them, Mr. Speaker, the opportunity to say whether they are in favour of it or opposed to it. It will give them the opportunity to either back up their public utterances and vote against it or to stand up and vote for what they themselves tried so hard to do but failed and failed dismally.

**Some Hon. Members:** — Hear, hear!

**Mr. Cuelenaere:** — Mr. Speaker, I challenge them and particularly the hon. member from Cumberland (Mr. Berezowsky), and I notice he is just coming into the house, to vote against the pulp mill. Mr. Speaker, I am not going to cast out the same challenge to the hon. member for Arm River (Mr. Pederson) because after all his leader in Ottawa, John Diefenbaker, is taking credit for the pulp mill and that, Mr. Speaker, despite the fact that the main roads which are going to serve the Pulp Mill, the LaRonge road and no. 55, were built a long time before the Roads to Resources Program was ever heard of, and also despite the fact that he finds it difficult now to understand why Mr. Karl Landegger said that he had never seen nor heard from him. However, I suppose that he will have got the message from John and I hope that he will go along with us.

But, Mr. Speaker, the wailing and the crying and the opposition of the CCF-NDP to this pulp mill have been heard in this house repeatedly and across the country in every part of the province, but lately particularly in Bengough.

**Mr. W.J. Berezowsky (Cumberland):** — . . . know about that.

**Mr. Cuelenaere:** — Why, Mr. Speaker, even Tommy Douglas got into the

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act. Speaking in Vancouver a few days ago, he is reported in the Leader Post of February 14 as having said and I have his quotation:

Mr. Thatcher's government has embarked on a resource-give-away program especially in lumber.

Now, Mr. Speaker, we have heard the comments of the press, but I would like at this moment to just refer you to some of the comments that have been made by the average citizen. In order to get this a roving reporter interviewed eight persons on the streets of Prince Albert to see, as he puts it here, "But what does the average resident think of the news?" Mr. Speaker, I have the interviews here and it is completely unanimous. It is a most interesting one. They interviewed eight people, Mrs. Pollard, Miss Simchuk, Mr. Kelly, Mr. Wick, Brown, Kraft, Mardell, and Allard. I'm just going to read a few of their comments. It's interesting. The first one, Mrs. Elizabeth Pollard of Marcelin. That is in a very good constituency, the constituency of Shellbrook and I enjoyed her remarks:

It's going to take a lot of people off social aid and put them on a steady payroll which automatically results in better family life.

Then, Mr. Speaker, we have Miss Ruby Simchuk and she is from Wakaw. This is from the Kinistino constituency and I am sure that the members will enjoy her remarks:

Naturally I am very happy with the announcement and so is everyone out our way. It means more jobs and more money in circulation.

And then we have one from Prince Albert, Mr. Ernest Kelly, just listen to what he has to say:

I worked in a pulp mill in British Columbia, and I am glad Prince Albert is getting one because it will mean good pay for many.

Then we have Conrad Wick, again of Prince Albert:

This is the greatest thing that ever happened to northern Saskatchewan, it will mean employment for many young persons and especially keep juveniles out of trouble.

And then we have Mr. Brown, Mr. Jerry Brown of Prince Albert:

There will be all kinds of employment for young and old alike. This is one of the best things that ever happened to Prince Albert and district.

Then we have Mrs. Kraft:

I am all excited about it, my husband says it is the best news that Prince Albert ever got.

And now we have one and this is a man on the street visiting Prince Albert, Mr. Anthony Mardell from Kalyna, that's in the constituency of Cumberland and I am sure the hon. members will be interested to listen to his remark:

I am in the mixed farming occupation and I know the



pulp mill will give us farmers additional produce, and at the same time there is going to be a lot of jobs available.

And, Mr. Speaker, finally Miss Dianna Allard with the finishing touch. She is a hair dresser in Prince Albert and she says:

One thing I know is there is going to be more money for housewives to spend to keep themselves more beautiful.

Surely, Mr. Speaker, no one is going to vote against that.

**Some Hon. Members:** — Hear, hear!

**Mr. Cuelenaere:** — Mr. Speaker, over and over again other comments are being made. Of course the senior member from Saskatoon (Mr. A.M. Nicholson) when he was speaking just a few moments ago brought another red herring across the path, the danger of over production. It is an attempt to engender fear in the minds of the people. I have here, Mr. Speaker, the very latest newsprint data from 1965. It was printed in November, and it makes very interesting reading. I am only going to read a very short extract of page 5 which says:

Current demand remains buoyant in North America and 1965 is showing another substantial gain of 400,000 tons or 4.6 per cent. Current indications suggest a further addition to demand in 1966. Achievement of this forecast would result in a total increase of 1,364,000 tons in North America demand during the three year period 1963-66. This represents an average of about 450,000 tons per year which is far above the ten year average annual increment of 140,000 tons. It illustrates both the size and the speed of possible increases in demand from a fully developed newspaper industry and kraft industries in conditions of economic expansion.

This publication which is put out by the Newsprint Association of Canada looks forward to the utilization of Kraft and newsprint pulp with a great deal of optimism and I am glad that somebody else who is coming here in the province is quite prepared to share that optimism.

Do you know, Mr. Speaker, during the Bengough by-election, the big pitch of the NDP-CCF was "Vote for us and they'll get the message". I hope, Mr. Speaker, that by these comments and by the votes of Bengough that they across the way will get the message. All I can say, Mr. Speaker, to the people of Bengough is — Thank you Bengough for your vote of confidence.

**Some Hon. Members:** — Hear, hear!

**Mr. Cuelenaere:** — Mr. Speaker, speaking in this debate last Tuesday, the hon. member for Regina North (Mr. Whelan) had this to say:

When those opposite deny in the most emphatic terms that they are not giving away the provincial natural resources I wonder why they don't produce the evidence. To members opposite who have spoken and who will speak in this debate I contend that you are giving away our natural resources.

He then went on to challenge the government to place before this legislature certain agreements and he referred among others specifically to the Primrose Forest Products Agreement, the Simpson Timber Company Agreement and the Prince Albert Pulp Agreement. He shouted a challenge to table these agreements. Well, Mr. Speaker, I wonder where the hon. member was during the last session of this legislature. Possibly, Mr. Speaker, he should be relieved of his onerous duties of Whip and keeping the opposition in order because apparently he is kept too busy to know what's going on. The Primrose Agreement, and the records show this was tabled on April 15th as sessional paper no. 165, in reply to a motion for return presented by the hon. member from Kelsey (Mr. Brockelbank). Mr. Speaker, all the Dumont-Simpson Agreements had been tabled even before that on March 22nd, as sessional paper no. 134.

Since then, Mr. Speaker, a further agreement was executed in the early part of October between the government and the Simpson Timber people. A motion for return was presented only last Wednesday, and I can assure you, Sir, that I shall be only too pleased and even proud to table this additional agreement. As a result of this agreement a feasibility study is now underway in the Hudson Bay and Flin Flon area for the expansion of the existing mill and for a possible second mill in the province. The study is already underway and in the February 14th issue of the Prince Albert Herald the following appeared:

Another pulp mill predicted in five years.

And this was made by Mr. Broccard who is said to have arrived in Prince Albert from Seattle to take up new duties as Development Forester for Simpson Timber Company of Hudson Bay. His assignment is to develop an economic and feasibility study of the timber resources in the Hudson Bay and Flin Flon area for which Simpson has an agreement with the provincial government. The feasibility studies are an important step in Simpson's objective in establishing a perpetual timber operation in Saskatchewan and constructing a pulp mill within five years. Simpson opened a \$2,500,000 sawmill last October.

With respect to the Prince Albert pulp mill it is well known, Mr. Speaker, that this agreement was only executed on December 2, 1965, and I assure you, Mr. Speaker, that these agreements like the Primrose and Simpson agreements will be tabled in reply to the motion for return and I will be prepared to table them at any time.

**Mr. Walker:** — Table them now.

**Mr. Cuenaere:** — I have them here and I would be very pleased to table them immediately. I was surprised to hear the hon. member for Regina North (Mr. Whelan) complaining bitterly that we had failed to acquaint people of Saskatchewan with the terms of the agreement. When he spoke he said:

I feel confident that not only would government members have tabled the agreements; they would have given the full story to every newspaper in Canada before they tabled them.

Well, Mr. Speaker, I think we tried to give the full story to the people of Canada but possibly, Mr. Speaker, it was only the Premier's modesty that prevented him from making it as complete

as it should have been. Mr. Speaker, I certainly have not been quite as modest.

I have been prepared at all times to answer any questions with respect to pulp mills directed to me by the press or other publicity medias and I have with me a number of clippings from the Prince Albert Daily Herald, the Saskatoon Star Phoenix, and the Regina Leader Post, with such headings as, "Pulp Mill Pact Details Cited", "Government Commitments for Pulp Mill Outlined", "Nine Major Agreements Signed between Pulp Firms", "Government Investment only \$1,500,000", "Prince Albert Timber Area Can Produce Wood for Mill in Perpetuity", "Timber Board will Deliver 1,500,000 Cords in four Years".

