

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Fifteenth Legislature
20th Day

Monday March 7, 1966

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

QUESTION RE HIRING OF OLDER WORKERS

Mr. W.G. Davies (Moose Jaw City): — Mr. Speaker, before the Orders of the Day I would like to ask the Minister of Labour (Mr. Coderre) whether, in view of bills before the Ontario legislature and the federal house that would make it illegal to discriminate against older workers between 40 and 65 years in hiring, the Saskatchewan government has any plans to also proceed in this fashion.

Hon. L.P. Coderre (Minister of Labour): — The matter of government policy will be announced in due course.

WELCOME TO STUDENTS

Mr. I.H. MacDougall (Souris-Estevan): — Mr. Speaker, before Orders of the Day I would like to introduce to the house a group of students from the Steelman School in the Souris-Estevan constituency. They are the students from grades five, six, seven, eight and nine and are located in the Speaker's Gallery. They have been brought here this afternoon by their teachers, Mrs. Munroe and Mrs. Hawkins, and their bus driver, Mr. Gregoire. I wish these students an entertaining afternoon and a safe journey home.

Hon. Members: — Hear, hear!

QUESTION RE MENTAL HOSPITAL PATIENTS

Mr. M.P. Pederson (Arm River): — Mr. Speaker, before the Orders of the Day, I wonder if I could direct a question to the Minister of Health (Mr. Steuart). In view of the very serious charges that were made in this legislature last week, and equally the vehement denials by the minister of these charges, regarding the placement and discharge of mental patients from our hospitals, I wonder if he could tell us if the ad hoc committee on resettlement of mental hospital patients has been called together to look into some of these charges. If not, will they be doing so shortly?

Secondly, I notice by the regulations that they are to report to the minister by the 31st of May of this year. Would it be possible for the minister to request from this committee some type of an interim report to be presented to him which he might be willing to table in the house before this session ends to help clear up this very serious matter that is before us at the present time?

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Hon. D.G. Stuart (Minister of Health): — Well, Mr. Speaker, the ad hoc committee, the committee that was set up to look into the question of placement, has been given terms of reference that are very broad, and can look into the question of where people are placed, when they are put on trial leave, or boarded out, or discharged from these mental institutions, where they are being placed, whether, in fact, they are being let out too early, how the program compares in the various institutions across the province, not only in Weyburn where many of the complaints have been centred. I have just talked to the secretary of the committee. The committee has been set up. It has been given its terms of reference and will be starting to work very shortly, as soon as the members can get together and start moving. I had a phone call from the secretary asking me if I would be passing on any of these complaints that I get from time to time. I have some now. I said, Yes, I would, I would be giving the complaints to it, any that I have, from any of the members or anyone else and would ask it to look into those specific cases. It is examining almost every place that we have any patients boarded out. I have asked it to report by the middle of May, or the end of May, which is a very short time because it won't be able to do this well and do it too fast. If there is an interim report, that is worth anything, before the session is over, certainly I will be prepared to bring it in.

QUESTION RE CREIGHTON AGREEMENT

Mr. W.J. Berezowsky (Cumberland): — Mr. Speaker before the Orders of the Day I would like to direct a question to the Minister of Natural Resources (Mr. Cuelenaere). The people at Creighton are trying to lay down their budget for the school and for the town. They can't do it unless an agreement is signed between us and the company and the government. I wonder if you could advise us whether an agreement has been signed, or when we can expect that it will be, so these people can carry on their normal function of government.

Hon. J.M. Cuelenaere (Minister of Natural Resources): — Mr. Speaker, the agreement has not as yet been signed. There is a group of people negotiating on behalf of the town and on behalf of the department, and with the company. I think that despite all the statements made by the hon. member from Cumberland (Mr. Berezowsky) the agreement in question was cancelled, or notice of cancellation was given at the request of the School Board. Until a contract is negotiated and the parties can come to an agreement — basically we have to get the people to come to an agreement — the contract then will be signed.

ANNOUNCEMENT RE EDUCATION WEEK

Hon. G.J. Trapp (Minister of Education): — Mr. Speaker, before the Orders of the Day are proceeded with, I would like to remind the assembly this is Education Week. Education Week provides an opportunity to discuss and reassess our education system. It is sponsored by all provincial and national organizations that have a special interest in education. While constructive thought should be given throughout the year to improvements, at all levels of education, this specially

designated week encourages visits to schools, study groups, preparation of addresses by outstanding educators and lay leaders, the use of radio and television programs to re-awaken and alert the public generally to present issues in education and to invite recommendations for further consideration. This year the theme is "Gateway to Progress" which should give ample opportunity to explore both the strength and shortcomings of our school system in meeting the educational needs of present-day society. In giving consideration to education during this special week set aside for the purpose, I should like to remind members of this assembly of the preamble to the Education Week Proclamation of His Honour the Lieutenant Governor,

Whereas successful democracy must be based on a highly literate and informed electorate; and whereas our rights, responsibilities and liberties, are indissolubly associated with a democratic form of government; and whereas education, both public and private, formal and informal, prepares youths and adults for happy and successful and effective living under our type of government; and whereas every man, woman and child in our province is affected directly or indirectly by the type of education provided for our people; and whereas education is compulsory to a certain grade or age limit, every adult is required by law to support education; and whereas in a very real sense, education is the concern of every citizen . . .

Here we have a reference to the rights and responsibilities and liberties associated with our democratic form of government and to convictions that a successful democracy must be placed on a highly literate and informed electorate, and that education, therefore, must be the concern of every citizen. The Proclamation invites individuals, business and professional, and other social groups to give special thought to the purposes and support of our schools. Let us then study current issues with an open mind and let us give active support to school boards and teachers in their endeavors.

Hon. Members: — Hear, hear!

QUESTION RE BOWLING CONTEST

Mr. I.C. Nollet (Cutknife): — Mr. Speaker, before the Orders of the Day are proceeded with may I have an official statement from the Minister of Highways (Mr. Grant) as to how the bowling contest came out with the press gallery. I would like to have the scores as well in some detail.

Hon. G.B. Grant (Minister of Highways): — Mr. Speaker, I am very happy to say that we won two games out of three, but unfortunately we didn't make arrangements ahead of time as to how it was going to be awarded. The opposition claimed it was total pins and on total pins we lost, so the monkey stays with the press gallery.

Some Hon. Members: — Hear, hear!

Hon. D.G. Stuart (Minister of Health): — Mr. Speaker, I am very

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sorry to hear that. I had to be out of town. I was their anchor man, that is the only reason they lost. At least I think that is what they called me.

ADJOURNED DEBATE

BUDGET DEBATE

The assembly resumed the adjourned debate on the proposed motion of Mr. Thatcher, that Mr. Speaker do now leave the Chair, and the proposed amendment thereto by Mr. A.E. Blakeney.

Hon. G.B. Grant (Minister of Highways): — Mr. Speaker, since this is my first opportunity to do so, I would like to join others in offering my congratulations to Dr. McIsaac (Minister of Municipal Affairs) on his appointment. He follows in the footsteps of predecessors of stature and ability, and I know that his youth, enthusiasm and inherent ability will enable him to render worthwhile service to this province and he will be remembered as a conscientious minister.

May I also welcome two new members. E.F. Gardner (Moosomin) joins us with a valuable background in the fields of education, farming, and community service. His experience should fit him to render a real service to his constituents of Moosomin.

The victory of our newest member, A. Mitchell (Bengough) was most important to this province. I know his presence here will add much to the deliberations of this house.

I join with others in welcoming Mr. Bradshaw in his capacity as Clerk of the Legislative Assembly, I know we will certainly benefit from his services. I would hope that his experience will be informative, helpful and enjoyable. Our Sergeant at Arms has performed his duties with dignity and precision. I wish to congratulate him and welcome him to his position.

Before discussing the budget and my department in particular, I cannot miss the opportunity to make some general comments on my second year in government and as a cabinet minister. Representing Regina South is a genuine pleasure. Composed of fine homes and growing apartment units the area is witnessing rapid business growth as well. Eight or ten new businesses have opened in the past year, including a fine new home for our older citizens and also one of the city's largest and most modern motor hotels. I sincerely trust that rapid progress can be made on the proposed base hospital, the completion of Regina's auditorium. I may say that the progress of the base hospital will be more rapid than what our predecessors have done. We have made more progress to date, at least we have the land located and the money set aside, while I can well recall meeting with our predecessors as far back as 1958, urging them to do something about this. Also the completion of Regina's auditorium and the planned building extensions in the Regina campus of our University, these fine institutions along with the other attributes of the area, are developing my constituency into one of the most attractive suburban residential areas in Saskatchewan.

When the next nominating convention rolls around in Regina South, I will be very happy indeed to let my name stand for nomination. I sincerely trust I will have the opportunity.

An Hon. Member: — Which party?

Mr. Grant: — I have no hesitancy, I know which party. I have stuck with one party all my life and I think I shall continue to do so.

Some Hon. Members: — Hear, hear!

Mr. Grant: — I realize, Mr. Speaker, that our democratic process is far from perfect, but I recognize it is still the best of the known governmental systems. I have a real admiration for the judgment of the majority and the ability of John Q. Citizen to sort the good from the bad in all political parties. He is the subject of a barrage of superfluous verbiage from both sides of the house. It is probably well that all political thoughts and expressions are not productive. Like seeds scattered by the winds, some do not fall on fertile ground. We could be probably overcome by political growth as easily as we could by nature's bounty. Actually nature does a pretty good job of looking after man, animals and the products of the fields.

Now a word or two on the Department of Industry and Commerce. I never cease to wonder at the Socialists trying to ride two horses at one time. Their attitude seems to be, "Whatever individuals can do, governments can do better". In other words, the Socialists say, "As your government we'll not only make the rules under which you do business but we'll go further. We'll get in and play the game as well". It might be compared to the old dream of lifting yourself by your bootstraps.

I fail to see why a governmental body elected by the people to act on their behalf should enter into direct competition with private individuals who are providing competitive service for the benefit of all who desire to avail themselves of this service and, at the same time, foot the bills of government.

If the hon. Leader of the Opposition (Mr. Lloyd) was quoted correctly when he spoke at a meeting in southeast Regina recently, and I have no reason to believe that he was misquoted, I must take strong exception to his noisy, baseless, misleading utterances. I refer to the newspaper article emanating from that meeting where he indicated that we had taken credit for five companies he said were established before 1964.

I might say that my department produced a list of businesses establishing or expanding during the period in question. We were careful to be accurate as to the status of each business listed under these three headings:

1. Announced
2. Under construction
3. In production

Now, of the five listed, — in fact there are six listed, — by the Leader of the Opposition (Mr. Lloyd), the first one he picked on was Cominco. If reference is made to the answer you will find that I indicated that it was announced in 1963, construction begun during 1964, and was in production in 1965. The second one was the Esterhazy Miner. For his edification I would point out that this newspaper was produced in Moosomin, along with others, and the name was sold to an Esterhazy man and new printing facilities were set up in Esterhazy. I am sure the people of Esterhazy consider it a new business to that area. Number three, Kalium

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Chemical, I didn't deny that it had been incorporated earlier. I merely said that it was in production in 1964. Number four was Flexicoil Land Packers; I listed that as an expansion. As for Interprovincial Steel, he said we were claiming credit for this. This was not listed as a new company; it was listed as an expanded one. Number six was the Potash Company of America. I was very careful to point out that this has been in existence for a number of years, it has been in operation since 1958. This I did not deny, and my answer said that it was expanded and resumed production in 1965.

I resent any reflection on my integrity — I am sure any one does in this house — and on the integrity of those, particularly, working for the civil service under my jurisdiction. New industries and expansions were reported in the same manner as has been used on many occasions in the annual reports. I am sure the hon. Leader of the Opposition wouldn't suggest that Mr. Brown was weaving a web of deceit when he listed various expansions and establishments in previous years. I noticed in 1963 he listed the Saskatchewan Furniture Manufacturing Company and to make doubly sure he listed it again in 1964. but another thing is that my definition of establish, or at least Mr. Webster's definition, is to make stable, make firm, settle. In 1962 and 1963 I believe one quarter of the companies announced in those years are now no longer in existence; they weren't made very firm, or in my opinion, established.

One of them of interest to note is one that was announced in Saskatoon. We had a little fun here with turkey saddles, but this expansion was for a Moscow mule hide-puller, and it said it was so named because it originated in Russia. Well, maybe that is a good reason for it.

I am sure that the hon. Leader of the Opposition, and the hon. member from Saskatoon will have no difficulty in finding 30 industries out of the 104 listed to satisfy their curiosity.

The renamed, re-organized Department of Industry and Commerce is now geared to initiate, negotiate, and finalize activities directed towards attracting industry, business and tourism to this province. In addition the department is staffed to assist existing businesses to grow and expand. The new Deputy Minister, a young, qualified, energetic salesman, has instilled a spirit of enthusiasm in his staff. The department is a focal point for business people to direct their enquiries to and get the answers and assistance they require. The tourist branch, long neglected by the previous government, has been given equal status with the three other department branches, with a much enlarged appropriation. Tourist business reached an all-time high in 1965, and this record will be surpassed through the expanded program and energetic promotion of department staff.

The department is creating the atmosphere so necessary to attract business under competitive conditions. Saskatchewan is viewed as a bright spot on this continent for business growth. Evidence of this interest was abundantly demonstrated last October at the Potash Show in Saskatoon. Participation in this successful event was most gratifying. We saw at first hand some 1,100 business people from every part of Canada and the United States and points outside the continent, men and women representing every area of finance, transportation, industry and business. It was pleasing to hear the enthusiastic, complimentary remarks of the over 200 exhibitors. More good, sound, newsworthy publicity for our province resulted from this activity than from any event I am aware of.

I compliment the staff of the department and the personnel of our two largest cities and other communities who so generously assisted in the show.

The role of my department is that of a sales force backed up by those who can provide detailed and factual data. Promotion of industrial development throws us into a very competitive business, participated in by every province, city and state. As in any sales endeavour, success is not met with instantly or in every area of effort. Criticism has been levelled at our inability, at this date, to attract the Heavy Water plant to Saskatchewan. It has been suggested we let slip through our fingers by our unwillingness to make it a crown corporation.

I wish to make it clear that at no time was the province of Saskatchewan invited to tender directly on this plant by AECL. I will not deny that we had an opportunity to back private companies, but we decided the price per pound was too low and the term of contract too short. We felt that the subsidy involved and the technical uncertainties of processes involved were too much to burden the province with. The heavy water process, I would point out, Mr. Speaker, is somewhat more complicated than a woollen mill or a shoe factory, and we want to make a success of it. We feel it is an area for the experts and for substantial private risk capital.

I'm sure that all present will acknowledge the technical and professional abilities of those heading the Atomic Energy Commission and the Nuclear Division of the Canadian General Electric. Both these groups have been wrestling with this very complicated plant for some months and have still not come up with the answers, whereas the hon. members of the opposition blithely say we let it slip through our fingers. I would remind members of the opposition that if they were convinced a plant of this type should be a crown corporation, they should have done something in 1963 when Canada's first Heavy Water plant was up for bids. Even at the much higher price for heavy water from the Glace Bay Plant, it has been estimated that the Province of Nova Scotia could be called on for an annual subsidy of up to \$1,000,000. Let me assure this house that we are still diligently working on the acquisition of the plant for Saskatchewan on the basis of its being of benefit to the people of Saskatchewan in the areas of economics and employment. I am confident that with the dynamic and energetic leadership of our Premier, the salesman of the year, the Department of Industry and Commerce is geared to back him up and produce results, including economic surveys where deemed necessary.

Now, on to highways, a department of major interest to 953,000 Saskatchewan residents. At the outset, I want to pay thanks to the Department of Highways staff for a tremendous 1965 accomplishment under extreme difficulties. A suddenly expanded program, shortage of skilled, experienced persons, and adverse weather conditions presented many challenges and at times almost insurmountable problems. I am pleased to say that the staff efforts and contractor co-operation have rewarded us with an estimated 1965 accomplishments of 23,000,000 yards of earth moved, the greatest in the history of Saskatchewan, and in excess of Alberta and Manitoba; 469 miles of grading; 860 miles of oiling and re-oiling, resulting in 709 miles of new dust free surfaces and in addition 105 miles of paving.

Some Hon. Members: — Hear, hear!

Mr. Grant: — In an effort to overcome for

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future years the shortage of skilled help, a training program is currently underway to train heavy equipment operators. It is anticipated considerable benefit will accrue; the response has been gratifying with nearly 600 applicants. Classes are being conducted at Regina, Saskatoon, Prince Albert, Moose Jaw, Tisdale, Yorkton, Balcarres, and Canoe Lake. I am pleased with the co-operation between the Departments of Education and Highways, Saskatchewan road contractors and equipment suppliers. It is to be hoped that the young men who successfully complete this course will find gainful employment and contribute to highway development. I was informed this morning that quite a number of the ones who have already completed the course have been picked up by various contractors for employment this year.

In 1965 we took our first step to see that something was done for Saskatchewan people to close the gap in highway budgets between Saskatchewan and other western provinces. Both sides of this house will agree that as our highway system grows, so grows the economy of our province. The volume of traffic on Saskatchewan roads and streets is 4.4 times as heavy as it was twenty years ago. By 1984, travel in Saskatchewan should reach 6,400,000,000 vehicle miles, double that of 1964. This post-war trend has placed severe demands on the province's streets and highways. Safe, efficient and economical vehicle operation has been hampered. As traffic volume continues to rise, new problems will develop. Improvements must be carried out on our roads as needs grow. Within the next 20 years, \$1,580,000,000 will have to be spent on Saskatchewan roads and streets if we are to have a modern system. The provincial highway network will require \$774,700,000. Urban streets in centres of more than 1,000 population will need \$283,300,000. Rural municipal roads will need \$526,800,000.

Now, what are the reasons for rebuilding and relocating roads? Firstly, a road begins to deteriorate the day after it is built. Actions such as temperature variations, frost action, and general wear and tear caused by traffic and aging, all have an effect on the service-ability of a road. Studies conducted by the Department of Highways have shown that the average service life of bituminous pavement is 16 years, while that of an oiled surface is six years.

Secondly, obsolescent roads caused by increasing traffic volumes, require reconstruction. In the last few years, motor vehicle travel in Saskatchewan has increased approximately six per cent annually. Roads designed geometrically for lower traffic volumes can become obsolete prematurely due to traffic congestion. Due to the automobile's increased running speed, horizontal and vertical alignments on many roadways have become obsolete. Prior to the 1950's very few roads were designed for speeds over 50 miles per hour. today, these roads are most inadequate. Thirdly, comfort and convenience to the travelling public must not be overlooked. With the paving of road surfaces, the irritating effects of dust, mud and flying gravel are eliminated. The cost of operating a vehicle over a gravel road is considerably more per mile than it is to operate over a paved road. Fourthly, in locating the highway system, the most economical system is when minimum road user costs are obtained. Highway locations should be chosen to achieve this desired result. The original highway network was developed to fulfil the need of the times. As the trend to urbanization continues, highway locations must change to serve new needs as they develop. In recent years the Department of Highways has been relocating sections of highway which are uneconomical.

Recently, an article in the Leader Post quoted my predecessor,

the hon. member from Melfort (Mr. Willis) as being critical of the four lane program between Regina and Moose Jaw and referred to it as a showcase. Well, I have cited four reasons why roads must be continually rebuilt, the second of these being the obsolescence caused by increasing volumes of traffic and this applies to no. 1, Regina to Moose Jaw. Besides referring to it as a showcase, he called it a "crash" program. He said it was premature, not needed, we should be oiling northern roads for tourists. I agree we must attend to the comforts of the tourists when they get north, but let's make it possible for our visitors to get north before they get killed. This particular stretch of road resulted in deaths to eight people in 1965, involving 98 accidents, four of which were head-on collisions. I maintain, Mr. Speaker, that anyone who says this project is premature never lost a dear one in this type of mishap, or viewed the torn, mutilated bodies and the tangled mass of wreckage. I leave it to your judgment if this needless loss of life is a waste of money.

Some Hon. Members: — Hear, hear!

Mr. Grant: — The traffic count on this road varies from 3,360 vehicles per day to 4,380. Compare this with the 1961 traffic count on no. 11, Regina to Lumsden, when it was four-laned by the hon. member from Melfort (Mr. Willis). The count at that time was 2,305 vehicles per day compared with the figures for no 1 of 3,300 to 4,300. I would suggest that he at least be consistent.

Travel on Saskatchewan roads amounted to 3,230,000,000 vehicle miles in 1964. Fifty-two per cent of this was on provincial highways, 24 was on urban streets, and 24 per cent on rural municipal roads. It is of interest to note the various surfaces that were used. Fifty-four per cent of this travel was on paved roads, 21 per cent on oil treatment, and 25 per cent on gravel.

The percentage highway travel on gravel has decreased rapidly as a result of an extensive oil treatment program. The number of motor vehicles has grown steadily in Saskatchewan and in recent years the growth has been most spectacular. Motor vehicle registration has increased from 69,000 in 1933 to 396,000 in 1964. Commercial vehicle registration in the same period has risen to 136,000, eight times the figure of 1933. By 1984 it is estimated that we will have 483,000 passenger cars and 188,000 trucks and buses in the province. Good roads are an important factor in accident prevention because the records indicate the gravel roads had 2.2 times the accident rate of good condition pavement.

A few words on bridges. Now, there are several large bridge structures on the highway system which are grossly obsolete because of their narrow width. Perhaps the most obvious are the bridges across the North Saskatchewan at North Battleford, 19 feet 3 inches, which is presently being replaced, and the bridge on no. 35 highway at Nipawin, 16 feet, 2 inches. If you want a thrill just try meeting a truck on that bridge when you are trying to travel over it.

There are numerous smaller structures requiring replacement because of obsolescence. Also many new bridges will be required to handle increasing traffic and travel desires and the effect of the South Saskatchewan Dam.

Of interest is the annual maintenance cost. It is estimated that besides the capital program required in the next ten years

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the maintenance cost will run about \$12,000,000 a year. The figure of \$50,000,000 suggested for a ten year program is the sum of all construction, maintenance and administration costs, and some allowance for inflation. If the program was extended for a 15 or 20 year term instead of a 10 year term, we are talking of an annual expenditure of \$42,000,000 or for a 20 year term, \$38,000,000 respectively. Speaking of urban streets, it is estimated that there are 1,400 miles at the present time, a thousand of which will require some type of work in the next 20 years and in addition some 722 miles of entirely new streets will be required. The estimated 20 year urban program is \$217,334,260. This does not include drainage, traffic control or lighting costs, etc. The total estimated cost for the next 20 years for RMs is \$368,400,000 and for all LIDs \$16,000,000.

The average annual total cost for RMs and LIDs is roughly \$20,000,000. The average annual maintenance costs for these same governmental bodies is \$7,000,000, the total some \$26,000,000.

