

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session — Fifteenth Legislature**  
**29th Day**

**Friday, March 18, 1966**

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

**WELCOME TO STUDENTS**

**Hon. D. Boldt (Minister of Social Welfare):** — Mr. Speaker, before the Orders of the Day, I would like to introduce to you a group of students from the town of Rosthern, Saskatchewan. They are here in the Speaker's gallery, with their teachers and bus drivers. I am sure that all members of this house will wish them a pleasant stay here in this chamber, a pleasant stay here in Regina, and a safe journey home.

**Hon. Members:** — Hear, Hear!

**Mr. H. A. Broten (Watrous):** — Mr. Speaker, I would like to bring to the attention of the members a group of students in the east gallery. The children are grade 7 students, they are accompanied by their teachers, Mr. Sylvester and Mr. Sibetnew, and by their bus driver, Mr. Blatchford and his wife. I am sure the house will join with me in wishing them welcome to the legislature. We wish you a good visit here. I am sure you will enjoy the afternoon and your tour of the city and a safe journey home.

**Hon. Members:** — Hear, Hear!

**Mr. D. G. MacLennan (Last Mountain):** — Mr. Speaker, I would like to draw your attention and the attention of the assembly 31 high school students from the Southey High School. They are seated in the west gallery, and are escorted by Mr. J. D. Hall. I am certain that on behalf of yourself and the members of the assembly we wish them a most enjoyable visit to the legislature and a good and safe trip home.

**Hon. Members:** — Hear, Hear!

**Mr. H. P. Baker (Regina East):** — Mr. Speaker, I would like to welcome most sincerely a group of grade 7 students in the Speaker's gallery from the Douglas Park School. The finest residential area in Regina. They are accompanied here by their teacher and other visitors or guests from that area. We wish them welcome and hope that they will gain much from the proceedings here and have a pleasant stay in our midst. On behalf of members here a warm welcome to you.

**Hon. Members:** — Hear, Hear!

**WELCOME TO MIDGET HOCKEY CHAMPIONS — BIRCHDALE**

**Mr. G. Romuld (Canora):** — Mr. Speaker, I would like to bring to the attention of the

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house a fine group of young boys from the Birchdale district. They have just defeated Rouleau to become the provincial Champions in the midget class. They are accompanied by Mr. Mahousier who is the coach of the team, and Bill McHugh from Mistatim. I know that you will all join with me in congratulating them on their victory and we wish that you have a safe journey home.

**Hon. Members:** — Hear, Hear!

**Mr. J. H. Brockelbank (Kelsey):** — Mr. Speaker, I wish to thank the member from Canora, (Mr. Romuld) for bringing that to the attention of the house, I wasn't conscious that these distinguished people from my constituency were in the gallery at this time. They are old neighbors of mine, many of them, and I would like to express to them my very sincere welcome to the house and hope that they have a safe, successful and enjoyable trip.

**Hon. Members:** — Hear, Hear!

### **REPORT OF THE SASKATCHEWAN DIAMOND JUBILEE AND CANADA CENTENNIAL CORPORATION**

**Hon. J. W. Gardiner (Minister of Public Works):** — Mr. Speaker, before the Orders of the Day I would like to present to the house a report of the Saskatchewan Diamond Jubilee and Canada Centennial Corporation. I might point out that the regular financial statement has already been tabled but it was felt by the Executive of the Corporation that since the Jubilee celebrations are completed that we should present the members of the house a full report on activities that took place in 1965, plus some of the proposed programs that will take place in 1967, or as much as we know. Contained in the interim report is a summary on how the corporation was established, a 16 page report on the provincial programs conducted by the corporation during 1965, a six page report on the local programs which were developed throughout the province, and an 8 page report on some of the Centennial Programs planned for 1967. As well there is a listing of chairmen and secretaries of the 596 local committees formed in the province for the twin celebrations, a copy of the Jubilee Centennial Act, a partial daily listing of events that were conducted throughout last year, plus a schedule of events planned for Saskatchewan during the Centennial Year.

The report represents a review of the Diamond Jubilee celebrations conducted in the province last year under the direction of the corporation which was formed to organize celebration programs for the province's role in the Canada Centennial in 1967 as well. The final report covering the activities of the province for 1966 and 1967 will, of course, be released in 1968.

I would like to say, Mr. Speaker, that today the hon. members will find on their desk two small gifts from the Centennial Commission in Ottawa, one which is the symbol flag of the Corporation for Celebrations in 1967, the other a small pin which everyone will be asked to wear during the year as an indication of their part in our Centennial Celebrations in 1967.