Now, Mr. Speaker, all this information has been given to the public as far as the press wanted it. In a number of issues of the Prince Albert Herald there has been a series of articles dealing with the effects which the pulp mill will have on Prince Albert and in the area. There are a number of articles, the third one appeared on February 8th. And then, Mr. Speaker, I have here a sheaf of letters that have appeared in newspapers throughout the province, many praising, some condemning the pulp mill. Those condemning the pulp mill are signed, and in many instances by one W.J. Berezowsky, MLA for Cumberland.

**Mr. Berezowsky (Cumberland):** — Just read them.

**Mr. Cuelenaere:** — Then, Mr. Speaker, there were a number of editorial comments entitled, "Mr. Kramer adds Voice to Pulp Mill Criticism". And then another one, "Can it be a case of petty Jealousy?" I agree, Mr. Speaker, that because the mill involved the utilization of the forest and government investment, the widest publicity should be given to its terms and to its provisions. In entering these agreements with the Prince Albert Pulp Company, I want to assure the house that everything possible was done to firstly ensure that Saskatchewan would get the pulp mill and secondly, and of even greater importance, that the interest of the province and its people would be fully and completely protected and safeguarded. And I think, Mr. Speaker, that we have done that in the pulp mill agreements that have been signed.

The stand taken by the opposition now that a pulp mill has been assured for Saskatchewan by a Liberal government is a complete reversal of the stand taken by them when they were the government. The Department of Industry in 1961 issued a brochure, a copy of which I have before me, entitled "Saskatchewan Pulp and Paper Potential". It makes interesting reading in the light of the criticism now being made by the opposition. This booklet or brochure starts off on page 1 by saying:

Saskatchewan's extensive stand of choice pulpwood, mature and accessible, presents to industry an unusual opportunity to conduct a successful mill operation in this province of growth. During the past decade industry in western Canada has developed at an ever increasing rate.

And then over the page it goes on to point out that they had engaged the services of consultants, one from the Sandwell and Company:

This firm of consulting engineers in co-operation with the Stanford Research Institute of California, evaluated

the extent and quality of forest resources, market and financing. One of the most significant findings of this report is that which points to the successful establishment and operation of a Saskatchewan base pulp industry.

And then on the following page under a red banner called "Highlights", this publication goes on to say:

Saskatchewan forests contain an abundance of primary softwood species sufficient to support a daily production of pulpwood, of 1800 tons of kraft pulp. Coupled with a rapidly growing kraft pulp market in the mid-western United States, this forest will provide the basis for a successful kraft industry in the province.

So, Mr. Speaker, this is what they had to say about the abundance of the forest and its capacity of supporting not one mill of 600 tons capacity but three mills of 600 ton capacity.

Now, Mr. Speaker, it is most amusing to hear the former Minister of Natural Resources (Mr. Kramer), condemning the government for, as he alleges, having entered into a contract for the sale of pulpwood at \$18 a cord. In the first place, as was pointed out by the Premier, he was wrong on three counts when he made that statement. Firstly, the price is not \$18 a cord, it's \$18.50. Secondly, the agreement contains a clause that the price can be increased by 10 per cent but not more than five per cent each year. This means that if the delivery price in the first year is too low, the price can be increased to \$19.42 for the second year and then \$20.35 per cord for the third and fourth year when the bulk of the deliveries will be made under the contract. Thirdly, the agreement provides that if at those prices a loss is sustained the loss will be shared equally by the province and the pulp mill. Mr. Speaker, I suggest to you that this is a far cry from \$18 per cord. But what did the CCF-NDP publication have to say about the price of wood for a pulp mill in Saskatchewan? Again I quote from the brochure:

Wood costs in Saskatchewan . . .

very interesting

. . . estimated at \$18 per cord are among the lowest on the American continent.

**Mr. Berezowsky:** — 10 years ago.

**Mr. Cuelenaere:** — This was in 1961. What are you talking about, 10 years ago? Why don't you follow your own publication?

Cutting rights present no problems as timber reserves are owned by the province and are available at attractive terms.

As a matter of fact this was the kind of material that we had to go on in negotiating for a pulp mill. Mr. Speaker, this is as late as November 15th, 1963. Referring to the commitment of pulpwood at \$17 a cord, you will recall that the Premier in his address filed correspondence to the effect that the previous government had committed itself to the sale of large quantities of wood at \$17 per cord. As late as November 15th commenting on this commitment, Mr. Kalmakoff (and he is well known to the opposition) the then manager of the Timber Board, maintained that the commitment could still be carried out with very little

risk of loss and with a good possibility (and he used the bad word) of a small profit. This was directed to my predecessor.

The junior member for Moose Jaw (Mr. Snyder) speaking in this debate said the government is putting the natural resources of the province on the auction block for the benefit of their free enterprise friends. This is the same tune that is being sung by the hon. member from Cumberland (Mr. Berezowsky) and others when they cry, “sell out of our natural resources”.

Well, Mr. Speaker, from what I can see, if there was ever an auctioneer around the Department of Natural Resources it was the hon. member from the Battlefords (Mr. Kramer). He was prepared to sell the forest resources to the lowest bidder at any price. Now let's see what he was prepared to do. On May 21st, 1963, the previous government, through the Minister of Natural Resources, executed an option agreement with the Green Bay Packaging Incorporated, described as “incorporated in the laws of Wisconsin, USA, with offices at Green Bay, Wisconsin. Then it goes on to grant to Green Bay Packaging an option. Let us look at what this option provided: Firstly, it grants a two year option from June 1st, 1963 to May 31st, 1965 (and when we took office we had to contend with this option) to the entire Prince Albert area, on the understanding that only this company would make a feasibility study and would, if the study proved out, construct a pulp mill with an output of 200 to 700 tons per day. For this valuable offer what did the province receive? Not even the usual \$1 consideration, no deposit, but instead they agreed to pay half of the feasibility study. This cost the province \$26,500.

By contrast, Mr. Speaker, we gave the Simpson Company an option on the uncommitted timber only in the Hudson Bay-Flin Flon area. We pay no part of the feasibility study and the company deposited \$5,000 which will be forfeited to the province if the company fails in any one of five steps to carry out its feasibility study, an expansion program and build a pulp mill. This, Mr. Speaker, is the way we do business, in a business-like way, with, I suggest, Mr. Speaker, good businessmen. Gone are the days of the auction sales.

**Some Hon. Members:** — Hear, hear!

**Mr. Cuelenaere:** — Mr. Speaker, I am prepared to submit to this house and to the people of the province that the agreement entered into with the Prince Albert Pulp Mill is no less, and in many respects, much more favourable to the province than the one that the former government, that the former Minister of Natural Resources, was prepared to enter into. This one, Mr. Speaker, has the advantage of providing a pulp mill and not just pre-election false alarms.

Mr. Speaker, what do the agreements that the province entered into for the construction of the pulp mill provide. I will try to summarize them very briefly. The mill is to be constructed by the Prince Albert Pulp Company, a newly incorporated Saskatchewan private company. The company has only two shareholders, Parsons and Whittemore and the government of Saskatchewan. I don't think I need to point out anything about Parsons and Whittemore. It is certainly one of the very outstanding pulp producing companies in the world. It is commented on in Paper Week, a publication by the Paper Industry Management Association which goes on to point out that right now they have a combined

capacity in their mills of 200,000 tons of bleached hardwood kraft pulp and that with the addition of the Prince Albert Pulp Mill they will have 450,000 of market pulp to sell. It will be one of the largest single sales group of bleached market kraft in the world.

Now, what about the financial arrangements? The total capital requirements to construct the mill and to provide operation capital is \$65,000,000; \$50,000,000 will be borrowed and the balance of \$15,000,000 will be equity money. Parsons and Whittemore will invest \$7,000,000 and for this they will receive 70 per cent of the shares in the pulp company. The government will have a \$3,000,000 investment made up of \$1,500,000 in cash and \$1,500,000 for guaranteeing the loan. For this investment and the guarantee the province will have a 30 per cent increase in the company. The additional \$5,000,000 will consist of a grant made by the federal government under the Incentive Program. Therefore, for a cash investment of \$1,500,000 the province will receive a 30 per cent interest in this large, and, what I am sure will prove, prosperous and profitable enterprise. I believe that the construction of this mill under this arrangement will present one of the finest examples of joint effort between the public and the private sector. Arrangements for the loan money at 5.2 per cent interest have been completed and the money is committed. The total contract price for the construction of the mill itself is just a little over \$52,000,000. This will leave a balance of \$12,800,000 to provide engineering services.

**Mr. Berezowsky:** — Have you?

**Mr. Cuelenaere:** — If you read the newspaper instead of writing to them you would find out that they are advertising and that tenders have been closed very recently for the persons who are going to construct the mill. Now just read the paper. Now this money will provide engineering services, financial costs, contingencies and provide a large working capital which will be necessary to ensure wood supply. Much, Mr. Speaker, is being said to the effect that while the government is investing \$1,500,000 and guaranteeing \$50,000,000, the entire control of the mill will rest with Parsons and Whittemore because of their 70 per cent interest in the mill. In other words, it is suggested that Parsons and Whittemore can always outvote the government. I want to point out that the agreement contains several built in protections for the government. In the first place the shareholders' agreement fixes the number of directors. It provides that the Prince Albert Pulp Company shall have six directors, two of whom shall be nominated by the Provincial Treasurer and Parsons and Whittemore are bound by contract to vote their shares so that two persons nominated by the Provincial Treasurer shall be elected as directors, so that with a 30 per cent interest in the company the province is guaranteed a third of the directors. In the second place there are special provisions governing the directors. In eight important instances any two directors are given virtual veto powers.