With this level of expenditure, these roads will provide reliable, all-weather transportation to all farmsteads and trading centres by the end of the 20 year period. A year ago I indicated the problem involved in construction and maintenance of grid roads and the pressure by municipalities on the department to incorporate certain of these roads in the highway system. Recognizing the need for some action on this problem, the department undertook to assume responsibility for some 450 miles of municipal roads, grid roads, when they were brought up to grid standard. Good progress has been made in the take-over of these roads and by freeze-up this fall there will be only about a hundred miles remaining.

The hon. member from Melfort (Mr. Willis) was critical of the transfer of grid roads to the highway system. One reason he gave was that they were mostly in Liberal constituencies. He can blame himself for this. He ignored these areas for his four years as minister, but believe me he didn't ignore Melfort constituency.

Some Hon. Members: — Hear, hear!

Mr. Grant: — A year ago I indicated the problem involved; that pressure continued by the municipalities. While in some places the roads in question are potential candidates for highway status, there are many others that cannot be considered as highways but do present maintenance problems to the municipalities. The problem of grid road maintenance has been dealt with partially at least by the Department of Municipal Affairs, which I agree is the right department to do so.

A realistic and serious assessment has been made of the applications, and priority will be given to adding approximately 200 miles of grid roads to the highway system.

There is a rapidly growing recognition of the need for provincial assistance to the road problems of urban centres. A considerable step-up has occurred in our Urban Assistance Program and further expansion will take place. Nineteen sixty-five saw some 60 urban centres participating in this program, involving over 100 projects. A start will be made in 1966 to extend this to include collector streets as well as other categories. We not only recognize the increasing demands on urban centres, but have done something about it, \$4,000,000 in 1965 as against \$1,400,000 in 1964, the last CCF budget. In 1966 we will see \$5,300,000

budgeted for this work and I am confident it will far exceed this figure. Close liaison will be kept with the Saskatchewan Association of Urban Municipalities on urban problems. It has been suggested by the hon. member for Regina West (Mr. Blakeney) that we are not spending enough money on the urban section of our program. I think the hon. member for Swift current joined in that remark. The hon. member for Regina West even suggested that one of the reasons was that our main highway system is approaching completion. Well, first of all we are spending four times what they did on the Urban Assistance Program, and we haven't waited for their urging.

Getting down to a local picture, Regina city proper has commitments for 1966 of \$1,000,000 assistance from the Department of Highways for various projects involving carry over from last year, and commitments this year. These projects must be initiated by the urban centres and if they are we will certainly pick up our share of the responsibility.

I am sure that my remarks on roads in general will establish that it is not true that our main highway system is approaching completion. With the basic background data I have supplied, it is evident that Saskatchewan must continue its expanded road program. With this requirement I am pleased to announce the largest program in the history of the province. While the proposals brought forth do not meet all demands by any means, I feel they present a sound, fair and realistic program for the advantage and benefit of all sections of the province. We have allocated work for extension and new work and improvements in our populated areas and, at the same time, have given attention to our northern areas so rich in resources and recreational potential.

This budget for highways will be almost twice as much as the largest CCF highway budgets, which were in the election years of 1960 and 1964, our budget this year of \$47,500,000 compared to their highest budget 1964 of \$26,600,000 and their second highest budget 1960 of \$25,500,000. Their total budget for 1962 and 1963, two years, totalled less than the 1966 budget.

I was remiss in not answering another comment made by the member from Regina West. It referred to what observation I would have on health grants. While this is deviating from highways, I want to mention it. I have been an advocate of increased health grants for the city of Regina, and naturally as a Regina member, I would like to see these grants increased because I realize there is an inequality between urban and rural taxpayers. I strongly petition the hon. Minister of Health (Mr. Steuart) to review this and I am confident that good progress will be made in this area in the near future.

I will withhold reading out the detail of the highway program for 1966, as it will be released to all news media this afternoon, and we will make copies available for the members immediately. I feel that this will be making better use of the time than reading it out in detail. I would ask the page boys to make this material available at this time, Mr. Speaker.

I feel our Provincial Treasurer has brought down a budget in keeping with the dynamic growth we are experiencing, giving priority to those areas of greatest public benefit and, at the same time, giving better recognition to sources of revenue. I commend him particularly for the Home-owner grant of \$50 and the income tax reduction, both of which will mean so much to so many. Mr. Speaker, I will support the motion and will vote against the amendment.

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Mr. K.G. Romuld (Canora): — Mr. Speaker, before I compliment the Premier in his capacity as Provincial Treasurer for his tremendous budget to assist Saskatchewan on the road to prosperity after years and years of stagnating Socialism affecting the whole economy of our province, I would like to congratulate the two new members on this side of the house for their victories in the constituencies they represent.

I would also like to welcome Mr. Bradshaw as Clerk of the Assembly. I know that all members in this house join with me in expressing our complete faith and satisfaction in the manner that he discharges his duties as Clerk of this Assembly. I would also like to congratulate Dr. McIsaac on his appointment as Minister of Municipal Affairs. I know that he will do a good job in this department.

Mr. Speaker, I would say that the criterion used in judging any budget is what it does for the people of Saskatchewan. I believe it is quite evident by the weak criticism that emanates from the opposition that even the Socialists see the benefits that will be derived from this budget.

I am sure that we all agree in bringing down a budget, the Treasurer must consider all classes of people and try to be fair to everyone concerned. Mr. Speaker, this is exactly what the Premier has done in his 1966-67 budget.

When we assembled last year we were a new government and for a great number it was our first session. Mr. Speaker, we were faced with a large opposition of seasoned politicians or perhaps I should say Socialists. In spite of the obstructive tactics of the opposition we were able to pass legislation that has proved very beneficial to the people of this province.

You know, last year's budget provided for a reduction or removal of 43 tax measures. Mr. Speaker, this was only a start. It must be remembered that the Socialists brought in 600 new taxes and increased over 600 forms of taxation. It is obvious now to see that the previous government was in a state of glory when it was extracting hard-earned dollars from the people of this province to magnify the wonders of Socialism. But instead it revealed the blunders of Socialist experiments and resulted in their humiliating defeat in 1964.

Some Hon. Members: — Hear, hear!

Mr. Romuld: — The obsession of the former government had for taxing the people of this province was clearly illustrated when Mr. Lloyd was quoted in the Leader Post as saying there was nothing wrong with taxes; it's just another way of pooling our resources and working together. However, this cozy arrangement of taxes to promote Socialism was not acceptable to the voters of this province.

Mr. Speaker, it is significant to note that in our first budget we were able to increase our budget by approximately \$6,600,000, but after one year of efficient administration under the capable leadership of Premier Thatcher, and our concentrated efforts to have industry locate in Saskatchewan, under the free enterprise system, rather than being hampered by state control that existed under the Socialist government, this year our budget was increased by nearly \$48,000,000.

The opposition members have sarcastically criticized us for this great achievement. However, they can't find too much wrong with it so they just end up saying "Oh, big deal". The only thing that bothers my friends in the opposition is that we have achieved in 20 months what they failed to do in 20 years.

Now, Mr. Speaker, let me briefly review some of the benefits accruing from last year's budget. First let us look at the savings. First, we reduced the sales tax from five to four per cent, a saving of \$9,600,000. Farm items were exempted, \$90,000; sales tax exempted on \$1,000 of household appliances for newlyweds, this was a saving of \$300,000. We removed the mineral tax on land owned by individual farmers, saving these farmers \$250,000. We all recall how the opposition cried blue ruin about this one. They said we would give up large sums of money that rightfully belonged to the people of this province. We were accused of paying off a political debt to large companies. Mr. Speaker, the large firms referred to by my hon. friends opposite are still paying the mineral tax, but our government did see fit to relieve the farmer of this tax burden.

We permitted the use of purple gas in farm trucks, and additional \$4,000,000 savings to farmers of Saskatchewan. I'm sure we all remember the howls of protest we heard from the Socialists who profess to be the farmer's friend. Then, Mr. Speaker, after hours and hours of obstructing this legislation only five NDP members had the guts to vote against it. Two of them were rural members, the member from Kinistino (Mr. Thibault) and the member from Cumberland (Mr. Berezowsky). However, I have been informed that the farmers in these two rural ridings are enjoying the benefits of tax free gas in their trucks. This tax exemption saves a farmer more than \$6 a drum, not a bad saving. In addition to this we allowed the residents of the far north to use purple gas in their boats and this amounted to a saving of \$35,000.

Mr. Speaker, the figures I have mentioned reveal a tax reduction of over \$14,000,000. This is an about-face compared to the Socialists who were noted only for their tax increases. However, Mr. Speaker, we did have a tax increase last year and that was on tobacco, giving the treasury an extra \$2,200,000 and by subtracting this amount you will note that our total tax reduction in our first year was over \$12,000,000.

Mr. I.C. Nollet (Cutknife): — Who wrote that speech?

Mr. Romuld: — I wrote it myself and it is a lot better than you could do. As far as the member for Cutknife (Mr. Nollet) is concerned, I have always liked him but he is a nuisance at times. I wish he would go and chew his snoose elsewhere.

I feel, Mr. Speaker, as Liberals we are fully justified in saying this was a fair saving for the people of Saskatchewan. For our 1966-67 budget we have brought in additional tax reductions. Our Home-owner grant will refund \$8,000,000 to taxpayers of this province. I know in the constituency of Canora and elsewhere throughout Saskatchewan that the \$50 which will be refunded when a taxpayer pays his current taxes will be well received. For a large number of residents in our fair province this will mean 50 per cent reduction of their total taxes. It certainly will help those in lower income brackets. B.C. has this legislation and Alberta is planning to pass a similar act.

Mr. Speaker, could you ever imagine the Socialists of this

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province passing legislation that would lessen the burden of our taxpayers, I couldn't. The opposition have been extremely critical about our reduction of the income tax surcharge from six to five per cent. This will mean a saving of over \$1,000,000, and in spite of the criticism of the members opposite this step was absolutely necessary. No self respecting government can feel that it is morally right to penalize the people who reside in Saskatchewan with a tax that is higher than exists elsewhere in Canada.

It is the intention of this government to attract people to our province and not drive them out as the previous administration did. Of course, Mr. Speaker, we all realize that a government can only spend the revenues that it collects through one form of tax or another. In spite of increasing our budget by more than \$54,000,000 our tax increase has not been large as I mentioned before a tax increase on tobacco last year.

In this budget we see our gas tax increased by one cent per gallon, with all of the revenue earmarked for road assistance in our rural municipalities. Increased grants of this nature are long overdue, and any person that has travelled through the rural areas of this province will realize this. If my socialist friends across the way realized it they would have done something in the 20 years they were in power.

We have one more increase, the inclusion of detergents subject to education tax. Now, Mr. Speaker, when you compare the benefits that the people of Saskatchewan will receive, it by far outweighs the tax increases. Why the Home-owner grant alone is more than double our total tax increase in the two budgets that have been presented. Mr. Speaker, this being my first opportunity to have air time, I would like to express my sincere thanks to the people of the Canora constituency for the confidence placed in me during the last election.

Some Hon. Members: — Hear, hear!

Mr. Romuld: — Now, I know, I will have something to say about this if I have time, because I am going to talk about that old Election Act that even the Socialists are ashamed of. I have worked in the past, and will continue to work in the best interests of my constituents and of Saskatchewan in general. Naturally I am going to be concerned with my own seat and make certain that we receive our fair share of the tax dollar, to further the development in my constituency.

Mr. Speaker, I believe that all members request more from the government than can possibly be granted. I know I have been guilty of this, but when I see the large areas of the Canora constituency that were neglected under the Socialist government I feel justified in making these requests from the government of the day. Even if they are not all granted I believe that we have been treated fair in our constituency.

Some members of the opposition are critical of this government and accuse it of giving to the Liberal seats and holding back in the seats that are not represented by the Liberals. Of course, this is not true and we all know it.

Mr. Speaker, I can see what this government has done in the Pelly seat. I would like to repeat that they had all the time before when they were in power that they could have carried out the road program that we did in the Pelly seat. However, it seems

to me that one has to come to the conclusion that the only reason they did not complete it was because they were represented by a Liberal. The fairness of the Liberal government in this province indicates that we as a party are more interested in the welfare of our people than in the promotion of a political party.

Mr. Speaker, for some time it has been my privilege to travel this province extensively and it was always the same old story. The conditions of highways were determined by what party represented the seat. The CCF ridings had good highways and generally speaking the Liberal strongholds were neglected. However, our party has removed politics from our road building program, and our motto will be fair treatment for all, even for those glorious Socialists on the other side.

Now, Mr. Speaker, for a moment I would like to review what has been done in the Canora constituency and some of the future programs that we expect in that area. First of all I can recall how the people in the village of Endeavour pleaded with the government for telephones. This request was started in 1959, but lo and behold it fell on deaf ears. Mr. Speaker, I made on request to the Saskatchewan Government Telephones through the minister in charge, that service be extended to Endeavour and the work was commenced immediately. I was not asked how the people in that area voted. The only concern of the minister, who at that time was Mr. Grant, expressed was his interest in getting the service as soon as possible. This, indeed, could have been done before, but the people in that area were shamefully neglected by the previous administration. Mr. Speaker, this group opposite who profess to be the great humanitarians and had such slogans as "Vote CCF for more abundant living" turned their backs on these great pioneers of the north who had taken up residence in areas surrounded by heavy timber and had to clear this land by hand until the latter years when power machinery replaced manual labour.

Another area that has been neglected was the town of Buchanan. Here was a town of approximately 500 people and they had been trying to have natural gas installed since 1961 without success. Members of the town council approached me about their problem, and I immediately took action to see what could be done. Needless to say I was very pleased when Buchanan was included in last year's program of gas hook-ups throughout the province. This was gratefully received by the residents of that town. It seems they had been promised this for some time. As a result many residents had installed gas heating systems and were forced to use propane gas for heating their homes, thereby causing additional hardships due to the added costs by way of comparison with natural gas.

Mr. Speaker, I was pleased to note in last year's road program that the grid road from Preeceville to Springside would be incorporated into the highway system. Although this road is not completed through to Springside, the final portion was completed this past summer between Buchanan and Preeceville, and this section will be taken over by the Department of Highways June 1st, 1966.

Mr. Speaker, the opposition and particularly the member from Melfort (Mr. Willis) have criticized us for this program; they have uttered such nonsense as saying these roads are picked for political reasons. If the opposition had taken time to look up the traffic count they would find that this road has a traffic of nearly 600 vehicles per day. This heavy volume has caused a great deal of hardship for the municipalities concerned, thus one can readily see that the incorporation of such grid roads into the

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highway system will relieve much of the maintenance cost to the rural municipalities. This is another step that indicates the real concern that we as a Liberal party have for the welfare of our rural municipalities.

Mr. Speaker, on behalf of the Canora constituency I would like to express my thanks to the hon. Dave Steuart (Minister of Health) and his department for their recognition and need for new hospitals in the Canora and Preeceville area. I was indeed pleased to note that provision will be made for these two new hospitals.

However, hospitals alone are not enough; we are in great need of nursing homes in that area. This problem is becoming more acute each year. The lack of nursing homes creates a problem for our hospitals. So often in our smaller towns we find beds being occupied by aged citizens that should be in a nursing home. I know that our government is doing everything possible to rectify this situation. A case was recently brought to my attention in my hometown. After I inquired about the nursing homes in our province, I found there was a waiting list of nearly two years. Mr. Speaker, we did not create this problem. We inherited it from the Socialists but will not sit idly by at the expense of our senior citizens, as the previous administration did. Something will be done along this line.

Mr. Speaker, during the last session I received several letters from my constituents requesting that the government make some provision to assist farmers in the clearing of land. It has always been the practice to provide assistance to farmers on crown land, but for the farmers that own their land, no assistance has been available. This problem certainly existed under the previous government and though they were masters at providing lip service they were dismal failures at providing any tangible evidence.

When the member for Turtleford (Mr. Wooff) spoke in this debate he criticized the Minister of Agriculture (Mr. McFarlane) for not recognizing this problem. He said he had carefully reviewed the estimates and could not find where any monies had been allotted for this purpose. Well, Mr. Speaker, the only conclusion I can come to is that he was either blind or he was looking at old CCF estimates, and naturally he would find little assistance in the agricultural estimates. What labor government has ever shown any interest in the farmers' plight to survive?

I would like to point out that this government has earmarked \$250,000 for this program. Now, Mr. Speaker, I see my time is up. I had more things I would have liked to bring up before this house but I am sure you will realize that I will support the motion and I will vote against the amendment.

Some Hon. Members: — Hear, hear!

Mr. J.H. Brockelbank (Kelsey): — Mr. Speaker, the temporary member for Canora (Mr. Romuld) had quite a go at it just now. I'm a little different from the member for Canora you know. The Liberals tried to get me out of there and they gave up and decided that they didn't want a by-election so they dropped the case. So it's a different situation altogether. But the member for Canora talked loud and long . . .

Mr. Thatcher: — Effectively.

Mr. Brockelbank: — . . . but he overlooked a whole lot of things. You know,

it seems to me that the people on your right, Mr. Speaker, have no memories. They just don't know what happened prior to May, 1964. Everything is a blank for them. There was nothing before that time according to what they tell us.

I was amused at the Minister of Highways (Mr. Grant) when he said he was stuck with one political party all his life. I would suggest to him that he try making a change or two and he might get to be in the Senate some day. But I would remind the hon. members too that it is taxes that pay for Senators . . . I will have some more remarks to say about what the Minister of Highways said as I go on but I want now to turn my attention the Budget Speech.

I can compliment the Provincial Treasurer for doing a good job of delivering the Budget Speech. He delivered it with zest, he delivered it just as if it was the whole truth and nothing but the truth.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank (Kelsey): — But it leaves a lot unsaid. It doesn't tell the whole story by any means. In the budget Speech he said:

In preparing the 1966 budget I have kept in mind the belief of the government that taxes in Saskatchewan are still dangerously high as compared to taxes in other parts of Canada.

The only thing wrong with that quotation, Mr. Speaker, is the word "still". It should have been "now". It should have read, "The taxes in Saskatchewan are now dangerously high as compared to taxes in other parts of Canada", because they have been going up in the last couple of years. The Liberals are constantly talking about the increase in taxes which took place during the 20 years that there was a CCF government in the province. And there was some increase in taxes over the 20 years. They quote the figure 400 per cent, a four-fold increase, and that is about what the property tax in the province increased. But again they only tell us part of the story. When they talk about that increase in taxes they don't tell about the conditions which existed in 1944. We had practically no dust free roads in 1944. We had precious few gravelled highways. We had mud roads, dirt roads, and the grades weren't worthy of mention at all. There was no place in the province that was in a worse condition for roads than my own constituency in 1944.

An Hon. Member: — Still like that.

Mr. Brockelbank (Kelsey): — Mr. Speaker, if the hon. members over there will just hold their whist, I'll make this speech without any help from them at all.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank (Kelsey): — Mud roads, trails. We had school houses that weren't fit for use at all. We had teachers but most of them in the province of Saskatchewan weren't getting what is now the minimum wage. We had an educational system of which we could be very much ashamed at that time. We heard the member from Canora (Mr.

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Romuld) talk about the great achievement of one town of Buchanan getting natural gas. There weren't many towns in Saskatchewan that even had electric lights from the central system of electrical power, only a very few. We had to build a complete system of electricity from generation to transmission and distribution to get into the rural areas. Then came the whole extension and servicing of the people of Saskatchewan with natural gas. When you take into account all of these things, Mr. Speaker, which had been done in those 20 years, and many others that I could mention, the air ambulance, the service that was never thought of and never put into practice before, free treatment for cancer, the hospitalization plan, the medical care insurance services, to say nothing of the service given by the Saskatchewan Government Insurance Office. When we take these into consideration and also the fact that a dollar in 1944 was twice as big as a dollar at the end of the 20 year period, that there was inflation so that to maintain the same standard of services without any increase, taxes had to be doubled to take care of that inflation. When they tell this story they tell a part of it, but the Premier told it as if it was the whole truth and nothing but the truth.

Taxes are up since the Liberal government took office in the province of Saskatchewan. Let's look at this the way most people in Saskatchewan are going to look at it. A lot of people in Saskatchewan are farmers. They have some farm land. Take this, for example, and it could be any one of thousands of people in this province who had five quarter sections of land. It so happens that a half a section is in the middle of the province, a half section is up in the northwest, and a quarter section is in the northeast. This person also owns a house and lot in Regina. The tax increase on this property between 1964 and 1965 net, after the full discount that was allowed, was \$64. Then we add to this the increase in the medical care and hospitalization tax which the Liberal government put into effect of \$20 per family, which was entirely unnecessary. The Premier is ashamed of it. He tries to say that's what it was before. He has got to the position now where he is riding horseback looking backwards. He doesn't know where he is going to go.

Mr. Thatcher: — We're going ahead.

Mr. Brockelbank (Kelsey): — The gasoline tax, the increase that has come into effect now, for somebody that is going to drive 20,000 miles will mean he will be paying about another \$10 tax. The automobile insurance has gone up about \$10 in a couple of years. The fire insurance, an increased cost in that — and I'll have something more to say about that later, — it's gone up about \$10 on the ordinary kind of residential property.

If a person smokes like my seatmate here, it's going to cost him an extra \$6 to \$10; we'll say \$6. The increased prices of liquor, if anybody indulges in that, will be \$3 or \$4. And soap, not including the soft soap handed out by the Liberals, thank goodness it's not taxed, but the other soap and cleaners will probably cost each family about one dollar. So this adds up to a total increase of about \$125.

There have been some other increased costs too, Mr. Speaker. I have on my desk here a photostatic copy of two bills for lumber. One is dated December 3, 1964. The price of this lumber and it is select surfaced on four sides, is \$112 a thousand in December 1964. In December, 1965, the cost of this lumber was \$145 a thousand. This is lumber from the Saskatchewan Timber Board.

This is one of the things they are doing with the Saskatchewan Timber Board, raising the prices in the yards so as to remove the competition from the commercial lumber companies, to make it easier for them to sell lumber, make it so that the Timber Board will sell less lumber and will be less popular. They are planning to do away with the Timber Board in the not too distant future.

We have had a reduction in taxes which has been mentioned many times, the one per cent of the sales tax. There are not many families that will buy more than \$2,000 of taxable goods in a year. They will be pretty wealthy ones if they do, and this will only be a reduction of \$20. So take into account all of the increases and credit the decreases. Incidentally this farmer doesn't purchase any harness or egg coolers, nor anything like that, and he actually hasn't got a farm truck; but if he did have he might save another \$10, \$15, or \$20 depending on how far he drove.