### **QUESTION RE HEAVY WATER PLANT**

**Mr. M. P. Pederson (Arm River):** — Mr. Speaker, before Orders of the Day I would like to direct

a question to the Premier, in view of the fact that today is the cut-off date for Canadian General Electric in their negotiations in the various provinces regarding the establishment of a heavy water plant, I am wondering if the Premier could tell us if his government had been able to make any progress in obtaining such a plant for Saskatchewan, or do we have to accept the fact now that as nothing has been managed by today that it is impossible.

**Hon. W. Ross Thatcher (Premier):** — Well, Mr. Speaker, there are difficulties in connection with the heavy water plant. It so happens that I shall be in Ottawa on Monday, and I am meeting with the Atomic Energy people and Mr. Pepin, Monday afternoon, to discuss what can be done with the various companies that are still interested. I would have to say at this time that prospects are not good for Saskatchewan obtaining a heavy water plant.

#### **LETTER FROM MASTER FARM AWARD WINNER — JAKE BRODER**

**Mr. J. B. Hooker (Notukeu-Willowbunch):** — With your permission I would like to read to you and to this assembly a portion of a letter I received this morning from Sydney, New South Wales, Australia. This letter was written to me by Mr. Jake Broder. As you know, Mr. Broder was the winner of the farm award for Saskatchewan. Part of his award was a trip to Australia. I think some of the things in this letter will be of interest to this assembly. I will dispense with the formalities:

Since leaving Vancouver we have travelled over 14,000 miles by ship, and about 1,800 by air, and 2,000 miles by bus and car since we arrived here in Australia. We have seen the Snowy Mountain Water Irrigation project, travelled 800 miles to see it all. Water is stored at three different levels with a big hydro development. It is costing the government about \$900,000,000 in Canadian dollar value. It started in 1954 and will be finished in the early 1970s, but they do need water here now. Drought conditions are terrible, some acres have had no rain since 1964. I have seen thousands of acres of sheep pasture as black and bare as our good clean summerfallow. Many herds have been on short rations since last October when they should have been on the best of pasture. Many who have grain are feeding grain to both sheep and cattle, others have sold all their cattle hoping to keep the sheep, and so much of this is not in the dry area of Australia, but the very best country where only in 1963 they raised 85 bushels of wheat per acre.

We visited several large holdings, as they call a farm here, one of the master farmers of New South Wales for 1965, another large estate where they run 30,000 head of sheep, 1,000 cattle all being fed on grain. Others were seen cutting down weeping willows for feed as they grow very lush here along the waterways, which are all dry now. It is estimated that the New South Wales district has lost 2,500,000 sheep and 1,000 head of cattle to date, and every indication is that more will die.

Our time here is slowly coming to an end, and we will be on our way north for spring work at home, but it has been

a most interesting experience. At the present time you will be busy with the winter session. We feel that we are very fortunate in Saskatchewan to have the province sponsor the Master Farm Award. Here the government does not. Therefore, there are many overlapping awards by different groups. Please convey our sincere thanks to your Minister of Agriculture (Mr. McFarlane) and the house as a whole. With sincere thanks and best wishes.

I may say, Mr. Broder, although his address is Assiniboia, does farm in the constituency of Notukeu-Willowbunch.

#### **ANNOUNCEMENT RE SASKATCHEWAN SAVINGS BONDS**

**Hon. W. Ross Thatcher (Premier):** — I should very briefly like to report to the house on the sale of Saskatchewan Savings Bonds. The sales last evening in total exceeded \$8,300,000 as compared to \$10,700,000 one year ago. We have found that in the past three days sales are proceeding more rapidly as the wheat payments are out. I wish to announce today that on Friday, March 25th, sales will be discontinued. Anyone who wants to buy these bonds will have to do so in the next week.

**Some Hon. Members:** — Hear, Hear!

#### **QUESTION RE UNCONSCIONABLE TRANSACTIONS ACT**

**Mr. E. Whelan (Regina North):** — Mr. Speaker, before Orders of the Day I would like to direct a question to the Attorney General (Mr. Heald). In last night's Leader Post, on page 18, there is a reference to legislation being passed in Nova Scotia, and it reads as follows:

They also would require a cooling-off period in mortgages and would extend the terms of Nova Scotia's Unconscionable Transactions Act, which empowers courts to rewrite the terms of an excessive and harsh loan agreement.