Both the shareholders' agreement and the articles of association of the company provide that the affirmative vote of five out of six directors shall be required in respect of any of a number of matters. For example, none of the agreements entered into between the pulp company and Parsons and Whittemore can be cancelled, renewed or amended without a five out of six vote. The issue and redemption of shares will require a vote of five directors. The company cannot enter into any venture not related to

forest, pulp and paper; the company cannot establish, form or invest in any subsidiary company, except one wholly owned by the company and provided it relates or is required in respect to pulpwood operations; the company cannot merge or amalgamate with any other company; the company cannot enter into any other venture, without the consent of five out of six. The company cannot pay to its executives or anyone else any amount in excess of \$35,000 per year, and finally it cannot enter into a share profit vote of the directors. On top of that, the meeting of shareholders is governed by a 75 per cent vote in certain instances; the shareholders cannot amend the articles of association without a 75 per cent vote and since the government has a 30 per cent vote this gives the government a virtual veto power.

Finally, what is very important, there can be no change in the capital structure of the company including the creation, incurring, or guaranteeing of new funded debts except on the vote of 75 per cent of the shareholders, so that although the government may be in a minority position it is given a fair share of the control of the company.

People may ask why it is necessary for the province to guarantee \$50,000,000 loan, why ask the province to guarantee the bonds of the company at all? Well, Mr. Speaker, there are some good and valid reasons. Other provinces, other countries are giving these kinds and other kinds of incentives — in Canada, Nova Scotia, New Brunswick and Newfoundland. The government's guarantee reduced the rate of interest by at least one per cent annually and in the initial stages, one per cent on \$50,000,000 loan means \$500,000 per year. And \$500,000 may well make the difference between success and failure.

In the final analysis, Mr. Speaker, if we have no confidence in the success of this mill, would we be reasonable to ask someone else to have the confidence? We undertake the risks but we will also share in the profit. If the company makes default in payment of the loan, the mill will revert to the province.

Now, Mr. Speaker, I don't want to occupy too much time but there are a number of matters of importance. These can be obtained from the agreements which will be filed. There is the question of wood supply. In order to ensure wood supply the Department of Natural Resources has entered into a management license agreement with the Prince Albert Pulp Company. It makes certain provisions that so long as Prince Albert Pulp Company continues to operate a pulp mill it will be given the exclusive rights for thirty years, renewable for an additional 20 years, to cut and remove pulp wood from crown land. The area is approximately 18,000 square miles, but Mr. Speaker, this area includes within its boundary many large bodies of water — Candle Lake, Montreal Lake, La Ronge and a dozen other lakes. It contains two provincial parks, 14 Indian reserves, two other forest management licenses, and sufficient saw timber, posts and a few other products to protect existing operators in the area. The management license agreement makes strict provision for reforestation of cut-over areas. The aim is to provide wood for the mill from the area in perpetuity.

The company is required to produce 75 per cent of the wood requirements from the area. The balance of 25 per cent can be obtained from operators in other areas. The agreement also provides for the payment of stumpage. These, Mr. Speaker, are the main provisions of the license agreement.

Now, Mr. Speaker, what will be the involvement of the Timber Board with the pulp mill company? A logging agreement was entered into whereby the Timber Board would supply to Prince Albert Pulp Company 1,500,000 cords of wood between September 1, 1967 and terminating on August 30, 1971. I have already indicated the price for the first year and before start-up, the Timber Board is required to deliver to Prince Albert Pulp Mill 100,000 cords to be stacked at the mill site by start up date. The balance is to be delivered from month to month when the mill is in operation. On September 1, 1971, the pulp company has agreed to purchase all the assets of the pulpwood division of the Timber Board and from then on will carry on its own wood operation. The Timber Board will be paid the value of the assets less an agreed depreciation schedule.

Now, the province has undertaken certain obligations. It has agreed to sell land for the site at \$20,000, a reasonable price for the class of land. It has agreed to build a gas pipe line to the site, something which the Power Corporation does for any consumer which will consume large quantities of gas at industrial rates. The province has agreed to build a road from no. 2 highway to the mill site and finally the province has agreed to take all necessary steps to prevent pollution of the river. In return the company has agreed to install a chemical recovery system, lagoon and sewage system to process its waste material.

Now, in coming to a close, what are the benefits that will accrue as a result of the construction of the mill? The indirect benefits are incalculable. The increase in employment which this mill will give, the reduction in social aid payment, the probabilities of several additional industries, the manifold increases in service industries are only a few of the indirect benefits which will accrue to the province. In addition to that the province will get some direct benefits including 30 per cent of any of the profits which the mill will make and then it will obtain stumpage annually. I'm not going to give all the rates but for the main product — for the spruce — it's going to be 70¢ per cord to December 31, 1979, which will bring to the province an annual amount of over \$300,000. For the next eight years it will be 90¢ for spruce and a little less for jackpine and a little less for poplar, which will bring to the province approximately \$400,000.

Mr. Speaker, while these are fairly substantial concessions, it must be borne in mind that these concessions are granted for a period of only 19 years. The agreement provides that from and after January 1st, 1988, the determination of fees for the remainder of the license shall be mutually agreed upon by the parties with the intention of maintaining the competitive position at that time of the licensee in relation to other similar mills.

In other words any concessions by way of stumpage, ground rental and fire protection, taxes by the cities, are only for a limited period. The comparatively short period of 20 years. After 20 years when it is expected that the loan is repaid all concessions in dues and taxes will have come to an end, and the mill will be required to pay whatever dues and taxes the governments and the mill will negotiate.

I suggest, Mr. Speaker, any statement to the effect that Saskatchewan has sold out its resources is untenable and that the benefits to the province far outweighs the concessions that have been made. Every safeguard has been put into the agreement to protect the interests of the people of Saskatchewan. At the



same time it has given the people of Saskatchewan an industry of which it can, I believe, be truly proud. I believe the province is fortunate to have attracted a company of the calibre and with the reputation of Parsons and Whittemore. Their experience in the field of pulp mill construction and operation is well known and I firmly believe that under the direction of a company such as Parsons and Whittemore the success of a pulp mill in Saskatchewan is assured as can be, as it is possible for it to be. They have the know-how and they have the market potential. Because of the quality of our pulp wood, the fibre of our spruce and pine, this mill will produce the finest quality of kraft pulp in the world; and there is a strong possibility that in the very near future the mill will be able to use our poplar, a wood that we have so much of. Parsons and Whittemore are already using some poplar in their Belgian mill on an experimental basis.

Mr. Speaker, because of the provisions for our Indian and Metis and for the pulp mill alone, and because of the other fine measures proposed in the Throne Speech, the motion to which I have just spoken deserves the fullest support; the government our fullest consideration, and Mr. Speaker, I shall certainly vote for the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. W.S. Lloyd (Leader of the Opposition):** — Before the minister takes his seat, would he permit a question? One question? I thought I heard the minister, I may have heard him incorrectly, say that the company had agreed by 1971 to purchase all the assets of the Timber Board. I wasn't quite certain about it.

**Mr. Cuenaere:** — I said of the pulp wood division of the Timber Board. As the hon. Leader of the Opposition knows there is provision in the Order in Council setting up Saskatchewan Forest Product to establish divisions. A division, a completely separate division known as the pulp wood division will be established and only that portion will be purchased.

**Hon. D.V. Heald (Attorney General):** — Mr. Speaker, in rising to take part in this debate for a few minutes this afternoon I would first of all like to join with those who have passed along to the new member for Moosomin their hearty congratulations upon his election to this chamber. I join with those who have congratulated the hon. member for Moosomin. I did everything that I could to ensure that he is here. I don't know whether I helped him or hindered him, but I am glad he is here. After listening to his maiden effort the other day I am sure all members of the legislature will agree that the people of the constituency of Moosomin have indeed elected a most able representative.

Now, Mr. Speaker, I am going to confine my remarks this afternoon to a few observations of previous speakers in the Speech from the Throne debate. Before I start I will have to deal briefly with some of the remarks which the hon. member from Regina West made on the radio this afternoon when he talked about Saskair.

You know, Mr. Speaker, I was in the Bengough constituency by-election for a few days along with some of my friends across the way and my friend from Kinistino (Mr. Thibault). I always

knew where he was because he left his calling cards at every hotel that he stayed at. The first thing that I had to do when I went to register was to either sweep off the desk or put in my pocket one of his calling cards. One of these days I will send them back, a number of the calling cards he left in the Bengough constituency. But you know, Mr. Speaker, in the Bengough constituency, those of us who have the responsibility on this side of the house for the administration of the government of this province were doing what John Kennedy used to say was “fielding pop flies”. We had a lot of this to do in Bengough because there were many pop flies drifting around the Bengough constituency liberated by our hon. friends opposite and their supporters. This afternoon we have had another pop fly tossed into the air by the hon. member for Regina West (Mr. Blakeney). He was very critical of the remarks which were made last evening by the Minister of Mineral Resources (Mr. Cameron) with respect to the Saskair agreement. I would like to deal briefly with some of the statements which the hon. member from Regina West made about the Saskair agreement.