My hon. friends are constantly talking about the mineral rights tax and what a wonderful thing this was to do away with the mineral rights tax for the individual farmers. It just happens that I have a quarter section of mineral rights, and I wish the Minister of Mineral Resources (Mr. Cameron) would get busy and get some oil discovered in this country. I would like to have some oil royalties. But anyway, I have got a quarter section of mineral rights. And the tax on that was \$4.80. Like much other land in the province of Saskatchewan it is leased to an oil company. If the oil boom keeps going, Mr. Speaker, most of the privately owned mineral rights will continue to be leased to oil companies. So who gets the reduction? The oil company was paying 7/8 of this tax. I was paying 1/8 so I get a tax reduction of 60 cents a year out of this and the oil company gets a tax reduction of \$3.20 a year. This is what you can call, Mr. Speaker, a big deal, for the oil companies. The oil companies benefited far more from the reduction, from doing away with the mineral rights tax than did the farmers who owned the surface of this land.

Mr. Speaker, that's looking at the proposition as any ordinary individual in the province of Saskatchewan would look at it, this whole question of taxes. They will catch on as long as the Premier and the member for Canora (Mr. Romuld) and the Minister of Public Health (Mr. Steuart) keep talking loud and long. They will be able to becloud the issue for awhile but it won't be long until the people of Saskatchewan will catch on.

But you don't need to stop there, Mr. Speaker, all you need to do is look at the record for 1964. In 1964 the province of Saskatchewan collected in taxes \$102,000,000. In 1966-67, according to the estimates the province proposes to collect \$134,000,000 in taxes or \$32,000,000 more in taxes than was collected in the last year of the CCF government. Now, this just doesn't tie in with the idea that taxes have been reduced, and as I said before, people are going to catch on and realize that the taxes are not reduced.

Some of the ministers were talking about the great amount of the vote for agriculture in Saskatchewan in the estimates this year, which is \$12,300,000. Now, there is another way to look at this. This is 4.5 per cent of the total budget. I want to point out to you, Mr. Speaker, that in 1956 over six per cent of the total budget was spent on agriculture. In 1960 over six per cent

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of the total budget was spent on agriculture. In 1964, almost 4.5 per cent of the total budget was spent on agriculture. So when they are bragging about spending 4.5 per cent of the budget on agriculture, they haven't got very much to brag about. Sure, the whole budget is bigger. We have inflated dollars, taxes have gone up, and so there is a bigger budget; but as a matter of fact, no new government was ever more lucky in taking over a booming economy than this Liberal government which we have here today.

Some Hon. Members: — Hear, hear!

Mr. Brockelbank (Kelsey): — In 1964, Mr. Speaker, I made the Budget Speech and on page 15 in that speech, I pointed out that in 1963, the value of mineral production reached \$280,000,000 over \$40,000,000 in excess of the previous all-time high. I mentioned at that time:

The most exciting development today, of course, is the potash industry. Multi-million dollar plants are operating or being established at Esterhazy, Saskatoon and Belle Plaine, with a fourth to start at Lanigan in the near future. Then in the past year we have witnessed the start of another resource industry, helium. Production continued in other established resources areas, sodium sulphate, coal, timber, uranium, salt, fish, fur, exploration work, feasibility studies, carried out by various companies.

Mr. Speaker, again I said on page 17 of that Budget Speech:

As early as 1947 we started the Industrial Development Fund and some 75 industries and businesses have got their start with loans from this source. It is a matter of some interest, Mr. Speaker, to note that it is only during the last five years that most provinces have got around to adopting incentive programs similar to the one originated in Saskatchewan 17 years ago.

Mr. Speaker, I could go on and quote from this speech about other things that had happened. In 1953 there were about 105,000 telephones on the system. Ten years later this had more than doubled, reaching 215,000 telephones on a system. But I wanted to illustrate to the hon. members that Saskatchewan for many years has been a booming province. It has been going along very rapidly indeed. The provincial government revenue, Mr. Speaker, in 1955 was \$94,000,000. In 1964 at the end of a ten year period it was \$207,000,000. This could only happen, an increase of more than 100 per cent, in a province which was expanding and developing and booming, from \$94,000,000 to \$207,000,000 for provincial government revenues.

For years now, Mr. Speaker, our revenues have exceeded our estimates. In the three fiscal years ended in 1963, 1964, and 1965 actual revenues exceeded the estimates by over \$48,000,000. This could only happen in a booming economy. The former government, the CCF government, had supplementary estimates for the fiscal year ending March 31, 1963 of \$14,800,000. You may remember this, sir. In the following year, ending March 31, 1964, we had supplementary estimates of \$12,758,000, and these estimates contained some very important points. These contained \$1,300,000 for agriculture; nearly \$1,000,000 for highways and transportation; provided for putting \$2,000,000 into SEDCO, the Saskatchewan Economic Development Corporation for assistance; provided for the

Municipal Road Assistance Authority and help for municipalities of \$1,225,000; a grant of over \$2,000,000 for public health in the supplementary, and most of it was for grants to hospitals and health centres and provincial public assistance cases and some was for the Saskatchewan Hospital Services plan; in Public Works there is \$1,500,000 for land acquisition; a \$250,000 grant for the Diamond Jubilee; and \$1,000,000 for the Saskatchewan Public Administration Foundation. I'm very sorry to see there is a bill in the house to do away with that institution. In 1964 we had supplementary estimates, agriculture nearly \$500,000; the student aid fund, a very worthy cause, Mr. Speaker, \$2,000,000; the University of Saskatchewan \$3,000,000; grants to schools, pretty near \$1,000,000; provincial highways, over \$1,000,000; grants to municipalities under the Municipal Waters Assistance Act, \$846,000. All worthy causes, Mr. Speaker.

But I remember when we brought in those supplementary estimates at that time, I think it was the member of the legislature who at that time was in this very seat that I occupy now, now the hon. Senator McDonald, what a row he made about the supplementary estimates being brought in. You remember them, Mr. Speaker, you sat over here and I know you objected to them too, very strongly indeed, together with those of your friends on the right who were here at that time.

An Hon. Member: — Watch him.

Mr. Brockelbank (Kelsey): — Now, Mr. Speaker, you have the honor to be the only pure one left in the legislature because my hon. friends now are going to ask us to vote \$28,000,000 in supplementary estimates. The very thing that they condemned. I think it's great provided the expenditures are good and sensible and prudent. I think it's a good thing to do. But my friends opposite either had a terrific change of mind or else when they sat over here they didn't altogether believe what they were saying. I don't know which it was.

In the supplementary estimates that we are asked to deal with now there is a grant of \$1,600,000 for the University for operation. I don't know whether this has been spent or not. We'll have to find out. But there is a grant of \$3,000,000 for construction, and I am very sure, Mr. Speaker, that has not yet been spent. That could just as well be voted in next year's estimates as in these supplementaries. I am sure the University hasn't used that.

Hon. D.G. Steuart (Minister of Health): — Are you against it?

Mr. Brockelbank (Kelsey): — No. I'm not against it. but I'm just giving my hon. friends a little bit of the arguments that they talked about before.

Then there is construction of public highways, \$4,000,000. Nobody objects to that. We find here for Saskatchewan Medical Care Insurance Commission a provincial grant for \$5,000,000. We know, Mr. Speaker, that is nothing else except sticking \$5,000,000 away in that sock. That's all it is.

Mr. Steuart: — You told me last year that I was robbing the piggy bank.

Mr. Brockelbank (Kelsey): — That's all it is. It's getting rid of the surplus.

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Mr. Thatcher: — We're doing what you told us to do.

Mr. Brockelbank (Kelsey): — I agree it's alright . . .

Mr. Steuart: — Well then, what are you talking about?

Mr. Brockelbank (Kelsey): — I agree it's alright. I'm not grumbling about it because when it goes into medical care it's going to a good cause in spite of all the things my friends said back in 1962 against it.

Now, for the Saskatchewan Diamond Jubilee and Canada Centennial Celebrations there is over \$2,000,000. I am pretty sure that hasn't been spent yet either. It could just as well have been put into the main estimates rather than put into the supplementaries. The only reason, of course, you know, Mr. Speaker, and so do I that my hon. friends under-estimated the province of Saskatchewan. They talked so long about stagnation that they came to believe it themselves. They convinced themselves, in spite of all the evidence they could see, that Saskatchewan was a place of stagnation and therefore they have grossly under-estimated the revenues in this province. But I know that the supplementaries will likely get through alright.

I come to some of the crown corporations and the Premier in his budget Speech said — and may the Minister of Social Welfare (Mr. Boldt) listen to this? —

Crown corporations are justified only if it meets one of the following qualifications, if it yields satisfactory return on investment funds.

When I heard that I was amused because I couldn't help but say to myself, it isn't the principle, it is the money. But it is not only the money in this case with regard to Sodium Sulphate, this happens to be in the Premier's constituency. The Premier says he would just as soon it wasn't in his constituency. I have no doubt that is true, and if it wasn't in his constituency probably he would say to his friends, "Come, come, we are going to sell it". But when it is in his constituency he just doesn't dare muck around with it to this extent. Anyway he is going to keep it for a little while. It isn't the principle, it's the money. Now he has it fixed up so that applicants for jobs at Chaplin are screened by local Liberal bigwigs, so as to see that they are the right kind of people that get the jobs.

You know this reminds me of the Premier's efforts at re-writing the history of the province of Saskatchewan, when he had taken out of the film the pictures of the former Premier. You see this film was a story of the development of the South Saskatchewan River. Naturally any story of this development is a story too of the people who are concerned with it. This was a joint program between the provincial and the federal governments. The Premier may be kind of mad about it because he can't claim the Liberal government had anything to do with starting it. Maybe that is why he doesn't like it. But the picture showed, naturally, the Premier of this province for those years when there was a tremendous amount of work done on this dam — which is perfectly natural. Then he changed the history of the province and cut this out of the film, and paid for getting it cut out. This is a pretty cheap and shoddy kind of a trick for him to do.

I want to talk for a minute or two about Wizewood . . .

Mr. Thatcher: — You shouldn't.

Mr. Brockelbank (Kelsey): — There never was a spot where local Saskatchewan shareholders were given such a dirty deal as they were given in this case. This industry was in almost exactly the same position as IPSCO at the time when the Premier was crying about it being bankrupt. IPSCO lost money. IPSCO had terrific problems in the beginning.

Mr. Thatcher: — We solved them when we took office.

Mr. Brockelbank (Kelsey): — It was on its feet and going when they took office, Mr. Speaker. If the Premier had given to Wizewood the chance of another year or two to take care of those problems, it could have come through and paid one hundred cents on the dollar. But instead of this, he gave a present to one of the biggest lumber and forestry companies in Canada, at less than 60 per cent of its value.

Mr. Thatcher: — One hundred cents for its assets.

Mr. Brockelbank (Kelsey): — Mr. Speaker, he certainly gave a bargain to MacMillan, Bloedel. MacMillan, Bloedel didn't buy this plant either to get the Premier out of a tough spot, nor to help out the shareholders, nor to help Saskatchewan, nor for any reason like that. MacMillan, Bloedel bought this plant because it was a good one in which they could make money and that is the only reason they bought it. It was a good one in which the Saskatchewan company could have made money if it had been given a chance. Sure it had lots of trouble, and it could have overcome those troubles . . .

Mr. Thatcher: — Getting worse every year . . .

Mr. Brockelbank (Kelsey): — I would like to know just how big contributions the Liberal party will get from this lumber company; that would be interesting to find out.

Mr. Thatcher: — None yet, but we will let you know if we get any.

Mr. Brockelbank (Kelsey): — None yet. That is a very good answer, probably none yet. I don't know about that, and we never will know as long as we have this government here because they believe that it should be possible for a company like this to give the Liberal party \$100,000 and nobody know about it. That is what they believe.

Mr. Steuart: — You bring Clarence and let him testify . . .

Mr. Brockelbank (Kelsey): — They are talking now about selling the government printing company, and the government then is prepared to turn over all of its printing into the field of patronage. This was one of the greatest fields of patronage in the past when we had a Liberal government, a great field of patronage in the past and will probably be in the future when they get rid of this company.

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We come to the question of the Saskatchewan Government Insurance Office. This is a very interesting one. In the Budget Speech this year, the Treasurer said, "It appears evident at this time that SGIO because of the nature of services provided will be continued". Now, we look in last year's Budget Speech, February 19th, 1965, on page 13, exactly the same words, Mr. Speaker, "It appears evident at this time that SGIO, because of the nature of services provided will be continued". That is what he said last year, that is what he said this year. We have never had any more assurance than that. It has always been when we have asked questions about this, "We have no intention of doing away with SGIO at this time". But we know that when insurance rates are raised, this is a step in that direction. This makes a mockery of the reasonable idea of competition, because when SGIO raises the rates, it just means that every other company can get those higher rates too.

Mr. Speaker, it is well known that discussions, confidential discussions have been going on with the insurance people to get arrangements made so that the compulsory car insurance will continue, but the person can either buy the insurance from the insurance office or can get it from the private insurer. It is well known that this is being discussed. It has been well known for a long time that the insurance office is something that a Liberal government, with the way it worships private enterprise, just can't afford to keep it for very long. Now we go back to the qualifications, one of the qualifications of a crown corporation, "if it provides an essential service, which private firms are unable to supply at comparable cost to the public". That is justification for it. We are raising costs of insurance so that private companies can compete with it. Then you will hear the government saying, "Well, there is no use in keeping it; the private companies can supply the insurance just as cheaply" and this will help the Saskatchewan government get rid of SGIO.

I hope I am wrong in this, but I am afraid I am right. I come then to Saskatchewan Forest Products and the statement made this year was:

In many areas operations of the Timber Board may be phased out as new private companies move in.

This is an indication, of course, that it is the intention of the government to get rid of the Saskatchewan Timber Board; and the price increase that I mentioned is just one of the ways it is being done.

I would like to go back to the 1965 Budget Speech again. On page 14, it says:

The remaining corporations, Saskatchewan Timber Board . . . operates in areas which might better be served by private enterprise.

That is what he said a year ago, and there is no doubt that is to be carried out. What is taking place this year, of course, is that a number of operators have been refused contracts. Some new operators have been taken in. What is going to have to happen is that more operators will have to be refused contracts because I don't think the Hudson Bay Area can continue the number of operators that we have had for the Timber Board and at the same time provide 55,000,000 board feet to another enterprise. It just won't work out.

The Saskatchewan Power Corporation has been one of the real successes in the service it has given to the people of the province of Saskatchewan. I would have some serious questions about the figures the Premier gave, seven and one-half per cent owned by Saskatchewan and 92 1/2 per cent owned by the bond holders. But whether it is right or not is more or less beside the point. Any government could have followed a policy of no debt, and could have compelled the customers to pay in advance for every extension, but that just isn't the way things are done. That would have meant that there would have been very slow development, so we went into debt deliberately for the sake of building the Power Corporation as you see it today, and we did borrow around \$175,000,000 in the United States. We borrowed in the United States for exactly the same reason that the Premier went to the United States to borrow last year. We borrowed because we could get a lower interest rate. We borrowed at as low as three and one-eighth per cent interest rate, but most of this \$175,000,000 is at five per cent or under which is a very good rate, a great deal of it is at four per cent or under four per cent. Saskatchewan was very fortunate to get the great bulk of capital required for this development at these favourable rates.

There is a risk in regard to exchange, but, Mr. Speaker, the exchange rate would have to go down to about 80 cents for the Canadian dollar and stay there before the advantage of U.S. borrowing would disappear. It can't be said to be anything else, I think, but good business that we did borrow in the United States in those years gone by. Our party, Mr. Speaker, is not against borrowed capital from the United States, or from any place for that matter.

I want to quote briefly from the Budget Speech to show what was done. This is a Budget Speech that I made in 1964, and I said:

Nearly a thousand communities, and over 60,000 farms are now served with electricity, compared to about 145 communities and 200 farms two decades ago.

And I could go on and quote many other points in this line. This was a worthwhile thing. What I do object to and what our party objects to and a great many Canadians object to, is the kind of capital from foreign countries which is control capital, so that, in effect, you have companies in this country that will obey foreign laws rather than Canadian laws. Now this is one of Canada's tough propositions. This is one that must have attention and needs to be cured in the not too distant future.

But this government, Mr. Speaker, is for a big business climate rather than the people. It has been very generous in giving away resources and privileges. It has been generous with other people's money in giving away tax exemptions. Two examples come to mind, the Canada Cement Plant in Saskatoon, and now the Prince Albert Pulp Company which the people of Prince Albert are going to help to bonus by a tax exemption. We could have oil fields discovered which would mean that we would have no royalties from those fields for several years. The government has reduced royalties on mining in the north. Our royalties were a maximum of 12 1/2 per cent of profits from mining. If there were no profits there was no royalty. Nothing really could be fairer. But this wasn't good enough for the friends of the Premier, so he has reduced that now to a maximum of nine per cent of the profit, rather than 12 1/2 per cent, and the Premier hasn't got one additional mine because of that reduction in royalties . . .

Mr. Thatcher: — We did pretty well . . .

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Mr. Brockelbank (Kelsey): — . . . and you won't get any royalties anyway from these. The government has been generous on road building, for some of the mines in the north. Now, I must say that there were no roads into northern Saskatchewan. There wasn't a road to the Precambrian shield in 1944, nor anywhere near it. It was a CCF government that built the roads into the northern part and got the country opened up, not the Liberal government. But I was going to give credit to the Liberal government for building this cut-off between 102 highway and 106 highway up north for this mining company, and the cost of this is something close to \$2,000,000. Now for a small mine that is a lot of road to build, and that will be the principal use of this road. It would be quite reasonable, Mr. Speaker, to say to the company, "We will build the road but for hauling the concentrate over you will pay us 50 cents or one dollar a ton". It wouldn't have stopped it; it would have been a very fair proposition.

Hon. J.M. Cuelenaere (Minister of Natural Resources): — It would have stopped it.

Mr. Brockelbank (Kelsey): — It wouldn't have stopped it. It would have been a fair proposition. Build roads for mining companies, give them lower royalties, oil fields without royalties, but for the people \$20 more for health services, pay more for soap and gasoline, and pay more property taxes in the province of Saskatchewan, more taxes for the people, because the total tax bill in the province of Saskatchewan is greater than it was two years ago . . .

An Hon. Member: — No, it isn't.

Mr. Brockelbank (Kelsey): — . . . and will continue to be greater.

I would like to comment on the Liberal government and the public service for a minute or two. I have here a page out of the Monetary Times for January 19, 1966. It is page 29, and it says:

Thatcher and his lieutenants have an almost paranoid distrust of any, Socialist or not, who had anything to do with the previous administration, and have put programs, policies and people under close and sceptical scrutiny. Yet programs noisily wiped out when Thatcher came in have quietly reappeared. The Department of Industry and Information Publications, for example, scrapped under one title, have reappeared under another. The unhappy atmosphere in the civil service has resulted in a serious brain drain.

Mr. Speaker, this was published in the Monetary Times. It was somebody's opinion. I don't know whether the by-line is on it. But I am sure that with the efficiency of the Premier and the minister in charge of Information anything like that that could get out of Saskatchewan would be pretty well founded.

Here is another clipping from the Leader Post of May 21st, 1965, and it says:

Civil servants seeking policy on political work.

Delegates at the 52nd Annual Convention, representing

most of Saskatchewan's civil servants, asked for the adoption of the following policy for regulating the political activities for Saskatchewan Government Employees Association members.

and then it sets out a number of policies:

Allow candidacy for provincial and federal elections and allow speaking or writing on the platform, prohibition of formal political activity during working hours, and so forth.

Now, on this question, of course, we have had anything but clear statements. It is pretty evident, Mr. Speaker, that the government wants to muzzle the civil service and prevent its members from speaking either on or off duty, anything in regard to politics. This article says:

As a means to solve the problem the Convention recommended that the government establish an all-party committee of the legislature, to examine and make recommendations to the 1966 legislature session, that the committee be provided with the services of research assistants, and that public hearings be held and written submissions from interested parties be invited.

I haven't heard anything about that committee being appointed, but it certainly would be one that could very well be. I want to read also one clause from the Universal Declaration of Human Rights. Article 19 says:

Everyone has the right to freedom of opinion and expression. This right includes freedom to hold opinions without interference and to seek, receive and impart information and ideas through any media and regardless of frontiers.

That is the Universal Declaration of Human Rights of the United Nations, and is real worthwhile paying attention to. We have seen some things happen here that aren't very nice. We saw one of the first things that the Minister of Public Works (Mr. Gardiner) did when he got into office was to fire a one-armed man. Very shortly after that a defeated Liberal candidate got a \$10,000 year job for a 10 year contract. This is a different kind of treatment.

We have heard that the Premier has admitted that in regard to the dismissal of Mr. Basken, the orders came right from his desk. We have seen the Minister of Public Health (Mr. Steuart) stand up and say that Mr. Basken was fired for refusal to take a transfer. The fact of the matter is, Mr. Basken was fired as a warning to every other public employee to shut their mouths. That is why he was fired, to tell all of them to keep quiet, to give up their rights in this democracy of ours. We see throughout the province a good many cases where insurance agents are having their contracts cancelled without any notice. A war veteran, First World War veteran, in Nipawin had his contract cancelled. There was no notice; the letter was dated the same day, or he got it the same day as the contract was cancelled; he had no chance to sell his business at all. A war veteran of the First World War at Whitewood, a man pretty nearly 70 years of age, in not too good health, his contract cancelled without cause, without any reason, without any notice. This only could be because these people had at some time supported the CCF. This is the kind of business that has

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been going on. When the former Minister of Agriculture, now Senator McDonald, was in charge of the insurance office, I took these cases up with him. All I got was a very brief note saying the government has no intention of reinstating these agents. This is the kind of treatment that they have been getting.

Now, before I close I would like to say a little bit about my constituency of Kelsey. The province of Saskatchewan had a bumper crop last year but this wasn't true about my constituency. We had too much rain in the spring of the year, seeding was delayed, a great deal of it took place after the middle of June. Then we had very bad harvest weather, there was damage from frost, from rust, from bad harvest weather; crops that looked like they might yield 30 or 40 bushels of good wheat actually turned out 10 to 15 bushels of no. five, six or feed wheat.

Practically none of the grain threshed in my constituency was fit for seed. Some of it was cut before the frost. It lay in the swath, it was wet and dried and wet and frozen and thawed several times, so the germination was destroyed. There could be quite a serious situation in regard to seed requirements in that constituency. I would hope that the government would implement the provisions of the Seed Grain and Supplies Act so that, if necessary, municipalities in that area can take steps to see that the seed is available. It will have to be brought in from some distance because it just doesn't exist in sufficient quantities in that area.

I would like also to see some better maintenance of our highways in my constituency. I hope that the minister will pay attention to them. I have noticed the deterioration in the LID roads in the constituency as well. So I hope they will be looked after. That is one of the best areas for forest in the province of Saskatchewan. In these forests there are many places that are very attractive as resort areas too. So I hope that sufficient attention to the construction of forest access and recreational site roads will be given.