In view of the fact, Mr. Speaker, that this legislation was on the Order Paper in this house, three years ago, and statements have been made about this by the Attorney General (Mr. Heald) in the past year or so, is it his intention to introduce similar legislation in this house during this session?

**Hon. D. V. Heald (Attorney General):** — Mr. Speaker, this whole matter is under consideration by my department. The legislation in Nova Scotia to which the hon. member refers is now in my department. We are studying it, there was a conference a week ago in Toronto, which the Deputy Attorney General from this province attended. It consisted of representatives from Nova Scotia, Ontario, Alberta and Saskatchewan. We are looking at this problem, we are studying it very seriously. The matter of what legislation will be introduced, of course, is a matter of government policy. It will be announced in due course.

#### **QUESTION RE RATES IN NURSING HOMES**

**Mr. A. M. Nicholson (Saskatoon):** — Mr. Speaker, I would like to direct a question to the Minister of Welfare (Mr. Boldt). I wonder if the minister's attention has been drawn to the report in last night's Star Phoenix,

regarding the rates at Oliver Lodge Nursing Home in Saskatoon. I gather that there has been some dispute there since November, due to the fact that rates are payable up to \$180 in other nursing homes in the city but have been denied in Oliver Lodge. Would the minister indicate when this matter can be settled to the satisfaction of everyone in Saskatoon. It was reported in last night's Saskatoon Star Phoenix.

**Hon. D. Boldt (Minister of Social Welfare):** — Mr. Speaker, I have not received a report and I am not in a position to make a statement at this time.

### QUESTION RE PICTURE OF MINISTER OF PUBLIC WORKS

**Mr. J. H. Brockelbank (Kelsey):** — Mr. Speaker, I would like to ask the Premier if he has looked at this book "The Saskatchewan Diamond Jubilee and Canada Centennial Corporation." If he has, I think he should consider, in view of the censoring of certain other matters of history, censoring this. This has got a picture of the minister in it, seven or eight times in the one book . . .

**An Hon. Member:** — You are just jealous . . .

### SECOND READINGS

**HON. W. ROSS THATCHER (Premier):** moved second reading of Bill No. 60, **An Act to amend The Income Tax Act.**

He said: The purpose of this bill is fairly straightforward. I think it will be welcomed by everyone in Saskatchewan, unless it should be my hon. friends opposite. The purpose of this bill is to reduce the Saskatchewan surcharge on income tax from six per cent to five per cent. They say, Mr. Speaker, that this surcharge is one of the blessings of Socialism. Back in January, 1962, my hon. friends opposite put a six per cent surcharge on all income tax. Since that time the people of Saskatchewan have been paying six per cent more income tax than all the people in the rest of Canada with the exception of Manitoba. Even there a year ago, they reduced their charge from six to five per cent. This government sees no reason whatever why the people of Saskatchewan should be forced to pay more income tax than everyone else in Canada. So the Liberal government today is going to begin to remove a portion of the surcharge at least. As I say this bill will reduce the burden to five per cent. I can assure you, Sir, that in subsequent years it will be our hope to gradually reduce this discriminatory tax, to a point where we are not paying any more additional income tax than other Canadians.

In 1966 this measure will save the taxpayers of Saskatchewan in the neighborhood of \$1,100,000, and so I do now beg leave of the assembly to move second reading of this bill.

**Mr. R. A. Walker (Hanley):** — Mr. Speaker, the Premier's remarks were brief and I want to say a little more about it than he did. I just want to say that the Premier is quite wrong when he says that this bill will save the taxpayers of Saskatchewan \$1,100,000. The Premier know very well that the tax burdens imposed by this government are bearing very heavily on the people of Saskatchewan, more than by any previous government, and he knows very well that if there is a shift

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of taxes removing them from one area that it shall be — must be compensated for by some impost in some other area. So when the Premier says that the effect of this bill is to reduce the tax by \$1,100,000, he is in effect saying that he is reducing this tax by \$1,100,000 on one group of taxpayers and shifting it to some other group of taxpayers . . .