He said first of all that in this agreement the government gave an undertaking, and I think I have it down correctly, “not to go into the flying business”. Well, now this isn’t right. If he has read the agreement he will know that it is not right. On page 11, paragraph 15A — you go down about halfway in the page, and it states what the crown can do. It says:

The crown will not conduct aircraft operations under the name of Saskair or its assigns, nor grant to any other the right to use that name, but so that nothing shall prevent the said crown, departments, corporations and agencies from acquiring, maintaining and operating aircraft of any kind related equipment for the purpose of conducting the work of the crown, departments, corporations and agencies other than air operations.

Does that indicate that the crown can’t carry on the flying business? I say it doesn’t. Now, that is not correct. So, I can’t agree with that statement. The paragraph is there in the agreement.

I think he also said that the contract contains absolutely no guarantees as to the prices this company can charge for air operations. He says the government cannot go into the free market and engage another carrier, the government is bound to use NorCanAir. Now, I would suggest to the hon. gentleman member from Regina West (Mr. Blakeney) that he look at page 13 of the agreement. Starting at the bottom of page 12 and there are certain items which are exempted or excepted from the agreement and this is what the government can do:

1. Work of a type now carried on by Saskatchewan Air Ambulance, that is exempted.
2. The transportation of ministers of the crown, deputy ministers, legislative secretaries and heads of crown corporations with or without accompanying personnel.
3. Work which the purchaser from time to time may be unqualified to do, or unable to carry out all (and listen to this) or at rates and conditions as favourable to the said crown, its departments, agencies and corporations as can be outlined from another operator at that time for the same work.

**Mr. A. Blakeney (Regina West):** —Mr. Speaker, will the minister permit a question?

**Mr. Heald:** — You made your speech, I am making mine.

**Mr. Blakeney:** — That does not exclude it, it only excludes it from air operations . . .

**Mr. Heald:** — Well, now, Mr. Speaker, my learned friend, the member for Regina West (Mr. Blakeney) wants to get into a legal argument. Perhaps he and I can get a client and have a court case and we will argue it out in court. What I am saying is that this is what the agreement says. This gives, Mr. Speaker . . . Now they will be popping up like mushrooms, Mr. Speaker . . .

**Mr. Speaker:** — Order, order!

**Mr. Heald:** — I am making the speech and I am reading from the agreement. Why didn't he read this in the agreement? It was there, half an hour ago. This means, Mr. Speaker, in my respectful submission, that if the prices submitted to the government, or any branches of the government, by NorCanAir are not competitive, the government has every right under this agreement to go elsewhere.

**An Hon. Member:** — At \$20,000 a year . . .

**An Hon. Member:** — They pay \$275,000 . . .

**Mr. Heald:** — We will get to the \$275,000.

**Mr. Speaker:** — Order, order!

**An Hon. Member:** — Read the agreement, read the agreement.

**Mr. Heald:** — Now, Mr. Speaker, my friend from Regina West (Mr. Blakeney) said that a contract for the sale of the corporation was not entered into, and he said the government obtained a price; he said it wasn't true that the government had obtained a price of \$947,000.

Paragraph 4 says that the price was \$947,000, subject to certain adjustments contained in paragraph 17 on page 16 of the agreement. As a director of Saskair I am advised that the net price amounts to \$845,025. This is the base price of \$947,000 less an amount of \$101,000 by which the recorded surplus of the corporation was reduced, so the minister was correct. The amount shown in paragraph 4 is \$947,000. It was reduced by the adjustment provisions contained in paragraph 17. He said nothing wrong at all, he is absolutely correct and accurate in what he says.

**Mr. Blakeney:** — Mr. Speaker, may I correct the hon. member from Lumsden (Mr. Heald)? I made no reference to whether . . .

**Mr. Speaker:** — Order, order! Now if the hon. member wants to submit an interjection or question, he will take his seat. If he doesn't take his seat, then the member can't make the interjection or ask the question.

**Mr. Heald:** — Well, I think we have heard quite enough about Saskair.

**February 18, 1966**

Mr. Speaker, I know my hon. friends are very sensitive about this because this niggling and whining goes on from day to day. They accused me of filing a false return, a suggestion by my pepper-pot friend from Regina north (Mr. Whelan), who is a very good friend of mine, incidentally, and said the other day that this was a ridiculous return that I filed, it is no return. Well, let's look at the facts. The facts are that on the 20th of March, 1965, a meeting of representatives of the government, and NorCanAir was held in the Executive Council Chambers. A number of amendments were agreed upon and inserted in a previously prepared draft agreement. The amended draft agreement was signed, pending its approval by the board of Saskair, and by the Lieutenant Governor in Council. Now, my friends, the member for Hanley (Mr. Walker) and the member for Regina West (Mr. Blakeney) should really know that it is necessary to have the approval of the board, is necessary to have the approval of the Lieutenant Governor in Council, so on the 20th day of March, 1965, 1965, there was not, in fact, a legally binding agreement.

**Mr. R.A. Walker (Hanley):** — Mr. Speaker, is the minister saying that the member was fibbing?

**Mr. Speaker:** — Order, order!

**Mr. Heald:** — I'm saying the minister was absolutely correct. The minister said that he had signed the agreement and this is true. He had signed the agreement but there wasn't any legal effect to the agreement because it hadn't been approved by the board and it hadn't had an Order in Council.

Well, Mr. Speaker, after my friend from Hanley (Mr. Walker) has practised law a few more years, he will realize that before an agreement signed by a department of government is binding it has to be ratified by the board of the company and by an Order in Council.

**Mr. Walker:** — Tell the Minister of Mineral Resources (Mr. Cameron) that so he can tell the truth after this.

**Mr. Heald:** — I'm telling you, Mr. Speaker, I am telling the member for Hanley (Mr. Walker). Don't worry about the Minister for Mineral Resources, he can look after himself.

Well, Mr. Speaker, this is the kind of pop flies that we were called upon to field in the Bengough constituency. Now what were some of the pop flies that were floating around the Bengough constituency. Well, there was one terribly heart-rending story about the Weyburn Mental Hospital, about people wandering around the streets of Weyburn, not in very good shape, and so on and so forth. The Minister of Public Health, I think, nailed that down the other day and indicated to the legislature that our friend the member for Regina West (Mr. Blakeney) when he was the Minister of Public Health, started this program of having people going into these homes, so this was nailed down. Then there was the big story about the sale of SGIO. This was going to happen. The Minister of Social Welfare (Mr. Boldt) and the minister responsible stated in his place the other day that there was not going to be any sale of SGIO. Then there was this magnificent story, aided and abetted by television broadcasts, by my friend from Regina West (Mr. Blakeney), about the famous Kern County Land Company. They were going

to buy thousands of acres of land in the southern part of Saskatchewan. Dreadful company. Well, Mr. Speaker, I propose now to lay on the table a copy of the certificate of registration of this American company in the province of Saskatchewan, and I would direct your attention to paragraph 3 of the statement of application for registration in this province.

The statement says, and I quote:

The business for which the company will carry on in the province is oil exploration.

Nothing about buying land. Then the company filed its return on December 31st, 1964, giving particulars of the business carried on in the province and in this return, which I will also file, the nature of the business or businesses carried on during the year ending December 31st, last, oil exploration. Another pop fly up, another pop fly down.

Then there was another one, raise the licenses on farm trucks, this was. We ran into this very early in the campaign. You are going to raise the licenses on farm trucks another \$10. That is not true, it is not going to happen and this was another story. Another fear story to try and plant in the minds of electors of Bengough, a fear that something which they like at the present time was going to be changed.

Now, what about the stud mill at Hudson Bay? This was a good one. I had a chap driving me around in the Ogema-Bengough area and we called on a farmer there. He said: "One of my Socialist friends tells me that there isn't any stud mill at Hudson Bay, none at all, nothing there." It is like my friend from Cumberland (Mr. Berezowsky) talking about the \$200 company last year. Well, you know — this was quite fortunate in a way, Mr. Speaker, that the chap who was driving me around was a moose hunter. He had been up at Hudson Bay last fall hunting moose, so he was able to tell this farmer that he had seen the stud mill, it was in operation. The people of Hudson Bay like it. The only people that don't like it are people like our friend from Cumberland (Mr. Berezowsky) who talks about a \$200 company.

**Mr. Walker:** — How about the pulp mill?

**Mr. Heald:** — Don't worry about that. Then there was a lot of criticism about the activities of the government last year in connection with institutional advertising of liquor. There are many people, of course, who don't agree with institutional advertising of liquor, but I have here a couple of ads. I thought maybe the lady member for Regina West (Mrs. Cooper) might like to see this ad. It is Drewry's; it is a Red Cross ad, inserted by Drewry's Manitoba Division, Western Canadian Breweries Limited. "Their work is never finished, Red Cross needs preventive blood donors and so on". I don't know whether the lady from Regina West (Mrs. Cooper) likes that ad or disagrees with it.

Here is another one "Peace on Earth", the spirit of Christmas, Shea's Winnipeg Brewery Limited, I suppose they don't like these ads. I don't like them either, because you know where they come from, Mr. Speaker. They come from the Commonwealth, December 2<sup>nd</sup>, 1955.