I am glad to see that in the sheets distributed they have on the program to put oil on a road from Carragana to Chelan. I would suggest to the minister of Highways (Mr. Grant) that highway no. 3 from Crooked River to Tisdale, which is now oiled, should be paved. At Crooked River three roads join, no. 23 from the north, no. 23 from the south, and no. 3 from the east. All of this traffic off the three roads then travels on no. 3 highway west to Tisdale. This oil is not holding up and it would be very much improved if this was paved.

I want also to mention the question of the rights of settlers in regard to the rights of the forests in that area. I heard stories when I was there recently about a settler form down near Kelvington, going to the Natural Resources office at Hudson bay to get a permit for certain timber. The story is that he was told that he had to go and see one of the lumber companies, it was either MacMillan Bloedel or Simpson. This is just an intolerable kind of a situation, that the little people who want to undertake some industry in the forest should have a right to do so . . .

Mr. Steuart: — They didn't have it under the Timber Board?

Mr. Brockelbank (Kelsey): — No, they had it under the Timber Board. they could get

permits under the Timber Board. The Minister of Health (Mr. Steuart) doesn't know very much about this but they had it. They had those opportunities and those opportunities are now being cut off.

Mr. Speaker, I think you will understand from what I have said that I will vote for the amendment and I will vote against the motion.

Some Hon. Members: — Hear, hear!

Hon. D. Boldt (Minister of Social Welfare): — Mr. Speaker, I would like to make just a few remarks on the senior member of this house who just sat down (Mr. Brockelbank). I don't want to be too hard on him but I have to make a few remarks about what he said.

First, I would like to mention mineral rights of farmers. He mentioned that the Liberal government had only given to the farmer one-eighth of the tax that was applied to the land and the rest went to the oil company. Well, let me assure this house that the government of the day, from 1944 to 1964, took more mineral rights away from the farmers than any other government previous, because they couldn't pay the tax. The only reason was so that Fines and his company could get their fingers in the pie and make money on the farmer's mineral rights. So that today he is out of the country and he is bathing in some foreign country under the sun and . . .

Mr. Brockelbank (Kelsey): — Mr. Speaker, on a point of privilege, or order . . .

Mr. Boldt: — Mr. Speaker, he has made a speech and I didn't interrupt him.

Mr. Brockelbank (Kelsey): — Mr. Speaker, it is perfectly ridiculous to say that any former minister of the CCF government made money because of forfeiture of mineral rights to the crown and I hope that the minister will see fit to withdraw that kind of imputation.

Mr. Boldt: — The hon. member, Mr. Speaker, has made his speech. I did not interrupt him and I am going to carry on with my speech. I said that there was . . .

Mr. A.M. Nicholson (Saskatoon City): — Mr. Speaker, the hon. member for Kelsey (Mr. Brockelbank) has raised a point of order, and the house would appreciate having your comments on this question of privilege.

Mr. Boldt: — I said there were more mineral rights taken away by the former government than by any other previous government. That is the truth and I stand by it.

Mr. Brockelbank (Kelsey): — Mr. Speaker, I distinctly heard him say that Mr. Fines and his company made money out of this forfeiture of mineral rights. That is what he said.

Mr. Boldt: — You tell me where he made his money from.

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Mr. Nicholson: — Mr. Speaker . . .

Mr. Speaker: — I will send for the transcript and I'll have the matter under advisement after I see what the member said.

Mr. Boldt: — Thank you, Mr. Speaker. When he talked about firing some of the SGIO, or cancelling some of the SGIO agents . . .

An Hon. Member: — Tell us about all the people he fired as Minister of Municipal Affairs . . .

Mr. Boldt: — Mr. Speaker, I am going to tell you why some of them were fired. This is the attitude that the Socialists have taken in the past. You know we have a pretty good pipe line in some of the operations of the SGIO and I happen to know what is going on. There are Socialists working for SGIO at the present time that have a little black book and they have got all the Liberals marked in it. Jim Dutton is one of them, and whenever you are going to take power he is going to be fired, and there are others. So you say that we are the ones that are firing people, but you are the ones that have got a blacklist all ready for it. Don't you tell anybody that you people are not going to fire . . .

Mr. R.A. Walker (Hanley): — Mr. Speaker, on a point of order, the hon. member has referred to . . .

An Hon. Member: — Sit down.

Mr. Walker: — I won't sit down. We have been told there is a document in existence, in the possession of the minister, or his staff, that lists a lot of Liberals who are to be fired. Now if this document is an official document, I think the hon. member should table it.

Mr. Boldt: — You go and ask your Socialist friends about that.

Mr. Speaker: — No, I don't think the hon. member was referring to any official document. I have heard a lot of stories about a lot of black books and I don't think that they are official documents. When I was a young man, younger . . .

Mr. I.C. Nollet (Cutknife): — Mr. Speaker, on a point of privilege, the hon. member said he knew of such a book, a blacklist of Liberals that were going to be fired. Let him produce it, Mr. Speaker.

Mr. Boldt: — Mr. Speaker, the Socialists have a black book. They know it but they will never be able to use it as long as you fellows sit over there. I have a little more to say about SGIO and some of your agents. First of all, Mr. Speaker, I want to say a few words about some of the remarks that were levelled at me and at SGIO, the Welfare Department and the crown corporation.

Let me turn first to some statements made by the hon. member from Regina North (Mr. Whelan). He told this house the insurance

rates have gone up from 40 to 50 per cent across the board in Saskatchewan. When he sat down I asked him whether he could identify these increases and the answer he gave me was that I could find out for myself. I believe, Mr. Speaker, that the hon. member's wife writes under the heading "Legislative Spotlight" and under the name of E.P. Hendry. Now, I wonder whether this member is living common-law or something, and even if she has . . .

An Hon. Member: — On a point of privilege, if the hon. member wants to make a speech, surely he can stay within the laws of decency in this house. I am amazed to think that a Minister of Social Welfare, an hon. member of the crown, would go on with such slush. He thinks this is a political speech. It isn't.

Mr. Speaker: — I've lost track of who is living with whom, and I will take that into consideration tomorrow too.

Mr. Nicholson: — Mr. Speaker, I think Your Honour heard the member and certainly one doesn't need to consult the transcript whether or not this remark should be withdrawn.

Mr. Boldt: — Mr. Speaker, I will withdraw that remark but I have been given to understand that the name "E.P. Hendry" is the wife of the member for Regina North (Mr. Whelan) and even she has made a falsifier — I would like to use the word liar but I won't use it — of the hon. member when she reports in the Valley News and says fire insurance rates increase from 16 to 30 per cent, not 40 to 50 per cent. So here we have it, Mr. Speaker, the hon. member from Regina North (Mr. Whelan) says the rates have gone up from 40 to 50 per cent across the board, and his wife says it is 16 to 30 per cent. I hope when you get home tonight that you will discuss what the increases are. Then the hon. member for Redberry (Mr. Michayluk) — I'm sorry he is out of the house — got into the debate and stated that these increases have come about in the cities of Saskatoon, Regina and Yorkton. Well, maybe the hon. member for Redberry got his information from his brother. Here is what I am going to say how the SGIO agent under the NDP. This member recently was an SGIO agent under the name of Michayluk Agency. Well, I want to advise the hon. members that this fellow on the advice of his brother was appointed as agent . . .

Mr. E. Kramer (The Battlefords): — The hon. member from Redberry (Mr. Michayluk) hasn't got a brother in insurance.

Mr. Boldt: — . . . on the advice of his brother, was appointed as agent . . .

Mr. Kramer: — The member for Redberry (Mr. Michayluk) hasn't got a brother in the insurance business . . .

Mr. Boldt: — Not now, he did . . .

Mr. Kramer: — You are wrong again. He never did have . . . Get your facts straight before you open your big mouth.

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Mr. Boldt: — I'll make my speech, you can make yours later. They called it the Michayluk Agency. I want to tell the hon. member not to rely too much on the advice of this Michayluk Agency, because when he was appointed as an agent, he could hardly sign his own name, let alone read and write, so what happened. The Saskatchewan Government Insurance Office sent a man down from Regina to visit this fellow with the examination questions and the answers, and by gosh, this man got an agency. He made the exam and I have the pleasure to announce to this house that this agency has been cancelled. There are isolated cases, Mr. Speaker, where insurance rates have gone up, and the one quoted by the member for Regina North (Mr. Whelan) was one where the building had deteriorated. I want to make sure. It was either the member for Regina North (Mr. Whelan) or the member for Kinistino (Mr. Thibault) where the chimney was in need of repair, and the building was occupied only part time. I have the files here. This was a log cabin, a log cabin which the former government insured for \$1,800 and it wasn't worth a thousand bucks. The chimney had deteriorated and only half the time it was occupied. The only increase in the rates was the building, this was the only increase. On some of the articles on the farm the rates were reduced. The rates of SGIO are lower than those of Manitoba and Alberta in practically every category. Where they are lower in Alberta, they have certain strings attached. I will quote you the rates. These rates — in Alberta across the board. For a building in Saskatchewan and the contents on class 1 rate in towns and cities are 35 cents; in Manitoba, they must be occupied and the contents will be insured for 35 and 45 cents; and in Alberta they must be occupied and you can get the building for 28 cents and the contents for 37 cents. That is the only rate that is cheaper, if they are not occupied in Saskatchewan the rate remains at 35 cents; in Manitoba it goes up to 50 cents; in Alberta up to 48 cents. Now we have five classes of rates in Saskatchewan, from one to five. Our highest insurance rate in Saskatchewan is 65 cents; the highest rate in Manitoba is \$1.10; and in Alberta it is \$1.75. The opposition are trying to mislead the public when they say that we are moving up into higher rates of insurance than our neighboring provinces. I filed these rates here the other day, but those people across the way they just can't read.

Let me again quote the rates, and here is where the hon. member from Hanley (Mr. Walker) said even if we do charge higher than what the rates should be, every dollar goes into the coffers of the Treasury. Well, that wasn't true, \$3,500,000 went into Montana . . .

Mr. Steuart: — Yeah, yeah . . .

An Hon. Member: — That is not true.

Mr. Boldt: — You know it is true. You have never denied it. Let me quote again the reductions . . .

Mr. Walker: — Pure fiction.

Mr. Boldt: — Let me quote again the reductions in rates on schools, hospitals, and crown corporations. These reductions range from 25 to 66 2/3 per cent, and yet the Socialists repeatedly spread false information about SGIO rates. I am going to repeat them. These were the bids accepted by SGIO: The Milestone School Unit

got a 26 per cent reduction in rates; Regina Public School got 25 per cent reduction; Saskatoon Collegiate got 50 per cent reduction; Kamsack Union Hospital had a 32 per cent reduction. Here are some of the bids that we lost because we threw it open to the public. You say that the industry wants to make money and we are selling out to the industry. Well, the Saskatchewan Mineral Sodium Sulphate we gave a 25 per cent reduction in our rates and we still didn't get the premium. We still didn't get the business. For Saskatchewan Government Telephones, we reduced our rates by 16 per cent but they got a reduction from a private insurance company of 66 2/3 per cent. Saskatoon Public Schools we gave a reduction of 50 per cent and we didn't get the bid. So don't let anybody tell you the rates have gone up since we took over; rates have gone down.

Some Hon. Members: — Hear, hear!

Mr. Boldt: — Rates have gone down. The member from Regina North (Mr. Whelan) and Redberry (Mr. Michayluk) are such slow thinkers that it takes them a long time for these figures to sink in.

Mr. D.W. Michayluk (Redberry): — Mr. Chairman, on a point of privilege, I was out of the house when the minister . . . I rise on a point of privilege, will the minister deny that an order has gone out to all the SGIO agents with new increased rates to take effect on April 1st of this year?

An Hon. Member: — He has no point of privilege.

Mr. Speaker: — That is not a point of privilege. The member should have been in the house when he made the statement.

Mr. Boldt: — They are such slow thinkers. They are about as slow as molasses in January at 40 below.

These people across the way are so concerned about the railways, well the Dominion train was taken off. Well, I heard a little story that I could associate with those people over there to show how slow they are. This is the reason why it was taken off, I was told. This young couple got on the Dominion. After some time the lady went to the conductor and said, "I've got to get off the train. I am going to the hospital. I am going to have a baby". The conductor said, "You shouldn't have got on the train in that condition" and she said, "Well, I didn't".

Mr. Walker: — Columbus brought that one over.

Mr. Boldt: — The lawyer member from Regina West (Mr. Blakeney) had a lot to say about the mental institutions, and the policy of discharging patients into private homes that were not fit to live in. My colleague, the hon. Minister of Health (Mr. Steuart) proved the other day how incompetent and how misleading the hon. member from Regina had proved himself. Let me tell this house of some of the conditions of the Old Folks Home the former government licensed and permitted to operate under the former Minister of Welfare, and see how they compare with what is happening today with the mental patients homes. Shortly after taking office I was informed by members of

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the welfare staff that private individuals were buying up old homes and taking in senior citizens and charging them exorbitant rates; and the minister licensed these homes. Some of these homes were in great need of repairs; three and four bedroom houses were permitted to have up to 12 guests in them . . .

Mr. Nicholson: — Mr. Speaker, on a question of privilege, will the hon. member identify these houses he is speaking about?

Mr. Boldt: — I can get you the information.

Mr. Nicholson: — Mr. Speaker, the hon. member made a charge and I suggest he either withdraw the charge or identify the houses.

Mr. Speaker: — The hon. member is making a speech. I suggest he is entitled to make it.

Mr. Nicholson: — Mr. Speaker, he is so long as he doesn't make charges against members opposite which are untrue, which this one is, I ask him to withdraw it or name the houses.

Mr. Speaker: — I fail to see where the hon. member has made any imputation or any statement he cannot support. He can go ahead and do it or not as he pleases.

Mr. Nicholson: — Mr. Speaker . . .

Mr. Speaker: — Order, Order, Order. Let the man get along with his speech or we will be here all day.

Mr. Boldt: — I'll make some more charges. You can speak tomorrow if you want to speak. Some bedrooms were located on the third floor, Mr. Speaker, and you know what the fire escape was, a rope. Can you imagine a 70 and 80 year old person sliding down a rope in case of fire or an emergency. Well, I would like to see the former minister (Mr. Nicholson) try to go down one of them.

Mr. Nicholson: — Mr. Speaker, on a question of privilege, the hon. member has made charges which he cannot prove because these charges are not facts. I insist that he must either identify these charges or withdraw the remarks.

Mr. Speaker: — If I hear the hon. member correctly, and there is a possibility that I didn't, I will get the transcript of the whole speech tomorrow. He is talking about . . .

An Hon. Member: — . . . making statements of policies.

Mr. Speaker: — . . . He is talking about conditions in connection with the running of his department, both before he took over and after. I am going to read citation 150 from Beauchesne's Parliamentary

Rules and Forms:

If a member should say nothing disrespectful to the house and to the chair, or personally opprobrious to other members or in violation of other rules of the house, he may state whatever he thinks fitting, however offensive it may be to the feelings or injurious to the character of the individual.

I think that just about covers that the member is making statements about what the situation was as he saw it when he took this particular department over. If the member wants to refute those statements he will have an opportunity to do so at the correct time and in the correct way.

Mr. Nicholson: — Mr. Speaker, I will be unable to refute them unless the hon. member will identify them. He is making charges which he cannot support and I will have no way of refuting. I submit, Mr. Speaker, that the citation that you have given would indicate that if what a member said was offensive, and makes a charge of an hon. member violating the regulations of his department, this would appear to me to be clearly an offensive reference which should be withdrawn, or the member should support it.

Mr. Speaker: — Whatever this member or any member says in this house he must say on his own responsibility and he must take the responsibility therefore. The same thing applies to this member that was citing certain instances the other day, he did them on his own responsibility. He has to take responsibility therefore; the member that is now speaking does the same thing. All members have to be responsible for the statements they make.

Mr. Boldt: — I take full responsibility for what I said because the staff of the former minister informed me of these things and we cut it out. These homes had been condemned by city fire and health departments of the various cities. They certainly did not qualify to be licensed under the regulations of the old Housing and Nursing Homes Act and the minister, the former minister (Mr. Nicholson) knows this. Department officials wanted them closed, but the former Welfare Minister didn't have the courage to close them, but would rather take the chance of having a health and fire hazard. The cost of operating these homes, such as these, by individuals have been estimated at 33 1/3 per cent profit. This was another humanity first Socialistic program. I am happy to announce, Mr. Speaker, to this house that most of these homes have been closed out because of these reasons which I have stated while others are in the process of being closed. Those that aren't closed, the owners have been notified.

Now, what about the foster home rates? Let me turn to these rates. The hon. member from Regina North (Mr. Whelan) deliberately misled the house again, which he is an expert at . . .

Mr. E. Whelan (Regina North): — Mr. Speaker, on a point of privilege, this business of insinuating and this sort of remark, I demand a withdrawal. I demand the withdrawal, the motive has been imputed. Earlier on he suggested my children were bastards, I think this kind of minister . . .

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Mr. Speaker: — Order.

Mr. Whelan: — Mr. Speaker, this is precisely what he did and I ask that he withdraw it completely.

Mr. Speaker: — Order, the hon. member, or any other hon. member who wants to say that somebody misled the house, that I contend would be in order, but if he says that he deliberately misled the house and knowingly did so, then that is out of order.

Mr. W.S. Lloyd (Leader of the Opposition): — Mr. Speaker, on the point of order, the member quite clearly accused the member from Regina North (Mr. Whelan) of deliberately — I think this is their key word — misleading the house. This I submit is unparliamentary.

Mr. Speaker: — I agree that the word he used was "deliberately", that he to his own knowledge "mislead the house" is unparliamentary and he will have to withdraw the word "deliberately".

Mr. Boldt: — Mr. Speaker, it is quite possible that his wife wrote his speech for him and wasn't aware of it so I will withdraw that statement . . .

Mr. Nicholson: — Mr. Speaker, on a question of privilege, respecting the privileges of this legislature, on two occasions you have ruled that the hon. member must withdraw, and the hon. member has ignored your rulings on two occasions. I ask you, Mr. Speaker, to decide what is to be done if you make these rulings and the person involved ignores them.

Mr. Steuart: — If the member would keep his mouth shut and his ears open he would hear that.

Mr. Speaker: — If the hon. members wouldn't make quite so much noise I might hear what is said and what is going on.

Mr. Boldt: — I told you that I had withdrawn this statement. I had discussed this matter with him previously and privately, and he knows what the truth is. Yet he chose to falsify the situation.

Mr. Walker: — Mr. Speaker, it is quite hopeless to expect this member to observe the rules, but, at least, he should try to uphold the dignity of the house.

Mr. Lloyd: — Mr. Speaker, the member has again used the words, "he chose to falsify the situation". Surely this past speaker, as he calls himself, should be able to learn and remember from one minute to the next that this statement should also be withdrawn.

Mr. Boldt: — There is nothing wrong with that statement at all, Mr. Speaker.

Mr. Lloyd: — Mr. Speaker, may we have a ruling on this speech.

Mr. Speaker: — Wait until I find the place in the book.

A member may say that a statement is untrue that another member has made, but he must not say it was untrue to the knowledge of the member when he was making it.

That is the direct quotation out of the book. That should cover the situation. You must not say in debate that a statement is untrue and that the member knew it was untrue when he made it. You can say that statement was untrue . . .

Mr. Lloyd: — Mr. Speaker, may we have a ruling on the words used by the minister who was speaking. He used the phrase "he chose to falsify" that it seems to me is out of order.

Mr. Boldt: — Well, I will omit the word "chose" and say he falsified the situation . . .

Some Hon. Members: — Hear, hear!

Mr. Boldt: — Mr. Speaker, I am of the opinion that this man could not and would not tell the truth under oath and if he did . . .

Mr. Walker: — Is he trying to set a record, Mr. Speaker?

Mr. Brockelbank (Kelsey): — Mr. Speaker, I need say nothing that is completely out of order . . .

Mr. Speaker: — I have to ask the question, to whom did the statement refer?

Mr. Boldt: — May I continue, Mr. Speaker? In this debate he said . . .

Mr. Nicholson: — Mr. Speaker, we couldn't hear the member saying he withdrew the remarks which were purely offensive and out of order. I think Your Honour has had plenty of opportunity to hear what has been said . . .

Mr. Speaker: — No, I have to ask to whom the last statement referred, because I didn't hear . . .

Mr. Boldt: — The hon. member from Regina North (Mr. Whelan). I am of the opinion that this man couldn't tell the truth under oath and if he did it would be an accident.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — I have to ask the hon. member to withdraw the statement.

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An Hon. Member: — Hear! Hear!

Mr. Speaker: — Order, Order. Let the member from The Battlefords (Mr. Kramer) just be quiet and maybe we will be able to hear what is going on in this house.

To be quite honest with you with all the interjections that are going on, maybe my hearing isn't the best, but to tell the honest truth I'll be hanged if I can hear. Now let's have a little more silence around here in order that all can hear what each one says in his turn. I would now ask the hon. member (Mr. Boldt) to withdraw that statement which he has to.

Mr. Boldt: — I will withdraw that statement, Mr. Speaker. In this debate, Mr. Speaker, the hon. member from Regina North (Mr. Whelan) said when the government moved in, raising foster family allowances but taking away the formula allowance that amounted to cheating the foster mother and made Scrooge look like Santa Claus, I think he should have withdrawn that statement too. Let me tell this hon. member what this formula allowance was intended for under the previous government. I will read from the report:

In 1958 the policy was established that supplementary foods for infants could be purchased over and above the then basic rate of \$1.20 per day. In the Regina area the practice of supplying the total formula if it was a prepared formula developed.

Now, some of the doctors here gave an ordinary formula to these babies. This was over and above the formula. This is what I told him privately and he knew it. This was not the intent since it was to cover the expensive prepared formulas only. Here in Regina this was the case where the doctors wrote out the formula, and this was over and above the \$1.20 a day. This came about when we increased the rates last summer. We in turn had a new Director of Child Welfare. He came upon this abuse, another Socialist abuse in social aid, and this was corrected at the time. This was why some homes perhaps have not received the full benefit of this 20 cents a day increase. But let me just read from one letter that I received and there are dozens of them that we receive from foster parents. This is written from a person, I hope I don't have to file it, I will if you want it; but here is a letter, I will read from it, I will take full responsibility for it, and it says:

Having written you last November, a letter in regard to the boarding rates of foster children suggesting an increase, I would like to express my thanks for the recent announcement that increases, while small, will help to offset the higher prices we are now paying for baby foods and washing materials.

And there are dozens of letters, dozens of comments. Now what do the Socialists say . . .

Mr. Whelan: — Mr. Speaker, will the minister file the letter please.