**Some Hon. Members:** — Hear, Hear!

**Mr. Walker:** — There is no other way, Mr. Speaker. The Premier often talks about Socialists not being able to read a balance sheet. Well the fact is that anybody who looks at the budget of this province knows that a removal of tax on one class of citizens means an increase of tax or a loss of service to other groups of citizens. The Premier may be right when he says that he is removing it from the class of people that he knows best and that he loves most, and that love him most, when he is removing a tax which bears heavily on high income people, and shifts the burdens to people like those who pay tax on the detergents, and on gasoline in their cars. I see on the Order Paper he has a proposal to put a tax on 90 per cent of my constituents of two mills, on all their land and buildings. Well, Mr. Speaker, one would have to have the breadth of vision of a turtle in order to be able to accept this kind of compartmentalized thinking of the Premier. The Premier is prepared to put out of mind the 90 per cent of my constituents on whom he is going to slap an extra two mills. He is prepared to put out of mind all of the housewives who will have to pay extra tax on their detergents and their soap; he is perhaps prepared to put out of mind all of the people who have to bear a \$20 increase in the medical hospital tax. He is prepared to just overlook the whole picture and look at this one little fragment, these friends of his who pay high income tax.

Well, Mr. Speaker, this might bring a tax reduction of \$200 or \$300 a year to a middle-of-the-road Liberal like the Premier. This might amount to quite a significant reduction for them. Well, Mr. Speaker, I, for my part, want to make it very clear that I think that if this government wants to take the responsibility for reducing taxes they must take the responsibility for where they reduce taxes. They must accept the responsibility for the priorities which they put on these various tax fields and tax bases.

Now, I want to say something a little more about this and in view of the Premier's remarks, I want to have some time to consider the things I want to say about them. So, Mr. Speaker, I would, therefore, beg leave of the assembly to adjourn the debate.

Debate adjourned.

**HON. D. V. HEALD (Attorney General):** moved second reading of **Bill No. 68, An Act to amend The Companies Inspection and Licensing Act.**

He said: Mr. Speaker, this bill is designed to bring certain corporations that operate scholarship plans under the regulation, control, and supervision of the Superintendent of Insurance. These corporations will be required to be licensed under the act before their plans may be sold in Saskatchewan. Under these scholarship plans which are now being sold in the province, the individual makes certain periodic payments, the money, less a sum which is usually \$100 to cover the administration costs of the plan,

belongs to the subscriber at all times so it is really a trust plan.

If the child doesn't go to university, if the subscriber's child doesn't go to university the money may be withdrawn for any purpose. However, the plan usually provides that the interest be retained in the fund to provide scholarships to other students who are able to attend university. The child, if he does attend university, receives an annual scholarship out of the money in the fund.

Mr. Speaker, Saskatchewan is, to my knowledge, the first province to provide for the licensing of such a corporation. It is the opinion of the government that any company or corporation taking substantial sums of money from the public and administering such money for periods up to 15 years or longer, as is the case with these plans, should be subject to governmental supervision the same as the other companies which are covered under the Companies Inspection and Licensing Act. Furthermore, we feel that in the absence of any licensing law, the field is left open to various abuses, particularly by questionable operators. I don't say that there are questionable operators at the present time, but there could be, and we think it is a pretty good idea to close the door before we get into trouble. This is the purpose of this amendment.

I should draw to the attention of hon. members that when this bill reaches Committee of the Whole I will be moving for one slight amendment to correct a printer's error in sub-clause 5 of clause K in section 2, where "insure" is wrong, it should be "issuer". So that should read "an issuer licensed under the Saskatchewan Insurance Act." All the bill does is to bring in these trust fund companies and to define the trust companies as it does in paragraph K. With that explanation I would beg leave of the assembly to move second reading.

Motion agreed to and bill read a second time.

**HON. J. C. MCISAAC (Minister of Municipal Affairs) moved second reading of Bill No. 69, An Act to amend the Municipal Employees' Superannuation Act.**

He said: Mr. Speaker, this bill is the Municipal Employees' Superannuation Act. There are very few amendments here, they have all been requested by the Municipal Employees' Superannuation Board. Although the act is under my direction and control, the government generally speaking goes along with the proposal and the changes suggested by the board. The Secretary of this board, and, shall we say, the general caretaker of the plan for years has been a long-time employee of the Department of Municipal Affairs, Mr. Rod McLean, has studied these and recommends all of them to us.

There are a few provisions which, perhaps, could be mentioned. There is provision made under the proposed act that the plan will be integrated with the new Canada Pension Plan. In other words the five per cent contribution made pursuant to the act will be reduced by the amount of contribution that is required to be made to the federal plan. In other words, there is "integration" of this plan with the Canada Pension Plan rather than stacking or decking, or rather than a third proposal put forward by the hon. member opposite.