**Some Hon. Members:** — Hear, hear!

**Mr. Heald:** — The Commonwealth is in the avant-garde. Ten years before the government legalizes it, the Commonwealth is having liquor ads, in its newspapers. The Shea's ad, December 21st, 1955, page 8, the Drewry's ad. They weren't satisfied with one, they had two in the Christmas edition of that great little family journal, the Commonwealth.

Now, Mr. Speaker, while I am talking about Bengough, I would like to thank the hon. members opposite for sending the Commonwealth to everybody in the Bengough constituency. I think it was a wonderful thing, I hope when you get another by-election you do it again. I also wouldn't want to forget my good friend from Arm River (Mr. Pederson). I want to join with the Minister of Public Health (Mr. Steuart) in thanking him, and I hope he will pass this on the members of parliament in Ottawa, who represent his party in the House of Commons, for sending that delightful little letter out that they did, particularly the one that Mr. Nasserden (the member for Rosthern) sent to all of our friends in the Bengough constituency. We appreciated these letters very much.

You see what happened in Bengough, Mr. Speaker, was that the people in Bengough didn't believe all these stories. They didn't believe them because they have seen in the last 18 or 19 months concrete examples of the program of this government, doing the things that they said they were going to do, keeping promises. You know, it is pretty hard to go to a fellow that has been driving on gravelled roads for twenty years, and then when the government changes, he gets an oiled road, it is pretty hard to tell that fellow, "Don't trust the Liberals, you can't believe a thing they say". I had that experience. I went to a chap who I was told had been a great supporter of the NDP. He was a very fine chap, he was a municipal councillor and he said, "You know, (he told me some of these things) are you going to sell Government Insurance Office and so on down the line?" We discussed this for about half an hour, and I said "Don't believe these things, we are not going to o.k. them". He said, "No, I'm not believing them. You know when the other government was in, I go to Weyburn quite a lot, seventy miles over there, and I was good for about one broken windshield a week on that road. Now I go out a mile on the grid road to the highway and I go from Bengough up to 13. Then I go into Weyburn and it is all oil". So they didn't believe you because they have concrete examples, concrete indications of what this government is going to do. This government does keep its promises.

**Some Hon. Members:** — Hear, hear!

**Mr. Heald:** — Now, Mr. Speaker, I would want, in two or three minutes at my disposal, to give my friends opposite, some friendly advice, and I hope that they take it, and receive it in the spirit in which it is given.

I would say to you in all sincerity and in all honesty, don't be so negative. Don't be against everything that we try to do. Criticize us, sure, criticize us on policy, and on platform, but don't criticize persons, don't criticize individuals. Criticize ideas; don't get up like the member for Hanley (Mr. Walker) the other day and launch a bitter attack on one of the leading lawyers in this province.

**Mr. Walker:** — Mr. Speaker, on a question of privilege. The hon. member knows that I made no criticism of the leading lawyer he refers to except to quote words out of his own mouth.

**Some Hon. Members:** — Oh, oh!

**Mr. Heald:** — Well, Mr. Speaker, the record will show what my hon. friend said, and I am not going to get into that, but he seemed to be very annoyed over the fact that this lawyer had campaigned at one time in the constituency of Hanley. Well, perhaps not, he called him an aspiring Liberal politician; he talked about the conspicuous integrity of Mr. G.J. Taylor, Q.C., a member of the board, and I would agree with this but by omission he didn't talk anything about the integrity of the Chairman, Mr. A.M. Nicol, Q.C., or the integrity of Mr. McKercher, the other member of the board. Now, I would remind hon. members while we are talking about Mr. Nicol, and I didn't intend to talk about him, because he can look after himself, I am not worried about him. This former government saw fit to give Mr. Nicol a Q.C. a number of years ago. They must have had a pretty good opinion as to his legal ability and his integrity. But . . .

**Mr. Walker:** — Don't like his political opinions . . .

**Mr. Heald:** — Well, you didn't confine it to that the other day.

**Mr. Walker:** — Oh yes, I did.

**Mr. Heald:** — This negative attitude, Mr. Speaker, you don't just have to take my opinion the fact that you are sort of negative in your approach to the deliberations in this chamber. I would like to refer you to something which Mr. Tim Buck said about the NDP on February 2nd, 1966 in the Saskatoon Star Phoenix. Mr. Buck said:

The CCF-NDP could return to power provincially in Saskatchewan if they had adopted a positive attitude in the political field. This positive attitude as against the policy of criticism, could put the party back into the government once more.

So you don't want to take what Tim Buck says. Well, how about this little gem from the Leader Post, November 19th, 1965, reporting about the CCF convention in Saskatoon. The headline said:

Delegates Chastise Own Newspaper

The editors of the Commonwealth should use more constructive information based on truth, some delegates to the annual meeting of the Saskatchewan CCF said Thursday.

Delegates in one of five workshops approved the resolution which said many people reading the weekly newspaper for the first time resent the sometimes biased and unconstructive criticism of other political organizations.

Then there was another solution, Mr. Speaker. This resolution commended the Commonwealth for its splendid presentation of factual information, and the wonderful inspiration and encouragement it had provided. But you know, Mr. Speaker, that resolution was defeated.

**Some Hon. Members:** — Hear, hear!

**February 18, 1966**

**Mr. Heald:** — Mr. Speaker, one more word and I will have to sit down. I would like to make one more observation of the results of the Bengough by-election. You didn't win because they didn't believe you and you didn't win because the people of this province have had enough of planners and I want to quote one more item, a report from you convention, when Mr. Lane, who used to work for this government, Mr. J.R. Lane, who is one of the great intellectuals of the CCF movement, this is what he said:

Government planning at all levels became badly diffused towards the end of the CCF's 20 year reign in Saskatchewan.

Badly diffused, whatever that means. Here is what he says you need:

A restructuring of planning by the CCF party in Saskatchewan must be undertaken with the establishment on the party's re-election . . .

And listen to this:

. . . of a senior minister under the Premier, and a planning board similar in size to that of the Provincial Treasury Department.

Now, Mr. Speaker, I called the Deputy Provincial Treasurer and I said, "How many people have you got working for you in the Provincial Treasurer's Office?" He said 308 and I asked "What is your annual budget for administration?" He replied \$3,000,000.

So, if a CCF government is re-elected in this province, the first thing that will happen is that we will have another building full of planners, a department as big as the Provincial Treasurer's Department, 308 bodies costing \$3,000,000.

**Mr. Walker:** — They believe you, do they? They believe that kind of rubbish.

**Mr. Heald:** — He said, the large question is not whether planning is possible, but whether a political party is prepared to make a meaningful commitment to planning and stay with it when the going gets tough. So he said you were "chicken" fellows, I hope you aren't chicken next time.

**Some Hon. Members:** — Hear, hear!

**Mr. Heald:** — Mr. Speaker, I believe that you can detect from the tenor of my remarks that I would hope my friends opposite would come with us, join with us and support this Throne Speech, and support this imaginative program, this program for the progress of all of the people of Saskatchewan. I think you should, I think you have agreed with most of the things in the Throne Speech. You said we should spend more on education, but you can talk about that in the budget. So far as the Throne Speech is concerned, you have agreed with many of the things that we want to do in this session. I suggest to you in all sincerity and all humility that you join with us and support this Throne Speech.

Mr. Speaker, I will support the motion.



**Some Hon. Members:** — Hear, hear!

**Mr. H.H.P. Baker (Regina City):** — Mr. Speaker, it is obvious that the Attorney General (Mr. Heald) my good friend has been doing a little playacting this afternoon. If you look at the gallery you will find that a goodly number of his friends and my good friends are here from the Lumsden constituency, and I, at least, want to extend a warm welcome to them. I think he has forgotten about you, at least, I would like to recognize your visit here.

**Some Hon. Members:** — Hear, hear!

**Mr. Baker:** — This is no reflection on the Attorney General because I do recognize him as one of my better friends from across the way. I remind him that among the visitors in the gallery are many of my good wife's relations. Perhaps I will have to do a little more campaigning to get them my way, but we are very pleased to have them here and I am sure they will enjoy the proceedings this afternoon.

I want to congratulate, Mr. Speaker, the new member from Moosomin (Mr. Gardner) on his election to this house. I am sure that after he is here awhile he will begin to realize that he probably ran for the wrong party. We do welcome you, Mr. Gardner, and I am sure your stay will be enjoyable. How long it will be I cannot say. The Bengough results might have given the government side some confidence. However, I don't think they need to rejoice too much. Had we gone out there and taken a couple of votes more in each poll the story would have been different.

I wish to congratulate the Minister of Municipal Affairs (Mr. McIsaac) on his elevation to that cabinet post, I believe he will do a good job if some of the members around will leave him alone. To our Sergeant at Arms I want to congratulate him on his appointment. I say that most sincerely as I was a civil servant for 14 years and recall seeing him every day in the hallways when we came to work. I want the legislature to know that he and his good wife are fine community leaders in the city of Regina.