Mr. Boldt: — I'll take full responsibility but I will show it to you personally.

Mr. Whelan: — I understand the rules, Mr.

Speaker, either the minister files the letter under these circumstances . . .

Mr. Speaker: — Order, Order. The rules in regard to letters, reading them, and quoting from them in the house are plain and they have been stated in here on numerous occasions;

That a member may quote from a letter to the house provided he is prepared to either table the letter, or take complete responsibility for the contents of the letter he is quoting from, the date on the letter, and the signature at the bottom of the letter.

Now, he doesn't have to divulge the signature. He just has to take the responsibility for the signature. I think the reason for that is plain to all members, that if a person receives a confidential letter that it should not be necessary to trail that person's name around the legislature and have it in the public view. Now, all members have received letters of this nature at some time or another in their careers, I am sure. That is the ruling and it is backed up in May, Beauchesne, and all the rest of the authorities that you want to refer to. I don't know how many times that has been stated in this house, but that is the fact. He may either table the letter or take full responsibility for what he is quoting from the letter, including the date and the signature thereon.

Mr. Boldt: — Thank you, Mr. Speaker. I take full responsibility for that letter. Now, I want to remind the member from Regina North (Mr. Whelan) of a few more things.

He was crying about the foster rate, the foster home rate — that we should raise it — and these poor mothers and these poor children. Well, I agree with him, but what did the Socialists do? In 1958 they set the food rates and they were not increased until we took office. Ten months later they were increased for the first time since 1958. When they took office a child between the age of birth until nine years of age received \$1.20 a day; 10 to 15, \$1.35 a day; age 16 to 21, \$1.50 a day. This is what the Socialists did to foster parents when they were in power.

Mr. Speaker, during the last session I told the house that we would look into these rates and we did. About six months ago these foster home rates were increased across the board by 20 cents a day in every category. In other words, we increased it from \$1.20 a day to \$1.40; and from \$1.50 to \$1.70 a day and they will again be increased in the new budget on April 1st by ten cents a day across the board.

Some Hon. Members: — Hear, hear!

Mr. Boldt: — In other words, the government has increased these rates in a matter of 22 months by 30 cents a day or about 25 per cent over the rates under the socialists. While the Socialists didn't increase these rates since 1958 by as much as one red cent, now they are crying "What are you doing for the poor?" They are the ones who accuse us of dollars before children. The increase in this allowance will cost the government \$240,000 a year. This the hon. member from Regina North (Mr. Whelan) calls a decrease. Oh yes, I want to be absolutely fair and give credit where credit is due. They did make one increase to a group of children, namely,

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tobacco to the boys at the Boys School in 1961, and a few months later they increased it to cigarettes. The slogan then read "Cigarettes before children".

Some Hon. Members: — Hear, hear!

Mr. Boldt: — I am now convinced, Mr. Speaker, that perhaps I did make a mistake in closing Embury House, but not for the reason of putting disturbed children in there. If that house was open today we would put some of the Socialists in there.

Now, let me say a few words about the Mayor of Regina, the hon. member for Regina East (Mr. Baker). He said that according to the estimates the municipalities would be paying more under the new plan than under the existing one. I am speaking about the Saskatchewan Assistance Plan, and that if this was the case the government would administer the welfare themselves. I have confidence, Mr. Speaker, in the welfare officials of Regina that they can do the job very well, and I am sure that they understand the program. However, if they were as ignorant about administration as my hon. friend the Mayor (Mr. Baker) apparently is, I wouldn't hesitate to take it over. Why, the Mayor apparently doesn't know and I think he ought to know whether the Engineers Department . . .

Mr. H.H.P. Baker (Regina East): — Mr. Speaker, I don't mind him getting up and making speeches. I don't know whether he inferred that I was ignorant, but I would take it from what he said. If he did mean that, I don't think that is very parliamentary. I've developed a pretty thick skin in public life. Now, if he feels that I am ignorant then I have to consider him an imbecile for saying it.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — I can't find any reference in Beauchesne regarding the word "ignorant", but I think this is a pretty good indication of what this sort of thing leads to. One calls one an imbecile, the other replies by calling him stupid, and it becomes a tit-tat debate. I don't think it is very good.

Mr. Baker: — I would ask that he withdraw that. I am not trying to throw any remarks. I gave my statement as I saw it in the estimates and I didn't even mention his name in the speech.

Mr. Boldt: — I will withdraw that statement. I'm a good friend of the Mayor's but I want to tell him that if he is so unfamiliar with administration that the Mayor doesn't apparently know and I think he ought to know whether the Engineering Department in Regina bought a new paving machine, or repaired an old one, or whether they got one at all.

One more thing, as a taxpayer and as a citizen of Regina, I think the conditions in which the city streets have been all winter have been downright disgraceful. This is a downright disgrace and this has cost the AAIA tremendous amounts of money. This is one direct reason why insurance rates have gone up. I hope to have these figures in detail shortly showing just what the cost to the deplorable icy conditions of the streets. Let him talk about the welfare department.

The hon. member for Regina East in his address to the assembly the other day came up with, to say the least, unusual figures. I am talking about the Mayor (Mr. Baker). He subtracted the net anticipated appropriations for 1966-67 for the whole Department of Welfare from the net figure voted for the department for 1965-66 and came up with a reduction in expenditures for the Saskatchewan Assistance Plan of \$566,000. May I inform the hon. member that the Department of Welfare administers many programs which he doesn't know about in addition to public assistance such as child welfare, the Saskatchewan Boys' School, three correctional institutions, four geriatric centres, and extensive housing programs. Thus to lift these figures from the printed estimates and say that they represent decreases shown in the estimates as a savings under the Saskatchewan Assistance Plan is absolutely absurd.

The hon. member next reported an increase in the per capita contributions by municipalities for the coming year of \$616,000. This is not true, but it does indicate that the member is not aware that the new plan is to be comprehensive and to include all the costs of not only the aid given to recipients as it does now, but also the cost of health services for these recipients, the medical indigents, and the cost of administration. Health services and administration costs have previously been borne by the municipalities exclusively and the hon. member very well knows this. I am sure the hon. members have noted the proposed savings for municipalities collectively. I might say that in all probability the hon. member's municipality, namely, Regina, will share handsomely in these savings.

Mr. Speaker, I shall now turn to something fundamental . . .

Some Hon. Members: — Hear, hear!

Mr. Boldt: — I am sure that these people need some information about the Saskatchewan Assistance Plan. I would like to take some time today, as far as they are concerned, to instruct them and to point out what the Canada Assistance Plan will be such that the senior member from Saskatoon (Mr. Nicholson) when the estimates come out, will know what he is talking about.

In introducing the subject of the Saskatchewan Assistance Plan, Mr. Speaker, I want to preface my remarks by a few words of well-earned commendation to the representatives of the Saskatchewan Association of the Rural Municipalities and the Urban Municipal Association. These representatives served with us on the Provincial Municipal Advisory Board, which worked out the countless details of the new plan. As it now stands it has been designed to serve the best interests of all concerned and it has been worked out in full agreement. On behalf of our government I want to say that the municipal representatives did an excellent job and their co-operation is sincerely appreciated. I have previously spoken on aspects of the Saskatchewan Assistance Plan, on two occasions, the second and the third readings of the act, to provide for granting assistance to persons in need. On both of these occasions I have pointed out that the new Saskatchewan Assistance Act will mean better services to those who are in need and that the cost to the province and to the municipality will be considerably less. The new plan is designed to ensure these fundamentals:

- (1) Only those who are in need will receive assistance,
- (2) The level of assistance will be sufficient for them

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to live decently,

- (3) They will be helped to regain the ability to become self-supporting, if this is at all possible for them.

The Saskatchewan Assistance Plan will complement the Assistance Plan which we anticipate will be effective on April 1st. I want to say further that the hon. Minister of National Public Health and Welfare was in Regina here recently. He has assured us even if the federal bill is not through parliament before the 1st of April, it will be retroactive to the 1st of April. Since the new plan will serve all who are in need it will eventually replace all six existing assistance programs. These programs were a hodgepodge of what the Socialists called the welfare program. To put it simply, we will have one program in which need and need alone is the criterion on eligibility. Age, family situation, or disability will have no bearing on eligibility. Aside from the many other benefits this all-inclusive one program plan will eliminate many of the inconsistencies and much of the confusion that presently exist.

By way of example, present eligibility requirements and the amount of possible benefits differ from program to program. Some of the eligibility requirements have no relationship whatsoever in regard to need. The new program will also do away with the duplication of administration that arises when recipients of one of the categorical allowances must seek further assistance in the form of social aid from the municipality.

Before I describe the new program I should explain that present recipients of categorical allowances will be transferred to the Saskatchewan Assistance Plan — and I want the hon. members across the way to note this — only if they would be at least as well off as they were before. In keeping with the rising cost of living, recipients on the new program will receive an increase in their allowances for food, fuel and power. The increase in the first two mentioned will be 12 per cent in food and fuel. There was no increase under the former Socialist government from 1958 until 1964. There will be a 25 per cent increase in power. Minor adjustments will be made in other benefits. The provision is made for special allowances for older or handicapped persons who need special help to continue living in the community and I would refer to these people as the blind people. The burial of indigents which has been a municipal responsibility will also be included. I would like the hon. member from Regina to note this. Health services, similar to those now available to certain recipients, such as older pensioners who receive supplemental allowances will be provided to all recipients under the new program. Some features of this will be developed. There will be effective counselling and other welfare services that will substantially help the recipient to get out of his dependency. We plan to initiate work activity projects, criticized by the opposition as work for relief, which will be designed to help certain recipients to get off the welfare roles.

Some time ago Saskatchewan urged the federal government to consider sharing costs in these projects, and we were highly criticized by the people across the way. I am pleased to say today that at the recent federal-provincial conference the Minister of National Health and Welfare agreed that his government would participate financially in specific projects. These projects are expected to help persons who have social and educational problems that prevent them from fitting into the labor market. We are currently laying the groundwork for two pilot work-activity projects.

Since we are to have one program, the administration of the program in any given area will be the responsibility of a single agency. Where a municipality is singly or in association with other municipalities has a large enough case-load to warrant employing several field workers and a supervisor to implement the program fully, local administration will be encouraged. Where this is not feasible, regional offices of the Department of Welfare will be responsible for the administration.

This does not mean that should a municipality or municipalities collectively decide that they are not in a position to administer the program they will be deprived of the opportunity to grow with the advent of new industry. Future population and welfare case-loads could make it possible for them to administer the program if they wish to do so. In fact, my department is committed to help local units to become established when such are feasible.

Another point in this connection is that should a group of municipalities later decide to assume this responsibility of administration, the municipalities concerned will decide what location is most suitable for the welfare office. I should mention that the municipalities which wish to administer the program will have to make application to an accreditation committee on which the municipal associations will be represented. There will be provisions for mediation in case of disagreement. In cases where the regional offices of the department carry the administration, municipal representatives of regional advisory boards will assure continued participation by local officials. There will be a place in the new program for the people now employed full time on social aid administration if they wish to make welfare a career.

Turning to the matter of costs, all the costs of the program including the allowances, health services, and administration of the local units, and the department will be pooled. Municipalities collectively will pay five per cent of the total cost through a per capita population annual assessment, similar to that which is now done through the Social Aid Program. Municipalities are protected from sharp increases in costs by a provision that their share of the costs will not increase more than three per cent a year. This is subject to review every five years. Whenever there is any change in the component of the program, for example, if it should prove necessary in a year or two to make a further increase in benefits, a new base figure for the municipal share would be calculated to which the three per cent escalation clause would then apply. In this connection it should be kept in mind that there will be no residual responsibility on municipalities for welfare or health services to indigent people or for the burial of an indigent. In summary, the cost sharing of the Saskatchewan Assistance Plan is expected to amount to a provincial share of 47.7 per cent, a federal share of 47.3 per cent and a municipal administration and health services for persons who remain on means-tested programs.

In detail, the gross cost of allowances, administration and health services to the province under the present program is \$22,486,380. Under the proposed program the cost is anticipated at \$22,613,800 for the Saskatchewan Assistance Plan, plus \$2,726,800 for residual means test recipients. This makes a total of \$25,340,600 and represents an increase in the Welfare Department in gross of \$2,854,220. The net cost to the province under the

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present program is \$14,063,150. Under the proposed program it will be \$12,631,814, this represents a saving of \$1,431,336 or 10.2 per cent. The total cost to the municipalities of the present program is \$1,518,000. Under the proposed program it will be \$1,130,700. This represents a saving of \$388,300 or 25.5 per cent to the municipality.

Obviously anything as momentous and involved as the proposed change in the Saskatchewan Assistance Plan cannot be accomplished in one fell swoop. It is going to take time, and it is going to take more staff. The plan is worked out for the transition of three components. The first is that the municipalities will be asked to continue accepting and issuing assistance for six months until October 1st of this year. During this time the department will only accept applications from those people who are 65 years of age and over. The second part of the transition procedure involves transferring persons who are now in receipt of the means-tested programs to Saskatchewan Assistance Plans. It also includes re-examining the needs of those recipients who are presently in receipt of the means-tested Old Age Assistance and disabled Persons Allowance. It was expected that this would be done as soon after April 1st as possible, so recipients who qualify under Saskatchewan Assistance Plan will receive the benefits, especially health coverage. Persons who do not qualify will continue to receive Old Age Assistance or Disable Persons Allowance as they do now.

The third part of the transition involves provision of health services coverage to persons in receipt of assistance under the Saskatchewan Assistance Plan. Persons in receipt of long term assistance will receive identification cards which they can present to the medical and allied professions. Short term recipients will be provided with services as need arises. For the transition period the services for medical indigent persons will be implemented only to the extent necessary to meet the government's commitments of no residual responsibility on municipalities. In other words, if a municipality receives a bill for medical care of hospitalization for a person alleged to be in need, the welfare officials will do a budget calculation and send it together with the bill to the department. The department will decide whether the person is a medical indigent, and if he is, arrangements will be made to pay the bill.

We must ask the full co-operation and understanding of all concerned through the coming transition period. Emergencies that arise will certainly be given priority. I want to assure all recipients that they will be kept fully informed by means of personal communication. They and the province at large will also be kept abreast of the program developments through the daily and weekly press and other media.

Mr. Speaker, if I had not been interfered with while I made my first remarks I would have finished my remarks. I shall, therefore, wish to call it 5:30.

The assembly recessed until 7:30 o'clock p.m.

Mr. Boldt: — Before the 5:30 hour I had contained my remarks on the Saskatchewan Assistance Plan. I would just like to say to the members of this house that our people, together with the Municipal Associations and the department heads of health, have been working on this plan for I would say at least twelve months. Not

all the details have been ironed out but as I stated that this will be one of the finest Welfare Assistance Plans that this province and country has ever seen. I hope that the municipalities will have that endurance that wherever there are some shortcomings I am sure that we can overcome them.

I would like now briefly to devote some of the time to the child welfare problem. Since 1961, there has been a steady increase in the number of children in government care. This is a real concern for the Department of Welfare. The trend has been toward an increase of approximately 200 children a year. At the end of January, 1966 there were 3,250 children; about 70 per cent of these children lived in foster homes under which there are currently 1,300. Each home is carefully selected to assure that the children receive not only the care and attention they need but the love, security, discipline and training that are so necessary in their well-adjusted development. I will take this opportunity to sincerely thank the foster parents throughout the province. They are doing a wonderful job. I say this to parents who care for special children, children who are mentally or physically handicapped and children of mixed racial heritage. Foster parents are paid on a boarding rate for each child. To bring this nearer the growing rate for board and room, not to mention the care that is given, we increased the rates by 20 cents a day in July of 1965. We have announced our intentions, as I said previously, to increase it by a further 10 cents a day early in the coming fiscal year. We estimate that the total 30 cent increase will increase the payments to foster parents by \$240,000. All other needs for the children, health, clothing, education, recreation and many special needs are met by our department.

The Saskatchewan Boys' School our department also operates. Even before I became Minister of Welfare I was aware there were a good many inadequacies in the operation of the school and the limited purpose that it was put to. Today it is controlling and helping 30 boys with practically the same staff and facilities as formally serviced about a dozen. Such problems as smoking, that formally caused a furor have become matters of little or no consequence. We have also broadened our intake policy so that more teenage boys who cannot settle down in the community can be admitted to the school. It is consequently serving our regions and thereby every area of the province more efficiently.

One of the increasing problems confronting us in child welfare is the protection of Indian and Metis children. The number of these children who come into our care has increased at a relatively higher rate than the overall increase. Adoption homes for these children are difficult to find and available foster homes are limited. Through no fault of their own these children are being denied a basic right, the security of a home and family relationships. Finding homes for these children is indeed the most serious challenge that confronts us in our child welfare work.

Certain amendments to the Child Welfare Act will be passed during the current session. These will streamline some of the procedures related to adoptions and other aspects of child welfare. One of the amendments will make it possible to finalize certain adoptions after a six months probation period, instead of the one year that was required in all adoption cases.

I now come to corrections. Instead of speaking first about the Correctional Institutions I am going to speak about probation. Because it is both money-saving and rehabilitative it should be

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the first line of defence against the growing problem of crime and delinquency. There is an increasing demand from judges for pre-sentence investigations. While the initial intent of such investigations was to determine the offenders suitable for probation, the report is now frequently used by judges to facilitate sentencing, even in cases where the offender is obviously not eligible for probation. It is department policy to provide probation services throughout the province. It must be recognized, however, that this service is in some degree nominal because few courts are served on a basis other than by direct request from the judge. There is a great need to up-grade the probation service and to extend services to provincial and bylaw statutes. Probation services should also be carried more effectively to people of Indian ancestry.

We in the Department of Welfare are convinced that serious consideration should be given to amending Section 638 of the Criminal Code which deals with probation, to give magistrates more discretionary power. If this were done, many more youthful offenders could be placed on probation and given the supervision they need while rehabilitation themselves in the community. Does it surprise you to hear that there were 6,289 men and women admitted to the three provincial jails during the past year? An analysis indicates these are people who are unable or unwilling to compete in our modern society. They are school dropouts, church dropouts, social dropouts; as a matter of fact, many of them have never dropped-in to the scheme of things, but rather have sought acceptance in activities which are unacceptable to society.

There seems little doubt that the problem of crime is closely associated with the more general problems of poverty, unemployment, lack of educational opportunity and social disadvantage. It is not surprising that 35 to 40 per cent of those admitted to institutions are of Indian ancestry, a group which suffers most from social disadvantage and lack of educational and work opportunity in our society.

To meet this challenge, Saskatchewan Correctional Institutions attempt to provide treatment programs which try to change the attitudes of inmates and provide training which will upgrade their work habits, work skills and educational standards. The corrections program, therefore, aims to provide much more than custodial care for its clients. It offers the treatment program under the direction of professionally trained staff who work as a treatment team. To this end the Institution attempts to provide good professional diagnostic services, which are followed by planned programs of educational upgrading, vocational training, group counselling, social group work, psychological therapy, casework, good work programs, and other activities that prepare inmates for entering society's stream and scheme of things when they are discharged.

Staffing, especially professional staff, is one of the real problems that we encounter in attempting to carry out adequate programs in our institutions. The vacancies in the professionally-trained staff positions are difficult to fill. Teachers for upgrading classes are one of the most urgent needs. The Corrections Branch has five full-time work camps, Holbein, Fort A La Corne and White Gull Forestry Camp in the north, and Kenosee Lake and Buffalo Pound Resorts in the south. These camps, organized in co-operation with the Department of Natural Resources, fill a very useful purpose in the overall rehabilitation process. It goes without saying that the development of skills and good work habits

as taught in these camps has a positive influence on the men involved. The Holbein camp serves an additional function in that it is primarily for men with a drinking problem.

It is a relief to be able to say that the overcrowding condition that has plagued our Correctional Institutions for years is being alleviated. The new additions and renovations at the Regina Institution are nearly complete. This Institution will then have facilities to adequately house and program for 300 inmates.

A new Institution for women is presently under construction in Prince Albert. When this is completed the women will vacate a wing in the men's Institution, and thereby allow adequate housing for men.

Vocational facilities and programs are reasonably well developed at the Regina Institution, but vocational shops and instructors are needed at the Prince Albert Institution.

Another area of our correctional work includes pre-release planning and after-care supervision. This may involve after-sentence probation, parole, or follow-up after normal discharge from an institution. Our department assisted the National Parole Service by completing 14 community investigations during the past six months. During the same time we provided parole supervision for eight persons paroled from the Provincial and Federal Institutions. This helped the National Parole Board in areas where the John Howard Society, which largely carries this responsibility, did not have a permanent staff member. We give this Society an annual grant in support of the work they do, and I want to commend them for the help they extend to ex-prisoners in finding jobs and making the transition to the work-a-day world after their release.

Emergency Welfare Services. Another service for which my department is responsible is the planning and provision of emergency welfare services for people who are made homeless or in need as a result of natural or man-made disaster. Saskatchewan has accepted a primary role as a reception and mobile support area in case of a national emergency. This commitment would place an impossible strain on our welfare resources unless plans were prepared in advance. Fortunately, our province suffered very little during the year from the ravages of flood or tornado or earthquake, while on the world scene, our leaders managed to hold back the dogs of war, at least for the time being. However, instead of sitting back complacently, the Premier issued a policy letter in September, 1965, instructing all departments of government to develop plans for the continuity of government functions and for assisting municipalities during periods of disaster or emergency. My department has already developed an emergency welfare organization based on the use of existing services and staff. Municipalities are being assisted to develop emergency plans. The training of municipal and departmental staff in disaster procedures has been going ahead, consistent with other departmental day-to-day demands. The Provincial Emergency Welfare Plan will now be integrated with the overall Provincial Disaster Plan.

We realize that few of our people are disaster conscious. We know that this kind of service is difficult to promote and maintain. We all hope that our emergency services will never be needed, even on a small scale, but as a responsible government we cannot afford to take the chance.

You will recall that the New Housing Special-Care Homes Act

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was passed during the 1965 session. With this, the name of our Housing and Nursing Homes Branch was changed to correspond with the new act.

There has been a continued high interest in providing accommodation for the aged. During the calendar year ending December 31, 1965, 12 new projects were completed and occupied, and additions were made to four existing projects. There were also 14 new projects under construction and eight making additions to their existing bed capacity. When these projects are completed there will be accommodation for 2,713 persons, couples and bachelors, in self-contained units, and 3,720 beds for persons requiring supervisory, personal and nursing care. Over and above this, there is accommodation for 630 persons in the Provincial Geriatric Centres. Our Housing and Special-Care Homes Program is indeed an on-going venture. This is evidenced by the large number of church, charitable and municipal groups with which we are negotiating toward the development of more accommodation for the aged in areas of proven need. During the year just past we have paid an unprecedented \$1,217,500 in construction grants.