There is one amendment here which will take away the

restriction that presently exists on the amount of money which an employee may contribute to the pension plan by way of excess contributions. This provision will now provide that he can contribute as much as he wishes, although the amount, of course, that he can claim as deductible will be governed by the federal tax act. This is similar to a provision in the Teachers' Superannuation Act. Section 7 is an amendment which will permit people to retire and receive their pension at an age earlier than the normal age 65, the retirement age which is provided in this act.

There are a few other provisions, Mr. Speaker, but I believe that none of them are controversial and can, perhaps, best be discussed in committee. Accordingly, I beg leave of the assembly to move second reading of this bill.

**Mr. W. A. Robbins (Saskatoon City):** — Mr. Speaker, I just wanted to make one or two comments. The minister has mentioned the fact that integration with the Canada Pension Plan is proposed; he also mentioned the fact that the choice was made between decking or integration. He also mentioned the third alternative, but I wonder whether or not the persons concerned actually took cognizance of the third alternative. Whether or not this was discussed before the bill was drawn, I would say that I agree with the change in the bill permitting people to make voluntary contributions over and above those permitted previously. I also agree with the provision in the bill with effect to earlier retirement tied to age 65.

However, Mr. Speaker, I appreciate the opportunity of making a brief comment on the bill and I will ask a goodly number of questions in third reading in relation to the other alternative which I hope at least they had an opportunity of looking at.

Motion agreed to and bill read the second time.

**HON. D. G. STEUART (Minister of Health)** moved second reading of Bill No. 70, **An Act respecting the Education of Nurses.**

He said: Mr. Speaker, this bill is concerned entirely with the education of nurses in the province. For some time my department and other interested groups in particular the Saskatchewan Registered Nurses Association, have been concerned about the adequacy of the total program for the education of nurses in this province. Early last summer officials of this association and I agreed that a full inquiry into all aspects of this program should be made.

Consequently, last July we assembled an ad hoc committee on nursing education chaired by Mr. Justice W. A. Tucker of Saskatoon. The members of the committee represented the Saskatchewan Registered Nurses Association, the Saskatchewan Hospital Association, the College of Physicians and Surgeons, the Catholic Hospital Conference, the University of Saskatchewan, the Department of Health and the Department of Education.

As all members know we have continually been faced with a shortage of qualified nurses in this province. This is a problem of many years' standing, a problem that becomes more and more urgent. We must resolve the short supply of well-trained nurses and nurse educators, and we must ensure that they are utilized in the best possible manner in the important work that we entrust to them.

We believe that the best way to examine these questions is through an independent committee, a committee made up to represent



many of the groups vitally interested in these problems. Therefore, we asked the committee to study the nursing education system we presently have in Saskatchewan; we asked them to determine our needs for nurses, by type, quantity and quality. We asked them to consider whether the present system would be able to meet these needs. We asked them to consider how best to use the human and physical resources there are now, and which will be available in the future. We asked them to consider costs, to examine the process of standard setting and of inspections that are enforced. They were to recommend which agency could best discharge these functions and what definitions of authority and responsibility would be needed. They were also asked to provide a means of establishing a good formal relationship between the agency responsible and other groups interested in nurse education. You will appreciate, Mr. Speaker, that inquiry into all these matters constitutes a most difficult and time-consuming task, and it has just not been possible for the committee to complete its inquiry. But the committee has reached certain conclusions respecting the agency best suited to assume responsibility for nurse education and has furnished us with an interim report containing recommendations in this regard. The contents of this bill are based almost entirely upon the provisions of this report.

Mr. Speaker, I would like very briefly to outline the work of this committee leading to its interim report. The committee received and considered briefs from 26 organizations. The committee also had lengthy discussions with officials of the Saskatchewan Registered Nurses Association and consulted other interested organizations. In addition it studied a great deal of useful material assembled by its assigned staff.

The committee's initial interest was concentrated on the education of nurses in the present setting, that is, by schools of nursing operated by hospitals. They agreed with a nearly unanimous opinion of those submitting briefs that the time had come for the education of nurses to be the responsibility of an agency whose prime concern is education and that the government should assume basic financial responsibility for such education. Mr. Speaker, inherent here is the premise, the plan of education, which would separate nursing education from service in hospitals. This was supported by the Saskatchewan Registered Nurses Association who also recommended that nursing education should be disassociated from hospitals except for clinical experience. The Saskatchewan Nurses Association went on to say:

Our Association advocates that administration of the schools should be separate from the hospital and be performed by a division of the Department of Education.