**Some Hon. Members:** — Hear, hear!

**Mr. Baker:** — I think the one that will rejoice the most at the results of the Bengough by-election is the Premier himself because it was common knowledge in this city before that election, that is in the hierarchy of the party that the government represents, if they lost he would be replaced. I can tell you, that looking across the way and seeing whom he has at his left, I'm surprised that he hasn't felt the needle being shoved into him to get him out of there. There is a little rivalry between the deputy leader (Mr. Steuart) and the member from Melville (Mr. Gardiner). He has one hurdle to get by the Attorney General and is not quite close enough yet to get at the Premier. Heaven forbid if we ever get that Gardiner machine back in Saskatchewan.

**Some Hon. Members:** — Hear, hear!

**Mr. Baker:** — I will still take the Premier over those two.

Mr. Speaker, I always like to greet the members from Saskatoon on this side and the other side of the house. The member seated

behind me has just said that they are celebrating their 60th anniversary. I want to congratulate them and wish them well in their celebration. They have written a new song, they tell me in Saskatoon, "The only good thing about Saskatoon is the road that leads to Regina". We are pleased to welcome the lady across the way as I usually do. I don't know whether my eyesight is failing me or not, but her charm and beauty aren't quite the same this year as they were last year. I would advise the Premier of this province that he replace her seat mate as soon as possible.

**An Hon. Member:** — He's getting blind.

**Mr. Baker:** — Mr. Speaker, there are many things that I could touch on today but the lawyers' feud on both sides of the house has taken a lot of my time. I would like to get in a little time once in a while too. I think a similar situation happened last year when I also lost about 20 minutes of my time. However, there are some things that I would like to touch on in the few moments at my disposal. One of the things that has caused irreparable damage in this province since the new government has taken office is the chaos created in the civil service. During the two years that the government has been in power, I must say that the security of the civil servants in regard to their collective bargaining rights have become a shambles. The CCF government in 20 years developed a public service system that was considered one of the best ever constituted in this country. It was held in high esteem by visitors from many parts of the world. I know, I had the privilege of working for the civil service after the war. In the plan every person in this province or across the country was given the same right to apply for any position they desired regardless of what ever political affiliation, race, color or creed. I remember when many came from other parts of Canada and the States, students from across the border, many on scholarships as well as other government representatives that were sent to our province to do research on our personnel and public service system. After their study of our system they went back and installed similar plans. I must say that it appears that this plan is falling apart at the present time. In fact, many of our civil servants have been replaced or have been forced to leave through lay-offs which in other words can be construed as dismissals.

The government at Ottawa though has a high regard for our civil servants. It looks for the most part to Saskatchewan to secure the high quality men to fill its needs. I would suggest to my good friend the Premier that when he negotiates with the Ottawa government that he sees that we get unconditional grants to replace the value of the transferred civil service.

**Some Hon. Members:** — Hear, hear!

**Mr. Baker:** — Yes, the civil service is facing a crisis. They are being reduced and not being replaced thus causing a work load for those who are here which appears impossible for them to carry out. It's important that employees have good working conditions and most important of all, security in the positions they occupy, which as a result will give the efficiency desired. Secondly, it appears that there is an elimination of research staff on the part of the government. No senior government in today's world can effectively govern without determining the facts. Those of us in local government cannot afford to hire staff from research departments and so we rely on senior governments to keep us up to date on the salient facts.

The civil servants have not been treated fairly, there appears to be much pressure within the service that is causing much concern and anxiety. We have a province of great wealth, not only in resources but in people, people who can serve the province and serve it well. I want to make a personal statement of policy in regard to our civil servants . . .

**An Hon. Member:** — Party policy . . .

**Mr. Baker:** — . . . when we again have the opportunity of being the government I will do all in my power to see that all those who have been laid off or dismissed will be reinstated in their former positions, or placed in related ones with full rights of seniority and fringe benefits. This would apply to those who came under the Public Service Act and the collective bargaining agreements.

No one denies the right of the government to appoint people in key positions particularly dealing with matters of policy. However, when you resort to putting people out of work in the lower paid positions under the guise of layoff by putting many of these employees into poverty and driving them into mental despair, I think it's a cry to Heaven to find that men across the way in this day and age would do this to innocent people who only want to seek a livelihood for their families. I don't wish this on anybody across the way but perhaps they might be in that same position in time to come.

The progress made by the CCF in the past 20 years speaks for itself. I'm sure everyone will agree we have built an orderly economy, and one that gave security to the workers, the farmers and the business people. It was built on many firsts for the people of this province. Industrial development was such that the economic base for our province was widely diversified, and these benefits the citizens of this province wish to retain and magnify. This province cannot go back in history which some of the policies of the present government are doing to us today. We must strengthen the security and economic base of our municipalities of this country.

We have heard a lot of talk from the other side of this house about building a wider base for tax purposes. There are three absolutely necessary ingredients to building a good economic tax base. These are the extension and distribution of natural gas to the communities, the provision of sufficient water supplies and the provision of sufficient electrical energy. These were the three ingredients we had to have in the city of Regina to attract industry. The province of Saskatchewan, thanks to the CCF government over the past 20 years, distributed natural gas to the various communities on main lines.

The Saskatchewan Power Corporation was the key to industrial growth in other centres. We in the city had the privilege of owning our own public utility which is now in the hands and under the direction of the Saskatchewan Power Corporation. I noticed the Minister of Health (Mr. Steuart), the minister in charge of this department, stated that they were going to have around \$10,000,000 in profits for the fiscal year. I can tell you, Sir, that \$1,000,000 of that, no doubt, comes out of our city plant acquired last year. I hope that when the budget comes down a good portion of that will be given back to Regina as an unconditional grant.

Over the past eight to ten years we have had rapid growth in our city since some of these utilities became available. It is not necessary, Mr. Speaker, as the present government has stated, to

widen the economic base. That economic base was established for the purpose of developing all industries before they were in power and it is up to this government now to continue to build upon that established base. Mr. Speaker, I laid before this assembly one year ago what is come to be known as "Baker's Blueprint for Progress". That 14 point blueprint is as valid today as it was one year ago, except for those points that have now been taken up in part by the present government. I do appreciate that you are instituting my program for me.

There are many things that changing conditions will make others of my points necessary. I must congratulate the Premier in this respect on the acceptance of one of my points, namely the principle of Home-owner grants. This was proposed in my blueprint for progress. However, I see it has only been provided in part. This government has been expounding in its repetitive trips beyond the borders of this province the prosperity apparent in Saskatchewan and yet they only propose a grant of up to \$50 annually to each rural and urban homeowner. Yes, only \$50 to senior citizens who are finding it more and more difficult to exist on fixed incomes with our ever increasing cost of living.

Let's be somewhat more realistic about this and on June 1st each year provide for each homeowner over the age of 65 the sum of \$150, and for all renters over the age of 65 on the same date \$120 annually. These are the people who are in dire need. These are the people whose incomes drop upon retirement. These are the people who developed our province, who in the twilight period of their life deserve to share in the prosperity and economy of our country. I ask this government again to be realistic as our citizens are in need of aid. It is the duty of the government of today to provide that need.

What about old age pensioners? In the Speech from the Throne we didn't hear anything about them. The government of Saskatchewan as well as the government at Ottawa does not accept the fact of the seriousness of the plight of our pensioners. The present old age pension of \$75 per month is just not adequate for these people. Many did not have a chance to save during the '30s and the early '40s. If this government is sincere in its claim that Saskatchewan is abundant with prosperity let's see the province of Saskatchewan plan on its own the additional \$25 to raise the old age pension to at least \$100 a month. This would be progress of the highest order. This government has time to bring this about at this session and I am sure they would have the support of this side of the house for such legislation. I would also hope that the budget would contain related and similar increases for mothers' allowances and social aid recipients.

I wish to dwell for a few moments, Mr. Speaker, on the matter of our CPR railway system. The government of the province of Saskatchewan during the past year has made only a token fight against the CPR. I heard the government's presentation in connection with the discontinuance of the Dominion passenger service. It was presented by the Hon. Mr. Grant, ably presented by him but I must admit it had no substance. Surely the government is interested in the passenger services that come to the western cities, not only of this province but of the two other provinces too. The feeble efforts that were made by the government of these three provinces were something not to cry home about. The mayors of the west took hold of this and have done their best to try to get some adequate service reinstated. We met in Moose Jaw and everyone was present to protest to Ottawa that something be done about this. I want to say that the CPR owes this to the people of this province and the west. The CPR received, when these lines were

completed, 25,000,000 acres of land and \$26,000,000 in payment for building the western link together with all the mineral rights from which they receive large sums of royalties, that the Minister of Mineral Resources (Mr. Cameron) spoke of yesterday. And yet we in Saskatchewan are doing nothing about it and it is being left to those in local government to keep prodding the federal government to do something about it.

In the city of Regina for example the CPR has some 66 acres in the centre of our community on which they do not pay taxes. The assessment would produce \$250,000 taxes a year but under the Railway Act they are protected in not having to pay that. If this land could be developed, the city of Regina would realize probably close to \$1,000,000 a year in tax returns. Let me tell you a little more about the Union Station and sheds that exist in the centre of our city. I was informed of this not long ago. We had tried on occasion to get the Union Station to move out of the centre of the city. The reason, I have found out now, why they won't do it and yet the CNR have moved their freight sheds out, they still get \$100,000 a year in perpetuity as rent from the CNR, yet they don't even use the place. It pays the CPR to leave it there as they don't pay taxes. Yet annually they get that \$100,000 a year in perpetuity from the C.N.R. You will also find before the House of Commons Bill C-120 in which the CPR are asking for \$65,000,000 to cover the losses on passenger service whether we get service or not.