Turning to another area of housing, namely, tripartite subsidized housing for low income families, the 20 unit project in Swift Current will be ready for occupancy by early spring. The 141 units, the second project in Regina, are about 80 per cent completed and occupied. My department has successfully negotiated with Central Mortgage and Housing Corporation for the implementation of the Urban Renewal Scheme in a depressed area in the city of Regina, and is negotiating for several more such schemes in other cities and towns. A number of requests for public rental housing and land assembly projects are currently being studied.

The new regulations governing the standards of care and the construction and operation of special-care homes have recently been approved by cabinet and gazetted. These regulations were worked out with representatives of the Saskatchewan Housing and Nursing Home Operators' Association and have their full approval. The regulations provide that homes maintain better facilities, that staffing is adequate and in line with the services offered and that there is improved medical coverage and more adequate patient records.

Now, about our vocational rehabilitation, the Rehabilitation Branch of my department is providing rehabilitation services to 280 disabled people at present. This is a federal-provincial shareable program. These disabled persons were previously unable to compete for jobs. It is expected that when their rehabilitation plan is completed, they will be able to hold their own in the employment market. At the end of the last year 108 disabled persons were placed in employment and they are still at work. Since then 74 have completed their rehabilitation plan and have been successfully employed. It is estimated that the earnings for this group of 74 will be approximately \$185,000 for the coming year.

The Metis Program. My department also carries out a number of projects in areas where the large number of Metis people have created a special problem for the local municipalities. Our objective has been to diminish the population of these depressed communities through providing vocational training for the young people, and finding employment for them in the province at large. The projects are situated at Lebret, Lestock, Crescent Lake and Crooked Lake. We also had one at Willow Bunch, which has been terminated. We also have special schools at Crescent Lake and

Crooked Lake. In the past year, 15 students who graduated from training were placed in employment. This makes a total of 93 who have been trained over a period of years and are now working in localities other than their own community. Thirty-one students are presently engaged in job-training courses and one student is attending university.

As a result of our acquiring more land, and our improved farming methods, the Lebret farm showed a good increase in production last year. Nine families are employed on this work-and-wages project. The 32 school children of these families are transported to school daily. Six of the young people who are in vocational training are expected to be employed by spring.

Now, what is the future of welfare in this province. At no time in Department of Welfare history have the changes that are expected indicated the need for so much expansion, development and responsibility as are evident at the present time. I am sure you grasped some of the magnitude of this from my remarks about the Saskatchewan Assistance Plan. There is also another extensive area of responsibility that we and other departments of government are currently facing. It is that of services to Indians on reservations.

Under the British North America Act, Canada's native Indians on reservations are the direct responsibility of the federal government. The time, however, seems close at hand when it will be a provincial responsibility to provide the same services for these people as we do for other residents of our province.

In the area of welfare the primary needs would seem to be housing, family and child welfare services. The details of how this will be done, the federal participation, the necessary staff, how it will be worked out with the Indian Bands, are all in the early stages of consideration, negotiation and planning. The only concrete thing about this responsibility that I can say for the present time is that it will doubtlessly be one of the feature aspects of the Department of Welfare's report to the Saskatchewan legislature in the years ahead.

Mr. Speaker, I shall not support the amendment, but I shall support the motion.

Some Hon. Members: — Hear, hear!

Mr. Michayluk: — Mr. Speaker, before the hon. Minister resumes his seat, will you permit me to ask him a question? Has the Saskatchewan Government Insurance Office sent out notices to all the SGIO agents in the province of Saskatchewan that commencing on April 1st of this year all fire rates in the five zones will be increased anywhere between 22 and 40 per cent respectively?

Mr. Boldt: — No, the increase is not correct. There are some areas where there will be a reduction in rates, some areas will remain as at present, and there are some areas where adjustments have been made and there will be increases.

Mr. Michayluk: — Mr. Speaker, just one more question. During the course of his remarks, in my absence, the minister made reference to a brother of mine in the insurance field in the village of Krydor.

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I have no brother that is in insurance or is connected in any way or form with the SGIO. To put the minister straight, Mr. Speaker, I have an uncle that took over the agency when I was obligated to give up the insurance agency when I was officially nominated as candidate for the provincial election.

Mr. Boldt: — . . . there is only one nut in that family.

Mr. Michayluk: — Mr. Speaker, on a point of privilege . . .

Mr. Kramer: — Mr. Speaker, there has to be a nut for every Boldt.

Mr. Michayluk: — Mr. Speaker . . .

Mr. Speaker: — I am concluding the member from The Battlefords has concluded his speech. Am I right?

Mr. Michayluk: — Reference made . . .

Mr. Speaker: — Now, just a minute, one at a time, please.

Mr. Michayluk: — I'll sit down in a minute, Mr. Speaker. I just want to make my point of privilege. I want to inform the minister (Mr. Boldt) that although this is not my brother, he is definitely able to read and write.

Mr. Boldt: — Oh, well that's good.

Mr. Michayluk: — . . . in more than one language.

Mr. Speaker: — Order, Order, Order! That is a triviality. The member from The Battlefords.

Some Hon. Members: — Hear, hear!

Mr. E. Kramer: — Mr. Speaker, in joining in this Budget Debate tonight, I want to add my congratulations to the newcomers that have entered this house. I want to extend the hearty word of welcome to the Clerk of the Assembly, Mr. Bradshaw from Britain. I hope that his stay is pleasant and that he certainly takes home many memories. In any case I will endeavor to make his stay more pleasant than it has been in the earlier part of the day, Mr. Speaker.

The hon. member who has just taken his seat (Mr. Boldt) is the only man I have ever seen so far who can do the goose step standing still.

Mr. Speaker, I want to say a few words at the outset about things as I see them in my constituency. I think it is proper that I should bring a report to this legislature about how programs are being carried out and what the public generally seems to think about them. I heard a lengthy and somewhat self-commending speech from the Minister of Highways (Mr. Grant) this afternoon about all the progress that he is making in highways. Well,

maybe he is. Undoubtedly a lot of money is being spent but, Mr. Speaker, you would certainly never know it when you look around and drive around northwestern Saskatchewan. There has been a gradual deterioration in the total maintenance structure of our highway system throughout the entire northwestern part of the province. Wherever they are spending the money I don't know, but it is certainly not a great deal in the part of the country that I am best acquainted with.

I want to say a word or two about the construction, so-called, — most of the summer it looked like destruction, — of no. five highway between the Borden bridge and Radisson. That was commenced on the 18th of May and, Mr. Speaker, it is not finished yet by a long shot. This is a nice level terrain, sandy loam. It is a patchwork job and is a total disgrace to any Department of Highways and still remains so. I have never seen a job undertaken and messed around with for that length of time in all the time that I have been associated with public life, and certainly watching since modern highways have been constructed in this province. It is still a hazard for anyone to drive over the last portion. I suggest that the manner of construction, which was supervised by about three different crews all at the same time, or partly at the same time, was completely inefficient. It would be interesting to know how many people were supervising that highway project on behalf of the hon. Minister of Highways, and it would be interesting to know when the job is finally completed what the bill is going to be. Small wonder that they are spending a great deal of money on highways.

The same thing is true of the highway construction from Spruce Lake to St. Walburg, the same dawdling, messing around and mismanagement. I want to say that the construction of no. 40, west of North Battleford, was done efficiently and well by a contractor there. Apparently they must have had at least one engineer left to supervise the highway in that area. Of course, the particular contractor there did not need much supervision; he apparently knows how to build a highway without the engineers looking over his shoulder.

I also want to say a word or two about the maintenance or the lack of, on the highway north to Meadow Lake. If anyone wants to add to the AAIA rates, the insurance rates that the Minister in Charge (Mr. Boldt) was complaining about today, it is a good place to drive. There are more holes in that than there were in London during the Blitz.

Now, there is another little project. I think this is the pet one of the Premier's; oddly it may have been combined with the Premier and the Minister of Social Welfare. It must be some of this work for aid of the Minister of Social Welfare (Mr. Boldt). Last winter we saw native people and some of the local people standing up to their waists in snowdrifts, with axes, cutting roads, clearing a highway. Wonderful in this day and age. Wonderful. Slave camp is about the size of it, nothing more or less. There is a place for people with an axe in the woods, Mr. Speaker, but it's not, in this day and age, clearing roads and cutting bush and trees in three feet of snow in 30 or 40 below. There are places where these people can be employed; selective cutting out in the woods, yes, is a good idea. It's an idea that was started long before these people opposite took over, and certainly selective cutting can be done, clearing deadwood and getting rid of fire hazards. But to put men to work in the useless attempt to clear a road is wasteful. There will be stumps there two feet

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high next spring; they will still have to be cleared with dozers; and thus, axework is a complete waste of time. If they followed through with this idea, Mr. Speaker, I think next year they will be out employing people to go and build the road with wooden spoons.

An Hon. Member: — 80,000 new jobs!

Mr. Kramer: — That will possibly meet the promise of the 80,000 jobs.

Last year we heard an announcement that there was going to be further development of technical schools. When this government took office there was a budget for \$2,000,000. One technical school was slated to be built in northwestern Saskatchewan. Last year there was \$1,000,000 taken from the Department of Public Works budget and shoved over into the education budget to swell that budget and make it appear a bit larger, the same shifting that went on to swell the education budget this year. There is another budget again this year and as other speakers have said "Still not one additional bit of service, not one extra room to train these young people". In northwestern Saskatchewan, Mr. Speaker, there are many, many farmers, farm families, two and three sons and two and three daughters in their families, that are going to have to have this training. They certainly can't remain on that three-quarter section farm; it's fortunate if one of them does. Now, every year that goes by, without an aggressive program of technical training, we're going to see more and more of these young people leave. Certainly we have had a good example of it, losing more of our natural increase. The natural increased is down more than it has ever been in the past, this year, in spite of the much touted expansion that we hear from the publicity quarters of the government.

I had the Minister of Health (Mr. Steuart) answer a question last week. He got up in the house and said that he had sent a letter concerning the pollution problem to the Minister of Health of Alberta and to the federal Minister of Health at Ottawa. Well, it appears he did send the letter after he was reminded of it here in the house. It seems too bad that a minister has to be jogged on a situation, has to have his memory jogged on a situation as serious as the pollution of our great northern river, especially when it runs through the city of Prince Albert as well. We have two of the former chief magistrates in this house from the city of Prince Albert and I wondered why they had not been clamouring about this. I thought that it would be a good idea for the legislature of Alberta to know and the members of the legislature of Alberta to know just exactly what this water was like and what was coming down our river. So I played hookey last Friday. I went up there with a jug of this water and had the privilege of presenting the members of the legislature and some of the cabinet ministers with a glass of this water, each one of them. They were quite surprised but I had some of the wind taken out of my sails, Mr. Speaker . . .

Mr. A.R. Guy (Athabasca): — You've got lots of it.

Mr. Kramer: — Well, at least I know what my name is anyway.

Mr. Speaker, as I say, I was taken aback. As a proud Saskatchewanite I was complaining bitterly about this river pollution but one of the Social Credit members suggested to me that we did not have anything to crow about. He said, "Why the city of Prince

Albert is still dumping raw sewage in the river". I was not aware of this and I hope it's not true, but apparently this may be one of the reasons why the Minister of Health (Mr. Steuart) has been so timid about doing anything about this or saying anything about it until he is pushed.

The pollution problem of any river, Mr. Speaker, is something that everyone of us here should be concerned with. I don't think that we can tolerate even a small amount. Certainly we should learn from the experience of others throughout this continent that we just absolutely cannot tolerate even small amounts of foreign material being dumped into our rivers simply because it's handy and easy drainage.

Information that is available apparently indicates that some plants adjacent and east of Edmonton are still dumping raw sewage, raw offal, from their plants directly into the river. I have not got evidence to prove this but I think it should definitely be looked into if the situation is not corrected.

The Minister of Health, the hon. Mr. Ross, got up in his place last Friday in the legislature of Alberta and stated that they were taking samples and that everything possible was being done that could be done. The Premier (Mr. Manning) reiterated this when he got up to speak. Well, Mr. Speaker, if these people are doing everything they can do now, everything possible, obviously it's not enough. Obviously the water in the river at North Battleford is still polluted so their efforts are not bringing very good results. So I suggest that these samples that are being taken weekly, as the Premier of Alberta suggests, are being possibly taken weekly. Alberta government members are not too concerned. When I suggested in the letter that I distributed to them that if the river, by some holocaust of nature was reversed and it was to flow the other way for a few days we would be getting action much faster than we were. I must say again, they are not too concerned. We must do everything we can to be safe.

Mr. Speaker, during the debates last year, the first year for the Thatcher government in Saskatchewan, I tried to be as kind and gentle with my successor, the hon. Member for Shellbrook (Mr. Cuelenaere) as possible. I told him that he had a good department with a better than average group of staff at all levels. I warned him to take good care of this department because he was not going to be there too long and that we on this side of the house would like to have it in at least as good shape as when we left it in his hands. I'm sorry that the hon. gentleman hasn't taken much heed of my advice. I don't know if it's his fault or it's bad counselling because if there is one thing that the Liberal party has plenty of it's bad counselling, especially if he's getting his counselling from the hon. Member from Prince Albert (Mr. Steuart). This gentleman . . .

Mr. Steuart: — That's a technicality.

Mr. Kramer: — Yes, it's a technicality. That's right, Dave. He's been so busy whittling out a little political empire for himself, the Saskatchewan Power Corporation and the Department of Health, and reaching out his little tentacles into other branches of government that he hasn't even got time to consider the bad advice that he hands out.

An Hon. Member: — The more they come, the worse they get.

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Mr. Kramer: — Two years ago I was satisfied that the hon. Minister of Natural Resources (Mr. Cuelenaere) was reasonably well meaning, even if he was a bit misdirected and everybody falls into bad company now and again. Reasonable people are willing to forgive a minor back-sliding but the hon. minister is over 21 and by this time he ought to recognize the real nature and intent of his cohorts . . .

Hon. J.W. Gardiner (Minister of Public Works): — Powerful speech.

Mr. Kramer: — Rather than allow this bad advice to get the best of him, I think that the hon. minister should have possibly taken a little bit of his own counsel and left this department in at least a little better condition to carry on.

The Department of Natural Resources is a good-sized spread in anybody's language with its fish, fur and wildlife, and above all its human resources as well as the service organizations that it has to contend with, like communication, surveys, etc. I am sorry to say that in the opinion of many well-informed people, people who know and understand the resource problems, the history of the resource problems, the hon. minister hasn't been taking very good care of things. He hasn't been running the ranch too good.

Hon. J.M. Cuelenaere (Minister of Natural Resources): — How would you know?

Mr. Kramer: — Well, that's a good question. Yet it reminds me of Pa Cartwright when he lost Adam. But you know, he's in a lot worse shape. He's not only lost Adam but he's lost Hoss and Little Joe and I think Hopsing is just about ready to go. He's going to wind up with a department that I am afraid is going to be awfully short of foot soldiers. I wonder if the hon. minister knows that about 24 more are ready to go.

Mr. Thatcher: — They're all socialists.

Mr. Kramer: — Oh are they?

Mr. Thatcher: — I hope they all go.

Mr. Kramer: — Yes, I'll bet you do. Sometimes I wonder if this might not be a very good way of getting rid of the people that think, might just have the conscience and the guts to stand up and fight. Well, it isn't so much the people that have gone. Incidentally, regarding these so-called Socialists, apparently the Premier must have been doing a little bit of witch hunting and searching; one thing and another, he knows a lot more than I do. I never took the trouble to find out about civil servants' politics. All we were interested in was getting a job done and getting it done well. But, Mr. Speaker, our friends across the way ought to recognize that every one of these people, at least 99 out of 100, 9 out of 10, take any percentage you wish, have gone to other governments elsewhere, at higher rates of pay and been welcomed.

It's not so bad for these people that can go, but the affect

on those that are left, people that have to stay under this shadow of threat, threat to their freedom, threat to their friends and families, are working in an air of frustration. If you think, Mr. Speaker, or if they think that they can get an effective job done under those circumstances and in that kind of atmosphere, I think that they are sadly mistaken.

I would like to know, Mr. Minister, what you have done with the northern housing program. There was good budget left for you two years ago. What happened to the northern housing? What happened to the saw mill program? What happened to the small industries program other than hire the political gauleiter as a parliamentary assistant, the member from Athabasca (Mr. Guy), the three-phase man, civil servant, parliamentary assistant and MLA.

Mr. Speaker: — We had a point of order on that gauleiter statement last year and the member had to withdraw it. I'll also ask you to withdraw.

Mr. Kramer: — Very well. I'll withdraw that. I should look for a better term. I'm suggesting something like political stooge.

Mr. Speaker: — I don't think that added much to the tone and level of debate in this house either. But I think that hon. members in their charity, and I may say in their mercy, may wish to overlook it.

Mr. Kramer: — Mr. Speaker, the three-phase individual who is a parliamentary assistant, a civil servant, and an MLA has taken on the so-called job of taking care of the native program. About all he has been able to do is further frustrate these people. This system of simply hiring people for a few days, regardless of their ability or training, so that they can provide a statistic for the minister to quote in the house, give them a week's work, give them two weeks' work just for propaganda. We hear that 800 have been employed but we never hear how many have been permanently employed, simply using these people to create a news story. Just to create an impression that something has been done is using these people in the worst possible manner, using these people in the worst possible manner, Mr. Speaker, and I think that this is certainly an infraction of human rights.

We have several other areas that I want to take a look at, for example, forestry. I've said before that when you look at forestry you have to think in terms of 50 to 100 years. I said this last year and I'll say it again that when you take a look at a Liberal premier of this province who was Minister of Natural Resources — I have his statement right here, his submission to the federal government — said that, if we continued cutting our white spruce at the rate it was being cut then, there would be no white spruce resources left in this province within ten years. During the last twenty years there has been an accurate forest inventory taken. The forestry department has stated over the years — the same people are still there, the former head of that department is now the deputy minister of Natural Resources — that 50,000,000 board feet of white spruce was the safe allowable cut but it could go up, the highest possible at 70,000,000. I suggest that immature white spruce is being taken at a much higher volume today, Mr. Speaker, and that this is going to have a serious effect

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on the future spruce production, future timber industry, in this province. You can't have your cake and eat it. I suggest that after 20 years of careful husbandry of this resource, getting it in a position at least that when a pulp company did come to this province, we were able to tell them what we had. If we keep on at this rate, we are going to be in about the same position as we were 30 years ago, only it won't take quite that long. Of course, the people opposite treat this flippantly. They really don't care because they are going to get the most out of it while they can knowing they are not going to be around very long. They don't care what kind of mess they leave behind because then they and their friends in certain publicity agencies can possibly blame us for the situation that they leave us. This was done before and it will be done again.

We had the unpleasant task in 1944 of enacting legislation and regulations which would take care of this situation. I suppose a few years from now, whenever the Premier has the courage to call an election, we will be faced with the same situation of having to call a halt. Then the same people will rise up in their place and say, "You are interfering with private enterprise. Look at the mills that must close down", simply because there won't be any timber for them to cut. We will find ourselves in a bad situation. These people have been playing favorites already. Several mills that were operating before have not been able to operate while others have been given licenses to operate. I suggest that here again, is a situation that is a disgrace to the province.

Mr. Speaker, I want to suggest once more to the Minister (Mr. Cuelenaere) that he had better take a hold of his department and do the right thing by the people of Saskatchewan rather than just being an office-boy at the beck and call of the Premier and his buddies.

An Hon. Member: — John, are you listening?

Mr. Kramer: — We heard a great deal not too long ago throughout this debate about Saskatchewan Government Insurance. Well, in my opinion, the hon. minister in charge (Mr. Boldt) was saying a few things about Alberta rates and Manitoba rates earlier this afternoon. We aren't interested, Mr. Speaker, in Alberta rates and Manitoba rates. We are interested in providing an insurance service to the people of Saskatchewan at cost or as close to cost as possible. Simply competing with companies in Manitoba and Alberta or New York was not why this company was set up. This company was set up to provide real competition to the line company insurances and the fact that this company showed the highest profit this year ever, does not indicate in my opinion that insurance rates should be raised anywhere. They should be lowered. I certainly think that if this government and the minister in charge of the Government Insurance is going to do what is right by the people of Saskatchewan, then they ought to take a good look at rescinding these increases and get them more in line with the actual cost and provide competition to the private insurance companies that are operating in this province. They were hog-tied hand and foot by the private insurance companies before they were ever elected and they have no intention of providing competition to these insurance companies. They intend to keep on raising, as someone has said earlier, the insurance rates until there is absolutely no difference between the private insurance companies and government insurance. Then the so-called formula of the Premier will take effect when it is not providing any better service than the line companies, that will be the excuse to liquidate it, another

step in this mad course of liquidation.

Mr. Speaker, the Premier has got up indignantly as others have and suggested that there has been no sell out. Well, we have sodium sulphate reserves. Sodium sulphate made nearly \$1,000,000 last year, the crown-owned company. What did we do? At Alsask we allow a private company to develop, something we could have developed ourselves. \$1,000,000 isn't picked up every year and I think we could have made this. Then they sold out Wizewood. They got it in a weak moment after a fire and the same process was used there, sold out to MacMillan, Bloedel. (It was interesting to note that MacMillan, Bloedel, after having built about six or seven pulp mills in B.C. and after they had moved into Saskatchewan, didn't even take a sniff at pulp development in this province.) Sold out again. Look at the cost of construction, lots of money being spent on highways, sure. But how much dirt is being moved? How many roads are being built? We are going to wind up the same as the province of Alberta, millions and millions of dollars spent but not many miles of road. I wonder who got sold here where the interest of the people of Saskatchewan are going down that garden path.

Certainly enough has been said about insurance costs of both the private insurance and the compulsory insurance. Sold again. Saskair — they didn't sell that, they paid them to take it, one of the biggest frauds that has been perpetrated so far in my opinion — \$275,000 a year guarantee whether you need them or not besides padding the deal with new machines, and telling this house that the inventory was being sold at the same time — unless there has been a denial. But I didn't hear it. Several machines were bought and sold right in the deal, while it was going on. It wasn't the same inventory that we discussed selling, Mr. Speaker, and let no one make any mistake about that. It is interesting to know that very little is being said in this year's report. I wonder what will happen when the final windup of Saskair is being discussed in the Crown Corporations Committee.

There is another little interesting sell-out, two herds of Holsteins. Strange that the Minister of Agriculture (Mr. McFarlane) goes about the province wailing about the lack of dairy cattle, but little old Shorty, the hon. Minister of Health (Mr. Steuart) didn't know about this. He liquidates two major herds. At North Battleford and Weyburn, two of the finest herds in this province so that we can, in our area at least, drink powdered milk or ship it in from Alberta. Sold again. Got the tin. Cut the public in again.

Well, Mr. Speaker, we also had a great bit of publicity about the Primrose Development in the Meadow Lake area. We are building a road again for publicity purposes. The hon. member for Kelsey (Mr. Brockelbank) mentioned a road that was being built, a \$2,000,000 road, which has been built through the Wapaweka Hills south of LaRonge which we probably will get very little return on. But this road up at Meadow Lake is going nowhere to nothing to provide a little publicity for the Premier's phony industrial development program. About all that will ever come out over that road is nothing but phony publicity.

We would like to know a little more about the course of the highway that is going to enter North Battleford when the bridge is completed. I hope the businessmen and the city council have finally been informed by the Minister of Highways (Mr. Grant) just exactly what is going to happen. Construction has been held

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up in this city, plans were being held up in the city of North Battleford all last summer because of the fact that this information has not been forthcoming.

Now, Mr. Speaker, we certainly wish to commend the government at least on carrying out the plans for the construction of the bridge. I certainly hope that the Premier will sometime make up his mind where he is going to build the other two between North Battleford and Lloydminster because the people in that area . . .

Mr. Thatcher: — We'll be up to build the North Battleford one too.

Mr. Kramer: — . . . would certainly like to know where the other two are going to be built because the people would like to have some idea when and where. I don't know just what you are going to do at Lloydminster, seeing that those people have been made into second class citizens. Possibly you want to bring it even a little closer to North Battleford now so that the folks can' get over to buy cheap tax-free gasoline and other goods. Maybe the Premier ought to consider a wall you know, like they have in Berlin, that might stop them.

Mr. Thatcher: — We sure should . . .

Mr. Kramer: — For the past 20 years we didn't need a wall.

Mr. Thatcher: — You sure did.

Mr. Kramer: — Well, Mr. Speaker, I would like to suggest that the government has failed to do any of the things that we felt should be done. They certainly failed to continue to give the high standard of services that we were used to in northwestern Saskatchewan. We were very unhappy, not only about the milk herds at the Saskatchewan hospital, but we are somewhat less happy about the total management of the whole Mental Institution. I am sure that the hon. member from Regina West (Mr. Blakeney) has said enough about this.

Mr. Speaker, we had a tragedy in our district because of what appears to be this policy of trying to shove everybody out among the public and board them out prematurely, a serious tragedy, causing no end of heartache and worry to the families and relatives. The minister (Mr. Steuart) knows about this. It's such a sorry situation that I hate to discuss it and I hope, I certainly hope, that the minister will take a good look at this idea of putting patients out here, there, helter skelter, not knowing where or when they are going to go off the deep end. When these people are in a hospital, the nursing staff knows when they need their pills, when they are going to have their attacks. A competent nursing staff knows this, and I suggest that simply saving dollars is not good enough. Protection of the public, Mr. Speaker, is more important, and protection of these individuals and their families is more important. I should say that if there is any wisdom left on that side of the house a word to the wise should be sufficient. That is all I am going to say on that situation.

Mr. Speaker, there is a great deal more that could be said about this budget but because of the fact that there had been a total sell-out of the property of the people of Saskatchewan, because of the fact that this budget, as the last year's budget,

once more shifts taxes from the wealthy to the least able to pay lower income groups, because it offers absolutely no relief but imposes a continuing increase in taxation on the needy, less care for the needy, less responsibility for the care of those who need help. Certainly the case of the Mental Institutions is one. Because of all these things I certainly must support the amendment and vote against the motion.

Some Hon. Members: — Hear, hear!

Mr. G.G. Leith (Elrose): — Well, Mr. Speaker, I am having a little difficulty with my chair. I was hoping the hon. member for The Battlefords (Mr. Kramer) would finish more quickly but such a tremendous burst of oratory evidently could not be easily dammed.

I want to address you for just a few minutes. My first words must be words of welcome to our Acting Clerk, Mr. Bradshaw. We know that our regular Clerk, Mr. Koester, is away and will come back a wiser and better Clerk. We hope that Mr. Bradshaw will teach us something and that he will learn something from the Saskatchewan house to take back to Great Britain with him.

I want to also congratulate the new Minister of Municipal Affairs (Mr. McIssac). As you all know he was elected in the general election of 1964 and as far as I am concerned he is doing a good job and will fill the office very well.

The new member from Moosomin is an old friend of mine. I met him first in 1941 and then met him again during a certain by-election in the Moosomin constituency. I congratulate him (Mr. Gardner) on his election.

I also welcome the member from Bengough (Mr. Mitchell) who replaces our friend Sam Asbell. Alex is going to be a good, hard-working member. He has another attribute which he shares, I think, only with me in this house, and that is that he is a member of the Flying Farmers, and as such he and I can probably get together and twist the arm of the Minister of Industry to get a map out for the Flying Farmers of Saskatchewan. We have had one, we need another one and we would like to have a directory. We would also like to have something else from the Minister of Highways (Mr. Grant). We believe that it would be quite possible for highway crews when they are constructing new highways to build a small, narrow, air strip close to most of the towns and villages in our province. All they would have to do is take a few swipes with their big scrapers, level it off, make sure that water doesn't stand on it. Each of those towns would then have an emergency landing strip and indeed a regular landing strip for the use of the people of the town and village and for the Flying Farmers. Now this probably won't be done for some time but we are working on the minister and his new legislative secretary very hard.

I want to say something about highways in the Elrose constituency. We have been reasonably well served for many years with two highways that cut the municipality, one from north to south, the other from east to west. No. 4 highway is one of the main arteries that serve the western part of the province. It has been built to high standards and is in good shape. No. 44 is a little different. It is a market highway and it has been neglected for these many years. I believe that the previous Liberal administration built most of the road in 1943, they did some work on it in 1944, and there has been no major work on it since. This must

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stand as a black mark against the previous administration, Mr. Speaker. Several towns along that highway have been badly served, very badly served in the way of highways. Eston is an example. They have been travelling on that same Liberal road, if you want to put it that way, for 20 years. I am happy to congratulate the Minister of Highways (Mr. Grant) for making a start on a new highway from Eston to Elrose. It is true that it wasn't finished last year, but I am glad to see that the remainder of it will be finished this year and probably oiled next year. I want to say another word about highways and that has to do with the village of Beechy. This is a town of about 500 population that has been sitting down in the hills without a highway connection, for not 20 years but for 50 years. I think they need a highway connection. I note that there is no construction planned toward them this year and I firmly believe that sooner or later the Minister of Highways is going to have to decide to build a belt-line highway along the north side of the new reservoir. I believe this highway should leave no. 4 highway at the hilltop, three miles north of Kyle; I believe it should go to Beechy, should take in the village of Demaine, should go to Lucky Lake and from there to Birsay and cross the dam at the South Saskatchewan River Dam. I think the sooner we get at this work, Mr. Speaker, the sooner it will be finished, and these people will finally have a way to get out both for pleasure and for their markets. Many tourists, I believe, would use this belt-line highway, people coming from the southwest might cross the South Saskatchewan River at the Landing, come up to Kyle and then drive along quite a scenic route across the dam and go either to Regina or to Saskatoon. We are expecting some action on this next year.

I would also like to put in a plug for an immediate takeover of some grid roads. I have been working hard on the Minister of Highways (Mr. Grant) for the five miles from the hilltop into Clearwater Lake. I think that it should be taken into the highway system and oiled as soon as possible. It's a dusty and dangerous piece of real estate. We have had some fatal accidents on it and I think it should be fixed.

I want to direct the remainder of my remarks to the building of small hospitals in the province. We have about 30 small hospitals that have needed some construction or some repairs for many years. Beechy Hospital is one of these. It's a converted farm house that was hauled in from the farm and has been used in that capacity since about 1948. Really, Mr. Speaker, it's been a fire trap. If it were allowed to continue as a hospital in its present condition someone would be liable to die in there. It would have either burned down or fallen down. I am very happy to congratulate the Minister of Public Health (Mr. Steuart) on his permission to the community of Beechy to start building a new eight bed adaptable function hospital. I was out there a week ago Saturday and the framing for this hospital is all up. All that remains to be done is to finish the interior, put the roof on and I think it will be open about the 1st of May.

It's very easy to criticise. It's easy to lay blame for things that have happened in the past, but I believe that this is one area in which the previous government failed to fulfil their responsibilities to small communities. I don't know what happened in the other 29 communities, but I do know what has happened at Beechy. They have been asking for and wanting a hospital for many years. They have sent delegations to Regina to see different Ministers of Public Health who have said that they would see what they could do and that they would like to help but that the

community is too small. "Beechy is going to close up and we don't think we should spend any money there". I am happy to say that the present administration has changed that. They have come up with a policy which makes it possible for small communities to build. It is true that they don't get the same amount of grant that they would get if it were an ordinary hospital, but the people in that area are happy to put up a little extra money to have the convenience of a hospital in their own community. Now, the people of the area are not going to go there to have major operations. Part of the package deal on this hospital is that no major surgery will be done in these places. Their surgery will be limited to ordinary things, repairing fractures, uncomplicated obstetrics, perhaps an emergency appendix or anything that could be done in a major hospital if it is an emergency. I know that perhaps some things won't be quite right when this hospital is finished; for example, there may be storage rooms which are on the wrong side of the hospital to suit the staff but I think that this is an effective way to begin. Goodsoil has started, Beechy has started, and these two, I believe, will prove as experimental models to point the way to better service in the other 20 or 25 communities that intend to build them.

Mr. Speaker, I don't intend to say more except to say that I will support the motion and I will not support the amendment.

Some Hon. Members: — Hear, hear!

Mr. W.S. Howes (Kerrobot-Kindersley): — Mr. Speaker, it is not my intention to speak too long this evening, but when one thinks of the history and the reasons for a Budget Debate, I think that all members should if possible take part in that debate, since it is the opportunity that we as members representing individual constituencies have to place before the government what we feel our constituencies require. If my memory serves me correctly the Budget Debate in the form that takes place in this house started on April 27th, 1309, so it has a long and honorable history. I have heard it referred to as "grievance before supply", but it has a long history.

In rising to participate in this debate I must congratulate the Provincial Treasurer on the efforts he has made and what he has been able to achieve both in this budget and the budget of the first session of this assembly. I think that there is no question that in these two budgets and the budgets still to come, the platform that we ;on this side of the house were elected on, will be fulfilled in full. The tax reductions and the increased aid to the various parts of our society will be of immense value to the province and its people. And there is no doubt that the people of the province will show their appreciation by returning this government to office when the time comes for another general election.

I don't believe that I have said anything as yet to welcome new members to the house. I am glad they are here on this side of the house. I hope that our Clerk enjoys his stay here. I think he will be of a great deal of assistance to us. I would like to congratulate my friend Cliff, I say Cliff because he is in the next constituency (Mr. McIsaac), on his appointment. I would also, Sir, be remiss, this being the Budget Debate, if I did not point out to the government that the members of my constituency are very appreciative of the efforts that have been made. There are

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still a few things that we would like to see done. For example, I would hope that the Minister of Highways (Mr. Grant) can see fit this year or next year to oil no. 31 highway from Dodsland west to its junction with no 30, and no. 31 from Kerrobert to Luseland. I would also like to see no. 44 from Mantario to Alsask oiled.

Another matter which is perhaps peculiar to my constituency is the matter of a recreational area. I would like to see the Department of Agriculture and the Department of Natural Resources working with ARDA develop in my constituency an all-around recreational area for the use of the people living there. At the present time in my constituency to get to a good lake takes a drive of close to six hours. This is beyond the distance people can travel for a weekend at the lake. There are projects that can be developed in my constituency that would look after this need, a need that as more leisure time becomes available, I believe will become more and more pressing. I also think it is something that the people of my constituency are entitled to.

Now, Mr. Speaker, I would like to say a little bit about the municipal system in Saskatchewan. As many members know I have been associated with a municipality all my life and have taken and do take a great deal of interest in municipal work, both as a taxpayer and a municipal secretary. I shall probably be in municipal work in this jurisdiction or some other for the rest of my working years. The future of municipalities and especially of rural municipalities in this province is of great concern I think to all of us. There is no doubt and I think we all agree that strong local government is of the utmost importance. I think that the concluding remarks of the SARM in the Provincial Local Government Conference held December 11th to 14th, 1956, are well worth remembering. Those remarks were referring to the size of municipalities:

The optimum should be the smallest unit not the largest that will function efficiently. Local self-government is at its best in the smallest unit which can be economically governed.

The statement leaves a great deal of room for interpretation. Now, Mr. Speaker, I can remember talk of municipal amalgamation and enlargement back to 1940, and even prior to that. If my memory serves me correctly about the first discussions held on the subject were in connection with what was known as the Vanuliet report. This report was supposed to be submitted to the government of the day in approximately 1945, but to my knowledge I am quite sure that that report was never submitted. At a later date a Royal Commission on Agriculture and Rural Life made a study of the subject. In volume four of the report they made a recommendations with regard to this study. Following this the Provincial Local Government conference of 1956 was set up and from this came what is known as the Local Government Continuing Committee which submitted a report to the government in the spring of 1961. They preceded this report by meetings held throughout the province with local government representatives and the general public. The committee encountered, I think as all of us remember, some difficulties at these various meetings and the opinions of the municipalities at on the whole were opposed to the main recommendation of the committee, which was the establishment of a county system of government in the province. This is in the past. Mr. Speaker, I think we must look forward and not back. The people of the province were not prepared to accept the county system of government

at that time. However, there was and there still is a fairly large body of opinion that favors some adjustment in municipal boundaries, perhaps, what the Continuing Committee called, the municipal district and what in the country is known as municipal amalgamation. In my constituency we have now in the RM of Kindersley, nine townships; the RM of Elsa No. 291, when it was in existence, six townships; the RM of Hillsburgh, No. 289, nine townships. These municipalities joined together on a voluntary basis. The results of the first amalgamation between RMs 290 and 291 convinced the people of the area, and the people of RM 289, which came in on January 1st of this year, that amalgamation would have great benefits. The roads of the first amalgamation and the services they provided in general compared to their tax rate indicate the benefits that have taken place. There is not now quite the same feeling about large municipalities as there was. With blacktop highways our people travel longer distances, community centres are gradually becoming based in the largest urban area, within a distance of perhaps 20 to 30 miles. People are coming closer together and the opposition to amalgamation, if the benefits are made obvious, is not as great as it once was. I feel, Mr. Speaker, that the government could take several steps to encourage municipalities towards amalgamation. At the Provincial-Municipal Conference held last December, our Premier stated this government was prepared to assist municipalities in forming a pilot project on a larger area. I believe the government is quite right in being willing to give assistance in this matter. I believe the previous administration was prepared to do the same thing. I do not think, however, that assistance should take the form of additional financial benefits since then you would have an area enlarged but not really representative of what could or would happen on a province-wide basis. There is no question in my mind that any amalgamations or counties formed should have as their outer boundaries lines similar to or close to the original 65 areas proposed in the Continuing Committee Report. The government cannot, I believe, permit municipal enlargement without reference to an overall long term plan for the province. The government can render assistance to municipalities, Sir, on the technical and organizational parts of amalgamation. I believe that up to the present time they have been somewhat lax in the assistance they have been willing to provide in this area. I do not feel that any amalgamation should ever take place without a vote of the electors of the whole area involved; but the municipalities should be assured that, if they amalgamate they will receive no less, — and I think this is extremely important, — in total grants now or in the future than they would receive if they did not amalgamate. This was a serious concern to any area considering amalgamation. This might require some alteration of the equalization principle but it should definitely be given consideration.

Now we come to something that is very close to myself, and that's the matter of administration in local offices and its possible effect on encouraging the enlargement of municipalities. First of all I want to say that the Municipal Affairs Department should, could, and must give leadership in this area. Up to the present time I think we have had a lack of leadership in the details of municipal office administration. I think that the time has arrived when the department should be ready, willing, and able to initiate changes, one or two of which I shall enumerate. It will take the detailed work out of municipal offices and bring them up to the present time rather than operating on the basis suitable to 1905. There is no question that with modern advances made in office proceedings a great deal can be done to speed up

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the work so that the office staff in the municipal offices can handle a larger workload without additional strain being placed on that staff. One thing is the use on a rental basis of computers for tax roll work. The tax roll work with the assessment rolls that are kept in Regina in the Assessment Branch of the Department of Municipal Affairs are highly feasible for that type of work. Tax roll work lends itself to that. There are other office changes that could be undertaken that would assist very greatly such as the one general tax rate in the municipality and the use of different tax notices and receipts in conjunction with the computer service that I mentioned a moment ago.

Now, there is another thing as far as municipalities are concerned in amalgamations and that is the question of the capital requirements of a municipality. The grid roads that have been built are of an excellent standard for today's traffic volume. As the vehicles improve and the speeds rise the need for a better standard of road will also arise. This will mean that the average haul distances for fill material on municipal roads will rise past the economic distance that Cats and Scrapers can be used and it will be necessary for high speed hauling equipment to be purchased and used by municipalities. With the prices of that type of equipment an impossible financial load will be placed on municipalities. The municipalities will have to have a larger tax base to finance capital expenditures out of. There is no doubt that the load and burden on the taxpayers will not be as great. The only way they can get a larger tax base without industry is through amalgamation.

Also the need will arrive for the surfacing of municipal roads, either on a salt-stabilized basis or an oiled basis. In my constituency gravel supplies are becoming almost non-existent. In some municipalities gravel runs up to about four dollars per yard which makes the regravelling of a road rather expensive. Due to that fact consideration has already been given to surfacing of grid roads. The proposals recently put forward to the municipalities by the grid road authority with regard to the surfacing of grid roads were most appreciated by the municipalities. I have no doubt that within a very few years in my constituency many roads, grid roads that is, will be surfaced other than with gravel or dirt.

I have said a little bit about the municipal system. I would like to say something about a municipal problem that I think is fairly general but it exists in my constituency and that is the question of ferry crossings. I think any member of this house who has a grid road going down to either the North Saskatchewan or the South Saskatchewan River faces this problem. The provincial government through the grid road authority, as I think most of us know, pays 100 per cent of the cost of approaches to ferry crossings up to the top of the river hills. This assistance is paid at the rate of 100 per cent, although regravelling is paid only at the percentage that the municipality customarily receives. As a result of this policy, most ferry crossings now are built to a good standard from the water's edge on both sides of the river, but in the winter, the situation arises where the municipality on each side of the river will plough down to the river and the ice crossing is left. It may have one, two, three or even four feet of snow and is absolutely impassable. The municipalities cannot plough this since the insurance on their equipment is null and void the minute it goes on the ice. The question also arises that if the crossing is ploughed an opinion would be reached by the travelling public that the crossing was safe. Should an accident occur then the possibility of a lawsuit arises. I think,

Sir, that some solution to these winter crossings is needed, perhaps government assistance or government guarantees in the event of loss of municipal equipment and of course, signs and laws to prevent responsibility falling on whoever keeps the crossing open. On the western side of the province, on the South Saskatchewan River where you do not have a bridge from Saskatchewan Landing west to the border, this is a most serious matter and deserves careful attention and study.

Now, Mr. Speaker, I hope at a later debate, perhaps in another session, to say something more on the municipal system of the province.

I think, Sir, that the budget presented by the Provincial Treasurer has gone a long way towards benefiting the people of this province. I shall support the motion, as everyone in this house expected, and I shall vote against the amendment.

Some Hon. Members: — Hear, hear!

Mr. W.E. Smishek (Regina East): — It was indeed a pleasant departure from what this house had to be subjected to prior to us rising for the supper hour. It seems to me, Mr. Speaker, if we had these kinds of presentation it would be a much better and a much more pleasant place to be in.

Mr. Speaker, I want to also extend my commendation and congratulations to the first opposition speaker, the official opposition critic on the Budget Debate. I think the hon. member for Regina West (Mr. Blakeney) did a most commendable job, a most thorough job, analysing and examining the budget that is before us. I believe he exposed the weaknesses of the budget. He presented positive alternatives. He penetrated deep into all aspects of the budget.

Mr. Speaker, I was indeed happy with the kind of job that he did. I think it was important that the people of the province had a chance to witness an effective critic of the document that is before us. I know that he shook the Premier, the Provincial Treasurer with his analysis, so much so, that for about four days the Premier was almost tolerable to live with. I am sure that even the members on the right side of yourself, Mr. Speaker, must have found it much more pleasant to live with the Premier for three or four days. He didn't tell anybody to sit down. He didn't tell any of them to shut up. Finally, the fourth or fifth day he did slap the hands of the Attorney General (Mr. Heald). He became uneasy.

Mr. Speaker, I was indeed disappointed in the kind of presentation the hon. Minister of Health (Mr. Steuart) made the other day. It is regrettable that a person, whom I do respect as a member of the legislature — I think he is an intelligent person — resorted to the kind of personal attack and vilification of one of our members. I am sure that the people of Saskatchewan will not look too kindly at the Minister of Health for this kind of abuse and I am sure that even in his own party his status will be lowered and I am afraid that his chances probably have become somewhat reduced, as a successor to the helm.

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I would like to also draw to his attention, Mr. Speaker, that since last Friday, when he spoke in the house, I have had at least another four complaints in regard to the mental health program in the way the minister is administering it, in the way that people are let out on trial leave, in the way that people are discharged, in the way that the people from mental hospitals, mental patients, are not being looked after. I intend to pursue those four cases. I intend to bring them to his attention. One case is a person who has been in the hospital for a period of 33 years. He has been released, without warning, without proper preparation, hoisted on the family. I know this case has been already discussed with the Minister of Health. The kind of problems that we are bringing to the attention of this house is coming to the attention of the members, I'm sure on both sides of the house, almost daily. I am glad, Mr. Speaker, that the minister did tell us that he intends to have the ad hoc committee proceed forthwith with the examination of the problems which he has created. I can only urge him that the time is running short in this respect.

Mr. Speaker, I have already made reference to the hon. Minister of Social Welfare (Mr. Boldt). I was somewhat disappointed, Mr. Speaker, when he made his remarks that he didn't tell this house more about his public relations program. In fact, he didn't deal with it at all. I would like to draw the attention of this house to a newspaper release of January 6th. The following story appeared in part in the Leader Post. It said:

In a press release issued by a public relations firm for the government after Mr. Boldt had left for eastern Canada.

Well, I can think of no one, Mr. Speaker, who needs public relations advice more than the hon. Minister of Social Welfare. I'd suggest there isn't enough PR talent in the province of Saskatchewan to make his continuous attacks on social aid accepted. I would also like to remind this house that the Johnson Commission in its report, Mr. Speaker, said that the government should in the hard news make the releases themselves, that the cabinet ministers should be made available directly to the press, the radio and television reporters. It is hard news indeed when a minister filters his unpopular statements through public relations firms for releases after he has placed himself 1,500 miles between himself and the reporters.