I was very pleased when we, as mayors, met with the Prime Minister of Canada and the cabinet. We went to Ottawa some three weeks ago to meet the cabinet. I give the Prime Minister credit for the courage he had and the stand he took which those across the way haven't got. When we asked him about the deputation to meet them, the Minister of Transport, Mr. Pickersgill, chimed in and said, "No, we cannot have you here because it is being appealed". I had thought that they had appealed to the courts but found out they had appealed to the cabinet which still gave us every right to meet with the cabinet. The Prime Minister of Canada stood up for us and instructed the Minister of Transport "that they would meet a deputation". I admired the Prime Minister's courage. The door is open for us if we only want to act and do something about it. In recent weeks you will have noticed they set up a parliamentary committee to investigate railway matters. This is an opportunity for us to present our case and to stop rail abandonment and work toward reduced freight rates for the farmer. To get adequate passenger service for our urban centres and the people of this province and other western provinces.

Now, I could go and say much more with regard to the railway. However, I'll leave some of that for a later debate in Canada. I do want to say, however, that some of the profits they realize — the CPR are not interested in passenger service anymore, it appears they are only interested in real estate from which they make millions each year. The CPR subsidiaries in 1964 earned over \$19,000,000 and their sale of shares was something like \$20,000,000. Out of this they had retained \$5,000,000 in their coffers and the dividends they paid out amounted to \$14,000,000. The CPR's own earnings were \$43,000,000 making a total of \$64,000,000. In 1963 and 1964 proceeds to the CPR from the sale of land amounted to over \$90,000,000. Yet when we ask for a measly little Dominion passenger service for the west, which in some areas was paying its way, we are turned down. A large number of passengers rode between here, Brandon and Winnipeg, probably the Moose Jaw run to Brandon was one of the best. The money out of our royalties and mineral rights were paid out as dividends to their shareholders. Most

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shareholders are still holding original bonds which go on in perpetuity.

We, as mayors of Canada, took action and asked the federal government and the cabinet that we want the Railway Act amended to provide the services that we need in this part of the country. The farmers of this country are contributing much towards the coffers of the CPR through their grain shipments to the west and to the east. Having the parliamentary committee we now have the door open to us. I thought the Speech from the Throne would mention this and that something would be done to stop the unfair treatment the west is getting from the CPR. I want to say, Mr. Speaker, that it appears to me that the only answer to the whole question is the nationalization of the CPR under the CNR of this country. And I want to support that policy and you will find that mayors in other parts of the country feel the same even though they may have different political affiliations.

Now, I had said quite a bit about the farm problem in Saskatchewan last year and I want to touch on it a bit this afternoon. I think it is important that those of us in urban centres realize the importance of farming, the primary industry in this country. As you recall, I had stated that we needed a two-price system. The method that I had suggested last year bears repeating again and this is part of the blueprint for progress that I outlined in 1965 and it still holds true. For the first 2,000 bushels a fixed price of \$2.75 per bushel would be paid for no. 1 northern wheat over and above freight charges. Wheat over and above the 2,000 mark would be sold at prevailing rates. This is the answer to maintaining the family farm and to producing a diversified agricultural economy.

Furthermore, the government has made no mention with regard to aiding agriculture in some of the following ways, which I mentioned earlier, by making a recommendation to Ottawa for the nationalization of the CPR. We must help the farmer to provide storage of surplus wheat to feed the hungry of the world. We must promote the building of large terminal elevators, not only at seaports and make efforts to reduce the storage charges and transportation charges on transferring Canada's wheat to the world markets. The profits obtained by the storage companies are according to all reports extremely excessive. We must take necessary action to stop once and for all the abandonment of the railways.

I haven't seen the government do much with regard to making representations to the federal government to put all farm laborers under the Unemployment Insurance Plan. This would enable the farmer to cope with his labor needs. He must secure his share of the labor in order to carry on. This share cannot be attained if they are not able to bid on an equal basis with other industries. These are items of security that we must promote for the farmer which I will enlarge upon when the budget is brought down.

Well, Mr. Speaker, I believe another member is to follow me. I am sorry that some of my time had been taken up by others. I hope that this will not happen again. I don't like it and I think the Whips on both sides should see that we are allotted time and given that time. It is only fair to everyone of us here if we are allotted so many minutes we should be entitled to them. Last year I lost out on 20 minutes of my speaking time and part of it on the air. I would hope that this does not happen again. If problems or items are going to come up they should be dealt

with following the scheduled speeches of that day. Many of us work hard on our talks to bring our facts before the people, and I think we have a right to express our views here. I am somewhat annoyed with what went on this afternoon for about twenty minutes and part of the blame is on this side too. It is important that those of us who sit here as private members, some of us new members, have a right to express our views and bring what we have prepared before this legislature and before the people of Saskatchewan.

Mr. Speaker, in view of the Throne Speech not having too much for the municipalities or the urban centres, it is obvious that I have to vote against it. There are many things I will bring up when the budget comes down with regard to unconditional grants, grants to help the main arterial roads in this community for which the former government gave us 50 per cent. I would hope that the Minister of Highways will see fit that we get 100 per cent to do this type of construction and grants for the maintenance of arterial streets. There are many more things that I should ask for, because of forfeiting our rights to the gas tax. I believe 20 or 30 per cent comes from urban centres and yet we get a meagre percentage in return. Municipalities need help otherwise you will find that taxes will increase, thus putting a greater load on the property owner. I am very pleased to have had the opportunity of supporting the amendment yesterday and I will certainly vote against the motion.

**Some Hon. Members:** — Hear, hear!

**Mr. W.G. Davies (Moose Jaw City):** — Mr. Speaker, in beginning this afternoon, I would like to join with others who have congratulated the new member for Moosomin (Mr. Gardner) on his election. I liked his predecessor very much indeed and I am sure that all members of the house look forward to association with the successor to Senator McDonald.

As the last speaker in this division, Mr. Speaker, I am somewhat cramped in point of time. I would like to deal very quickly with some of the remarks made in the debate yesterday. May I make reference first of all to the speech of the Minister of Labour (Mr. Coderre). As I recall he took about ten minutes speaking on the subject of labor, mainly an explanation of how conciliation boards work, and this with regard to the Basken case.

Now, I don't dispute for one moment what the minister had to say about the constitution of conciliation boards in general, and I certainly agree that in conciliation boards the actual decision is left up to the chairman himself. However, the main issue here so far as the Basken case is concerned is "why did the minister appoint Mr. Nicol." This wasn't a matter of wage determination; it wasn't an issue in which a chairman could be of almost any political persuasion. This was an issue, Mr. Speaker, where the logical choice indicated had to be in all reason someone who was unconscious or unconscious sympathies would sway his judgment in the determination of the case.

There are many eminent jurists and lawyers who could have assumed the chairmanship of this board. This was not done and we were left to the spectacle that has been so well described by the member for Hanley (Mr. Walker) a few days ago. I say, Mr. Speaker, that by the choice in this case it is not the chairman of the board who stands condemned, it is the government who in its decision put the chairman in the unenviable position in which he was placed.

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The Minister of Health (Mr. Steuart) as well added to what the Minister of Labour (Mr. Coderre) had to say in this regard. He said categorically that the reason for Mr. Basken's dismissal was that he had refused to obey an order. Mr. Speaker, I say that that statement was a convenient fiction and I challenge the government, the Minister of Labour and the minister in charge of the Power Corporation to immediately appoint an impartial tribunal, a tribunal headed by, say, Mr. Carl Goldenberg, Q.C., the dean of conciliation forces in Canada. Let the parties have their own representatives if they will but appoint Mr. Goldenberg and put this matter to that impartial tribunal. If Mr. Goldenberg is not obtainable, let Mr. Goldenberg himself choose that impartial chairman. I challenge the government to make the determination of this very grave issue and make it immediately on this basis.

**Some Hon. Members:** — Hear, hear!

**Mr. Davies:** — May I refer as well while I am dealing with the remarks of the Minister of Health (Mr. Steuart) to the statements he made in the debate yesterday on the Power Corporation. You know, Mr. Speaker, I have sat in the Crown Corporation Committee for many years. I have heard almost without exception the reiteration of the Liberal theme that the Saskatchewan Power Corporation electrical utility was charging too high rates and yet it wasn't making enough profits and as well that there was a millstone of debt around the neck of the people of this province.

That was the story then. Now that the government is in power it is telling us that they are going to maintain a higher level of profits. I think this whole story is an attempt to simply frighten the people of Saskatchewan from demanding the kind of power rate reductions that they had under a CCF administration. There were five reductions during the CCF periods of office. It is very evident that there are no power reductions in the offing from what we were told the other day. You know the story, the whole story, is built around the fact that we now apparently have only an eight per cent public equity in the SPC. We are told that it will be necessary to borrow in the next five years another \$250,000,000 to be offset by \$10,000,000 in increased profits. This, Mr. Speaker, I suggest, is going to further reduce the equity if we adopt the argument of the Minister of Health (Mr. Steuart), so that by the end of five years there will be a public equity of only five per cent because of this \$240,000,000 extra that he says it will be necessary to borrow. I'd say this kind of approach to a publicly owned utility is simple nonsense. If you want to apply this sort of logic then do it with every kind of utility, private or public.

I'll just pass on to some of the remarks of the member from Athabasca (Mr. Guy). I think a decent veil might be drawn over many of them; I am only going to refer to one or two this afternoon. He got on the subject of the Steel company, IPSCO, and he made remarks to the effect that it had only become a success under a Liberal administration. He referred to feelings of "envy and jealousy" that existed on this side of the house. Well, Mr. Speaker, this is, I say, a sensational whopper. This is another example of Liberal revisionism of recent history, because I contend that the whole existence of IPSCO was threatened in the early days of its development by the constant criticism and irresponsible statements of the Liberal party representatives of this legislature. I say that IPSCO succeeded in spite of, not because of, the Liberal party.



**Mr. Thatcher:** — Mr. Speaker, I am sure the hon. members would want to know that we took it out of the mess . . .

**Mr. Davies:** — The mess of that day was reflected in the criticism that came from your side of the house, Mr. Premier.

I would like, too, in the short time I have remaining this afternoon, to touch on a matter that the senior member from Saskatoon (Mr. Nicholson) referred to in his address; that is the subject of education leaning particularly to the question of trades and technical education. As the senior member from Saskatoon told us, our educational standing in Canada vis-à-vis the United States is not very good. As a matter of fact I observe in reading the second report of the Economic Council of Canada that while 57 per cent of the United States male labor force, 25 to 34 years of age, in 1960, had four years of high school training, there was only 26 per cent, about half of the United States figure, that had equivalent standing in Canada. The same kind of comparison holds for university training.

We have reached the time, Mr. Speaker, when any concept that treats educational expenditures as costs purely appears now to have been cast aside by all informed opinion. It is a true investment. We are told by one manpower committee that investments in education produce \$5 for every \$1 of outlay. I think a five-fold return establishes its own case and establishes the need for the “higher platform of education” referred to by the Economic Council of Canada as “a prime necessity”.

Now, Mr. Speaker, at the session in 1965, the Minister of Education (Mr. Trapp) told us that plans for regional technical institutes would be discussed with local educational authorities in the summer of 1965. This was, as you will remember, advanced after a great deal of criticism had come from this side of the house. I suggest that the situation has not improved at all and that none of the promises that were made to us at that time have really come to fruition. One would have thought too that in the Premier’s European labor recruiting campaign that he might have asked the Minister of Education (Mr. Trapp) to effect the most rapid expansion of present programs to train and upgrade our labor force to secure all the skilled people that we need. But never in any announcements that I heard did he indicate this was being done. After all, Mr. Speaker, we have in Saskatchewan thousands of able people, both employed and unemployed, that are prepared to take part in programs that will put them in a better position to cope with the future. I say, for the government to place its main emphasis in its search for labor on the continent was surely setting the cart before the horse, because this was, remember, in a year when skilled labor in Europe and the British Isles was never in higher demand and, therefore, never in more scarce supply.

I ask again: Where are the facilities to look after not only the people who are taking high school, and post-high school education, but also the unemployed trainees that will enroll as a result of the new federal-provincial agreement on allowances. I pause here to say that I have not yet seen an announcement by the Minister of Education (Mr. Trapp) that the province has accepted the offer of the federal government which I understand will become effective on June 1st.

But where are the facilities, where are the facilities for training these unemployed people? There have already been

suggestions in Regina that some of the older buildings should be set aside for this purpose; but this is yet another example of the complete lack of planning of the present administration to take care of an A-1 priority.

I would like, Mr. Speaker, to make a number of recommendations that would advance in a concrete way the situation so far as upgrading and training in this province are concerned.

1. Increase allowances for unemployed training at least to the extent of the offer of the federal government and extend the number and kind of courses for which the allowances are available.
2. I would like to propose an additional program of allowances for employed people on the principle of income maintenance while they take training. I think we need legislation for leave of absence for workers so there will be no loss of seniority. There should be better ways of coordinating learning in schools with that of industry.
3. I would like to propose that special attention be given to academic grades in upgrading, without which many citizens can't hope to fill occupations today or in the years just ahead. Some 46 per cent of the labor force in Canada has elementary training, grade 8 or less. The member from Athabasca (Mr. Guy) was rather surprised that I mentioned in a news report that there were 120,000 adult people in this province that were in that category. I can assure him that this percentage is in nowise different from other provinces and that the CCF party while it was the government did more than any other party in this province has ever done to overcome deficiencies.
4. I would like to suggest the organization of a provincial Manpower-Education Branch for the production of effective information. Information research on which to base policies is inadequate now. This body would work closely with the federal and with other provincial authorities.
5. Mr. Speaker, I believe we need a stepped-up program to produce more effective guidance and counselling, especially in public and high schools, using the services of full-time, experienced, guidance personnel.
6. The creation of new consultative machinery that would bring citizens, school boards, teachers, students and educational authorities together in effecting a genuine and continuing exchange of opinion, in addition to helping offset complaints that parents and others don't have a meaningful part in vital matters of education, and serving, perhaps, to build more mutual confidence and understanding among the participants. This is something that should be followed.
7. We should resume a program for construction of regional vocational technical schools to overcome the harm that has been done in the failure of the present government to proceed with the provision of regional facilities.
8. We should introduce into the appropriate school courses more content on consumer information, problems of all kinds, having particular regard to the teenager and to family income management for the young married couple.
9. In general, we should search for more effective ways and means to solve the education, training and placement problems of physically, emotionally and vocationally handicapped people.

I am not suggesting to the Minister of Education (Mr. Trapp) that all of these points are by any means completely original. I think, however, that he will agree with me if he is frank, that we are not following this program now, and that above all we need to have an information and research apparatus that will give us reliable facts on which, I am convinced, we need to proceed in

education today. It is becoming obvious, Mr. Speaker, that there exists in Canada a highly fragmented approach to education systems and manpower policies. A national policy council and an associated provincial council have already been advocated as a means of overcoming what is seen increasingly as a matter for widespread criticism and concern.

It has also been urged that we need to establish very soon, nationally and provincially, the kind of statistical and operations-research mechanisms that I have referred to very briefly here today.

The role of the guidance counsellor in public and high schools as well as perhaps the creation of a new professional class, the academic and vocational counsellor is extremely important. This has been suggested by Dr. A. Porter, head of the Industrial Engineering Department of the University of Toronto.

It is a step long overdue, because if we need anything in our schools today it is better and more dependable counselling for our young people. I would hope the general and the specific grounds that I have referred to should be of pressing concern to educational authorities and the government of the province. Overall, Mr. Speaker, there must be a readiness to review and to consider, and to discard and to add, as seems necessary for both today and tomorrow's requirements in education, particularly so far as technical and trades education is concerned. We have a ratio of technologists to university personnel in this country of about 1 to 11. That spread, I think all members will agree, is far too great. It must be overcome. It is not a question of can we afford it; it is a question of 'we can't afford not to!'"

Mr. Speaker, may I go on another subject very briefly, because it is not my intention today to keep the members of the house longer than the prescribed time. A few days ago when the Premier took part in this debate, he was very critical. He chastised the Leader of the Opposition for venturing some remarks about the neglect by the CPR of the interests of Saskatchewan's communities and their citizens. The Premier said, as I recall it, that this was another example of Socialist criticism of a powerful and a successful monopoly. I am sure that many of the people in this province are going to take cold comfort from the remarks of the Premier on that occasion. When he spoke we had a right to expect an active defence from the Premier of the interests of hundreds of thousands of Saskatchewan people and dozens of communities that are involved in negative CPR policies. Instead of that they got a defence of a railway whose activities in recent years have certainly not contributed to the well-being and security of the residents of Saskatchewan.

I come from a community where there have been many railway workers and we still have a substantial number. I know that they will not take kindly to the observations that were made about the railway system the other day by the Premier. They have seen first-hand the effects of the policy and the operations of a policy in terms of a great deal of hardship to both themselves and to local business. It is apparent, if I may say so quickly, that the Premier does not agree with the remarks of the new federal Minister of Agriculture, Mr. Greene, who I think was quite forthright in his criticism of the CPR not so long ago. I would recommend to the Premier that he and Mr. Greene might get together.

Now, Mr. Speaker, I would like to go on, I have a formidable set of documents and data before me. It is, however, the time of rising. I, at this time, would like to say, as I am sure I have indicated already, that because the Speech from the Throne

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does not disclose a way for the greatest development of human and natural resources and places its main reliance on other than principal social objectives, I shall not support the motion.

**Some Hon. Members:** — Hear, hear!

Motion agreed to on the following recorded division:

**YEAS — 29**

Messieurs

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

**NAYS — 25**

Messieurs

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

**Hon. W. Ross Thatcher (Premier):** — Mr. Speaker, I would move, seconded by the hon. Mr. Steuart,

That the said address be engrossed and presented to His Honour the Lieutenant-Governor by such members of the assembly as are of the executive council.

Motion agreed to.

The Assembly adjourned at 5:25 o'clock p.m.