Mr. Speaker, it's bad enough when during election campaigns public relations officers are hired to create new images, but I would suggest it's unforgivable indeed, most disgraceful when government persons and cabinet ministers use public relations firms to give news and facts to the people in regard to the administration of their programs. However, Mr. Speaker, I'm afraid that no amount of public relations people will give the Minister of Social Welfare (Mr. Boldt) any better image than he has created of himself. Certainly his performance of this afternoon left much to be desired. The Minister of Social Welfare pretends to be a religious, decent kind of a person. The kind of statements that he made, the accusations he made, certainly disprove that he has as much integrity as he purports to have.

Mr. Speaker, I would like to direct some of my remarks this evening to what I think are the needs of the city of Regina and the needs in my constituency. I would first like to direct my remarks in respect to education and particularly the needs, as I see them, in our University here in Regina. The Premier tells us

that the University of Saskatchewan operating grants for the coming year will be \$10,400,000. The increase, in his own words, is \$1,000,000 more over the amount needed last year. This means that last year's expenditures were \$9,400,000 insofar as the operating costs are concerned. Last year this legislature appropriated \$8,300,000. This year's appropriations in the estimates are \$8,700,000. Mr. Speaker, this is only \$443,000 more than was appropriated last year, and \$700,000 less than was spent last year.

In checking the registrations at our Regina campus, I notice, or the reports have it, that the administrators of our University here in 1965 planned for 2,260 students. The actual enrolment for this year is 2,470 students or 10 per cent more than was planned for. It is reported that the university campus here is planning for 2,800 students in the coming academic year. If we are going to have the same increase this year as last year it is possible that over 3,000 students will want to enter the Regina campus. I regret, Mr. Speaker, that when this administration took office in May of 1964, they chose to delay the construction program of the University. As for the three year program that was in operation or under construction, the government while not reducing the construction budget, told the University to spread that construction program for three years to four years. The result, Mr. Speaker, will be that this year the campus will not have adequate facilities. In fact the University plant is completely filled up. There is no more room to place any more students. In the coming year there isn't going to be a single unit added to accommodate the enrolment that is being expected. Mr. Speaker, one of the things that has happened in the last year was that the federal government realized that it must play a roll in providing finances for our universities. Last year and the year before we know that the federal government provided grants to universities in the amount of two dollars per capita. Saskatchewan's own portion was something under \$2,000,000. I notice in the February 10th Hansard, a letter that was written by the Prime Minister of Canada to our Premier saying that this year's grants for the 1966-67 year will be increased to \$4,485,000 or almost \$3,000,000 more than we had last year. It was the intent, as I understand it, of the federal government that in giving this money, or additional grants for universities this would be extra money spent for university purposes. However, what the Provincial Treasurer did is in fact, take this \$3,000,000 and incorporate it to the existing expenditures. The budget of the University for operating purposes has not been increased by \$3,000,000 as was the intent of the federal government that it should be. This is indeed most regrettable. The Universities at Regina and Saskatoon are expecting a significant increase in their student population. I submit that the grants that have been provided will not meet the added requirements. We know that our universities have to compete and very much so, with the universities across the border for staff. The universities in the United States are offering some tremendous salaries to professors, to qualified teachers. I understand that many of the professorial staff at the Regina and Saskatoon campus are being encouraged, are being made very lucrative offers to go to the United States. If we are going to keep our teaching staff at our universities, something will have to be done in terms of increasing their salaries or coming as close as possible to match salaries with what is being offered across the border if we are going to keep them.

I understand that at the present time in the United States the ratio of graduate high school students enrolling into the university is one to three. In Canada the ratio is one to twelve.

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Mr. Speaker, if we are going to try and catch up with our friends to the south and certainly there is an urgent need that we do, we will have to be spending much more money than what has been appropriated both in operating as well as construction grants.

Mr. Speaker, the Premier in his address made reference to the commencement of three new technical vocation schools. The ones that he listed were in Regina, Yorkton and Lloydminster. I know that the citizens of Regina have been looking since last Tuesday to find where the construction for a technical school has been started. If the Premier is referring to the Miller Composite School then I'm afraid the Premier has a good deal to learn about education in technical schools. Certainly this is not a technical school. Certainly there is a need, I would suggest, for a technical school of the same calibre as the one in Moose Jaw and the one in Saskatoon to be built in the city of Regina. I notice that \$6,100,000 is intended to be expended for vocational training school facilities. I would urge the Provincial Treasurer to appropriate some of that for the city of Regina so that Regina can get started on a technical school of a similar order as those in Moose Jaw and in Saskatoon. Certainly the major city, the capital city, should have a technical school of this calibre in this age of technology, in this age where technical trained personnel are badly needed.

I would also like to refer, Mr. Speaker, to what I think is the very unfair treatment that the city of Regina and equally the city of Saskatoon are getting from this budget in respect of health services. I notice from the estimates that the regional health services, costs and budget increases are \$200,000. What is not generally known is that the cities of Regina and Saskatoon operate their own health departments. The grants that are appropriated by the province are I believe, 75 cents per capita. You will notice that while the costs and the budget appropriations to the rural part of Saskatchewan as well as the smaller cities are going up by \$200,000. The cities of Saskatoon and Regina will have to share a miserable sum of \$5,000 between them to provide the health services that are needed. This is indeed inadequate. This is not sufficient and I would urge the Provincial Treasurer to take another look at these appropriations. They are totally inadequate.

Mr. Speaker, I am sure that all of us will recall the unfortunate and disastrous situation that people in the southern part of Saskatchewan, particularly faced last summer. I am referring to the problem of sleeping sickness, the epidemic that struck us. I know that the health officials of the Department of Health did a good deal of work. I know that they are conducting research, but this is an area in which I would suggest that the province undertake a more effective control and a more effective program. It was reported in the press that in the city of Regina at the end of August there were some 20 cases of encephalitis reported. There was also one suspected death. I know that the Regina health officer, Dr. Chiao, did call upon the province to undertake a more effective control of mosquitoes. I would urge that in this respect, Mr. Speaker, the government take some immediate action to institute early in the year an effective program of mosquito control. Certainly the city of Regina is trying to do an effective job but they cannot do it alone. It is well known that the mosquitoes are blown in from the rural side of Regina, in fact for many, many miles. If we are going to effectively control them then this must become a provincial responsibility to do so. The city of Regina is entitled to ask the government for more appropriate grants and that jointly there should be an effective

control program. Certainly many families lived in a good deal of fear during the months of July and August when we were faced with this unfortunate situation in our city. So I would ask the Minister of Health (Mr. Steuart) to immediately consider an effective control program in this respect.

Another request I would like to make and particularly direct to the Minister of Natural Resources (Mr. Cuelenaere). A few miles out of the city, Regina has some 1,500 acres of land which it is trying to develop into a park area. It is commonly known as Boggy Creek. I think it has been renamed King's Park. In our larger cities I think there is an urgent need for the province and for the cities to work together in developing sizeable park areas. In this age of automation and the extreme pressures that there are on people I think it is important that nearby facilities are provided for people to get away from the pressures of urban living so that they may on their hours off work be able to drive a matter of a few miles with their families and be able to relax at nearby parks. I'm sure that the members are aware that near the city of Saskatoon between the years 1960 and 1964, a park was developed, the Pike Lake Park. It is a regional park which was paid for, I think, totally by the province; over \$500,000 was expended on a park development there. I think it is fair that something similar be done in respect of the city of Regina. The city now has 1,500 acres. I suggest that this is not enough. I think that the province should also buy up at least an equal amount of land in the nearby area and develop this into a regional park for the people in Regina and for others living near our city.

Another matter that needs attention is air pollution control. Last year a piece of legislation was passed by this house for air pollution control or pollution control generally. Since this legislation has come on the Statute Books we have not noticed any effective measure being undertaken by the provincial government to control air pollution. In the constituency that I represent we have two refineries located near by. I know that the residents living close to the refineries have constantly complained about the impure air, the impurities that fall from the refineries and from the industrial area. I would urge the Minister of Health to make a close examination of this problem and to give this particular piece of legislation that was given unanimous approval last year some tangible meaning and to take steps to control the impurities that exist.

The Throne Speech made reference to legislation that will be introduced in respect of low-cost housing. In taking a look at the estimates, Mr. Speaker, I find that there are some \$600,000 appropriated for that purpose, or an increase in excess of \$300,000. I would suggest, Mr. Speaker, that this amount of money will not do the job of meeting the housing problem in our cities, in our towns and in our country. Much more will have to be done. While I am glad that finally new legislation will be introduced to bring it up to the standard of the national legislation, I do regret, Mr. Speaker, that this legislation is one year behind. We should have been well into the program had we made our provincial legislation compatible with that of the National Housing Act last year. I think the monies that are being allotted for this purpose are totally inadequate. If we are going to do an effective job of improving our housing conditions in the province, then much more money will have to be spent from provincial resources to make a meaningful start.

May I also, Mr. Speaker, make reference to the proposed Home-owner grant. I am indeed disappointed, Mr. Speaker, that

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the one group of people to whom the Provincial Treasurer and Premier last year and again this year has made reference to, namely people who are in need of help; but in sharing the prosperity of our province he totally ignored them, or almost totally ignored them. The people I refer to are the people of Indian ancestry.

There are some 40,000 of these citizens in the province. I would say that at least 95 per cent of them will not benefit one bit from the Home-owner grant. I think it only fair, Mr. Speaker, that the people from whom we took this rich land, the people who sat one time were the owners of the vast resources of this province, should also be entitled to share in the additional money that is coming to this province from the development of its natural and mineral resources.

Mr. Thatcher: — Do they own their homes?

Mr. Smishek: — Ah, but precisely, Mr. Speaker, how many of our Indian people do. Will the Indian people who live on the reservations get this Home-owner grant . . .

Mr. Thatcher: — They don't pay taxes.

Mr. Smishek: — Mr. Speaker, it is only those people that will pay taxes, I know many of the Indians that live in my constituency; there are some 2,000 of them. Unfortunately most of them do not own homes, but surely, Mr. Speaker, this is an unfair basis to judge people on, particularly, people who are in need of help; there is no group in our community who needs assistance more than our Indian population.

Now, Mr. Speaker, I would make a plea on behalf of our Indian brothers, that even though they may not own homes at this time, the Premier extend the \$50 offer to every Indian family regardless of whether they own a home or do not own a home.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — Another group that I would like to make a plea on behalf of is the thousands of people that do not own homes. Mr. Speaker, these people do pay taxes, they do pay property taxes through their rent. Anybody who suggests any different is, I am sure, stretching the truth very far, because these people do pay every tax that is levied at them. In fact not only do they pay the rent to people who own the apartment blocks and the homes, they also pay the taxes for them, they pay the capital costs and they also have to pay a profit to these people. Mr. Speaker, I suggest that these people pay as much taxes as anybody else, and again I would ask the Premier to reconsider this proposal and make this grant universal for every family.

One other area I would like to comment on tonight, Mr. Speaker, is our need in this city for a third and a provincial hospital. I would like to draw attention of this house to a pledge made by the Liberal candidates during the 1964 election campaign in this city. They said that if they were elected they would proceed immediately with the erection of a third hospital to correct the critical hospital bed shortage in Regina.

Last year when I pressed the Minister of Health (Mr. Stewart)

on this point, he replied that he was waiting for the report of Dr. Agnew and Dr. Hartman who were studying the health services in the city of Regina. He also advised that \$100,000 was being appropriated to draw plans for the construction of the new hospital. Well, Mr. Speaker, the Agnew-Hartman report was completed in the summer of 1965. The consultants discovered that the hospital bed situation in Regina was acute indeed. Their report states and let me quote in part:

The waiting list study conducted by the consultants indicated that each of the two Regina hospitals have large waiting lists which in total contain 2,000 persons. The average waiting period was approximately four months for admission to each of the Regina hospitals.

In view of this the consultants concluded that the most desirable way in which to meet the existing and future needs of the area would be to proceed immediately with the establishment of a hospital centre to serve as a specialty hospital and referral centre for Regina and the southern half of Saskatchewan. They recommended that the centre be composed of a hospital to the extent of 370 beds. In addition, the report recommended that a 175 bed psychiatric facility be provided to be developed in close proximity to the hospital. They also recommended that nursing facilities be included in the proposed hospital complex. Here again, I remind the government that the Liberals promised in 1964 that they would immediately proceed with the construction of a 600 bed geriatric centre in the city of Regina. The recommendation of Dr. Hartman and Dr. Agnew is that there be nursing facilities in close proximity to the hospital.

Mr. Speaker, in the last year not a single penny has been spent by the Department of Public Health in the development of the third hospital in the city of Regina. True there was an appropriation of \$100,000, but not a single cent of that money was spent. The Premier tells us that \$400,000 will be spent in the planning of the hospital this year. Well, on the other hand, Mr. Speaker, rumor has it that the Minister of Health (Mr. Steuart) is now trying to shift the responsibility from it being built as a Union Hospital. Mr. Speaker, this will not wash with the citizens of Regina. This will not go over with the people in the southern part of Saskatchewan. People of southern Saskatchewan deserve and are entitled to similar treatment as the citizens of Saskatoon and citizens of central and northern Saskatchewan who are served by the University Hospital, which was built totally at provincial expense, and with the assistance of the federal government. Nothing less will do for the people of Regina, I submit.

Mr. Speaker, it will be remembered that in 1964 the CCF administration did promise to build a new hospital centre in Regina which would cost approximately \$20,000,000. During the election campaign members opposite said that they would keep this commitment. So far, Mr. Speaker, the Minister of Public Health (Mr. Steuart) has not been on his toes, not doing his job in this respect. I would urge you that immediate steps be taken. I would hope that before this house adjourns that we will hear from the Minister of Health that it is his intention, the intention of the government, to adopt the Agnew-Hartman Report and to proceed with the construction of the specialty centre as recommended by them to include a psychiatric centre and a geriatric centre.

Mr. Speaker, I intend to take part in this debate tomorrow.

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I intend to speak on the air. I beg leave to adjourn the debate.

Debate adjourned.

SECOND READINGS

Hon. D. McFarlane (Minister of Agriculture) moved second reading of **Bill No. 29 — An Act to amend The Agricultural Development and Adjustment Act.**

He said: Mr. Speaker, speaking to these amendments there could be some misunderstanding regarding the term, Rural Development Area. The Agricultural Development and Adjustment Act spells out the procedures to be followed in formally setting up a Rural Development Area, with its appropriate council. We have three areas so established in the province at the present time; they are at Meadow Lake, Torch River and at Broadview. Our ARDA agreement provides for mutual recognition by Ottawa and the province that that part of the province in which programs limited to Rural Development Areas apply. This has been done in general through the Rural Development Area of the province, and has been agreed to as essentially the park belt area or the area outside the dark brown soil zones. The amendment to section 19 of the Agricultural Development and Adjustment Act allows section 19 to be applied to any part of the province rather than being restricted to those areas formerly declared under section 21 to be Rural Development Areas.

The amendments to sections 20 and 21 of the act make provision for firstly, the enlargement or reduction of a Rural Development Area, and secondly, the dis-establishment of a Rural Development Area.

The amendment to section 22 of the act makes provisions for the Councils of the Indian Bands from reserves lying wholly or partly within the Rural Development Area to be included in the meeting called by the agricultural representative for the purpose of appointing a Rural Development Council.

The amendment to section 43 of the act removed the \$50 limit on supplementary allowances while training, so that nay actual rates used may be spelled out in agreements with Ottawa or with our own Education Department. With those few remarks, Mr. Speaker, I move second reading of this bill.

Motion agreed to and bill read a second time.

Hon. J.C McIsaac (Minister of Municipal Affairs) moved second reading of **Bill No. 37 — An Act to provide for Assistance to Certain Municipalities in the Establishment or Improvement of Roads, Bridges and Ferry Services.**

He said: Mr. Speaker, this bill, the short title of which should be The Municipal Road Assistance Authority Act, will have the effect of making a legal entity out of the Municipal Road Assistance Authority. As most members are quite well aware, this

Authority was established back in 1956 to look after the province's grid road program. Now the Appropriation Act each year has governed the affairs of this Authority. It has now been suggested to us by the Regulations Committee this year, that the Authority be governed by statute rather than by the Appropriation Act. So there is, in fact, very little change in the way this Authority will be operated, except that it will be governed, as I say, by a separate act.

The formula of the grants and assistance to municipalities is set out by the regulations covered under section 11. The Authority is under the direction and control of the Minister of Municipal Affairs, as before, and the Authority has been given adequate powers to continue and administer the province's road grant program for municipalities and operate the ferried in the province as well. It does provide for several new services that are being extended to RMs this year by the Authority to make grants to rural municipalities for snow removal. It also allows the Municipal Road Assistance Authority to make grants and assistance on grid road maintenance, and also gives the Grid Road Authority the power to designate roads as grid road locations. I think this bill demonstrates, Mr. Speaker, quite clearly the importance that we attach to the rural road programs in this province. Accordingly, it gives me a great deal of pleasure to move second reading of this bill.

Motion agreed to and bill read a second time.

Hon. D.G. Steuart (Minister of Public Health) moved second reading of **Bill No. 42 — An Act to amend The Union Hospital Act.**

He said: Mr. Speaker, most of the provisions in this bill are related to the financing of hospital facilities, not only in union hospital districts, but throughout the entire province. Everyone having any knowledge in the field of health knows that a large percentage of the health dollar in Saskatchewan goes towards the financing of the capital cost of hospital facilities. Although the provincial and federal governments and my own department pay substantial amounts towards hospital construction, the significant portion of these costs continues to be the responsibility of the owners of the hospitals. Since becoming Minister of Health I have become impressed by the fact that although all hospitals in the province are open to the public regardless of their area of residence, not all areas contribute to the financing of the capital costs of hospital facilities. I have already announced that I will be introducing legislation at this session to provide for the taxing of areas presently not obligated to support a hospital, and I will be introducing a bill for this purpose later in the session.

The principles contained in this legislation have been worked out in co-operation with the representatives of the Saskatchewan Association of Rural Municipalities, the Saskatchewan Urban Municipal Association, the Saskatchewan Hospital Association and the Catholic Hospital Conference.

I will be introducing legislation this session and I think it is fair and reasonable that all parts of the province should be required to support the provisions of hospital facilities. At the same time I would like to emphasize that I am not in any way suggesting or implying that persons residing in areas not supporting hospitals have been deliberately evading their responsibilities.

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In many cases it has not been possible in the past for tax revenues to be made available on an organized basis to assist in the financing of the provision of hospital facilities. For example, in many communities where the local hospital is privately owned, such as the Saint Elizabeth in Humboldt, the hospital in Estevan, some of the residents have contributed to the hospital on a voluntary basis, or perhaps through a municipal grant, but it has not been legally possible for the entire community using the hospital to support the hospital on an organized or collective basis.

I recognize that many persons would prefer to support directly the hospital in their own community that they themselves use. For this reason, the Union Hospital Act has been amended to give communities this option. Also Union Hospital districts may now be organized for the sole purpose of making grants to hospitals upon some mutually agreeable basis. In the past, in several instances, Union Hospital Boards and privately owned hospitals have attempted to work out arrangements for providing suitable hospital facilities for the community. This has been difficult and sometimes impossible for them to arrange because of the legal restrictions in the Union Hospital Act. Based on the efforts made by several communities in this regard, in the past, and with the enactment of the proposed tax legislation it is expected that some Union Hospital districts will be established only for the purpose of assisting to finance the provisions of hospital facilities.

In most cases in practice the hospital receiving a grant would be privately owned but the hospital could be owned by a municipality such as the city of Saskatoon and the city of Regina.

In two Union Hospital districts in the province there is in operation, in addition to the Union Hospital, a privately owned hospital. I refer to Moose Jaw and Prince Albert. For reasons of standards, efficiency and economy, various measures are now being taken in different parts of the province to co-ordinate the provision of hospital services in the community in the best manner possible.

In some cases the result will be that certain kinds of specialized services will be provided in one hospital, and not in the other hospital in that community. In cases of this kind the Union Hospital Board may conclude that it may be more economical in the long run and more desirable for it to participate in the financing of a certain kind of facility being provided in the privately owned hospital in the same community.

The bill contains amendments authorizing the Union Hospital Board to give this kind of assistance. An interim Union Hospital Board may be established and this Board will prepare a detailed plan of the hospital facility and an estimate of the costs pursuant to section 10.

Section 11 provides for the Board's plan to be subject to the approval of the Minister of Public Health and Local Government Board. The Local Government Board will apportion the cost, the proportionate cost of the proposed facility among the various municipalities and areas within the district.

You will note, Mr. Speaker, without going into details of the bill unnecessarily, that sections 3, 6 and 10 are amended to authorize the Union Hospital District to be established for the purpose of making grants to a hospital. Where a plan of making

grants for hospitals has received a favourable vote, the detailed proposals relating to the making of these grants will be submitted to the Minister of Public Health for approval under section 19A.

A revised section 20 gives broad authority to hospital boards to construct and make additions to present hospital buildings and to make grants to hospitals. This section applies to all hospital boards without regard to the details of the plan, if it has been referred to a vote of the burgesses in the district originally established.

Other amendments, Mr. Speaker, are of a minor nature, and will, I think, be understood by and agreed to by all members of this assembly.

These amendments in total should give the Union Hospital Act that degree of flexibility that will maintain it as useful legislation in keeping our province the most up to date in providing hospitals that are most modern and the most effective possible.

I move second reading of this bill.

Mr. W.G. Davies (Moose Jaw City): — Mr. Speaker, I think everyone in the house is in favor of the principle of Union Hospitals, and I would hope that the principles that we all approve would be furthered by this bill. I tried to follow the reasoning in the minister's somewhat rapid-fire delivery here this evening, but I think I would like to have an opportunity of reading his remarks on the record and as well studying the bill itself. It is rather a long bill. I would, therefore, beg leave to adjourn the debate.

Debate adjourned.

Hon. J.C. McIsaac (Minister of Municipal Affairs) moved second reading of **Bill No. 43 — An Act to amend The Public Service Superannuation Act.**

He said: Mr. Speaker, this bill is a bill to amend a single section of the Public Service Superannuation Act and that is section 15. It is a single amendment. In that section it now authorizes the payment of additional allowances by order in council. For many years a cost-of-living bonus has been paid to those superannuates and widows who have been in receipt of a pension of less than \$100 a month. This cost-of-living bonus during the years has been payable up to age 70 as is spelled out in the act. Now that federal legislation is providing for old age pensions at ages of less than 70, the actual words "of 70 years" has been taken out and the new amendment states "as set forth in the Old Age Security Act", at which pensions may be paid to people under that act.

I think it is fairly simple and with that I move second reading of this bill.

Motion agreed to and bill read a second time.

On the motion of the Hon. Mr. Steuart, the assembly adjourned at 10.00 o'clock p.m.