The reason of the Saskatchewan Hospital Association was also very definite. They stated that the Saskatchewan Hospital Association is convinced that the existing nurse-education school system does not adequately meet the need at the present time. Subsequently, later in their report they stated in general terms that the apprenticeship system of education is outdated in all fields and is not adequate to produce highly qualified nurses required in today's society.

Therefore, the committee concluded that under these circumstances the agency logically responsible for the education of nurses should be the Provincial Department of Education and recommended that legislation be enacted enabling the department to assume this responsibility.

The committee also recommended that a Board of Nursing Education be established which could advise the Minister of Education in carrying out his administration of the education of nurses. Mr. Speaker, this is essentially the basis for the contents of this bill.

The committee recommended a widely-based representation to constitute the board. We have largely followed their recommendations and are providing in the bill that the board would be constituted as follows: six members appointed by the Saskatchewan Registered Nurses Association; one member appointed by the College of Physicians and Surgeons; one member appointed by the Saskatchewan Hospital Association; one member by the Catholic Hospital Conference; one member by the Board of Governors of the University of Saskatchewan; an employee of the Department of Education appointed by the minister; an employee of the Department of Public Health appointed by the minister; one member at large appointed by the Minister of Education.

Mr. Speaker, the bill provides for the board to advise the Minister of Education in respect to:

1. The policies relating to the organizational structure of the programs for the education of nurses in Saskatchewan
2. The curricula of schools and institutions operated in Saskatchewan for the education of nurses.
3. The standards to be established and maintained by schools and institutions in Saskatchewan for the education of nurses.
4. Any other matters referred to the board for consideration by the minister.

The board will also annually evaluate the state of nursing education in Saskatchewan and furnish the minister with a report of that evaluation. Section II of the bill provides that the boards may also make recommendations to the minister: (a) for the study of problems relating to the education of nurses in Saskatchewan and for the employment of consultants and other professional and technical personnel to assist the board in carrying out its duties under this act; (b) concerning the education and training of ancillary nursing personnel; and (c) concerning any other matter deemed by the board to be likely to improve the effectiveness of nursing education in Saskatchewan.

We have been most impressed with the thoroughness with which the committee has been conducting its enquiry. The committee is continuing its investigation at this time in its various other assignments. It is my hope that their enquiries will be completed in the near future in order that we may proceed with the reorganization of nursing education in all its phases. It is obvious, Mr. Speaker, that a good many more details have to be worked out before the changes implicit in this bill can be made effective. Many difficulties and problems will be encountered, but I am positive that with everyone striving towards the same goal, we can achieve for our province a system of nursing education that will satisfactorily meet our needs for the future, not only in terms of numbers of nurses, but with respect to quality of nursing services themselves. Nurses in the past have been a highly dedicated group and I believe that the aspirations of our young people interested in nursing in the future will be fully realized through the implementation of the new plan of nursing education

provided for by this bill and I beg leave of the assembly to move second reading of this bill.

**Mr. H. D. Link (Saskatoon City):** — Mr. Speaker, I propose to be very brief. I have read the bill; I have listened to the Minister of Public Health with great interest. Many of the things I see in this bill I think are very desirable. I would only hope, Mr. Speaker, that it will not be just a case of window dressing; that actually something will be done. I think it is desirable that it should be done. At the moment I see nothing in particular that my colleague and I could not probably agree with in principle. Anything further that we might have to say on it we will do in committee.

**Mr. M. P. Pederson (Arm River):** — Mr. Speaker, I only want to make a very brief comment. I want to say at the outset how delighted I am to see this bill before the house because I have been of the opinion for some time, an opinion incidentally which is borne out by the so-called Tucker Report, that the education of our nurses has long since fallen behind the times. I have heard complaints over the last several years in particular of the very difficult position in which young trainees find themselves in being allotted sufficient time to study many of the new techniques of nursing and the new techniques of medicine. But I am a bit concerned about another general area, Mr. Speaker, and I would hope that the board, that the minister is referring to, would take it as a portion of their duty to phase out this program, or develop this new program rather slowly. I am concerned about the fact that many of our hospitals could, if there was too rapid a transition, be left without any reasonable staff to carry out the duties that are now being carried out by nurse trainees. I would hope that some provision will be made in the members of this board to make this possible. I certainly approve of the bill and will support it in all its aspects.

**Mr. W. G. Davies (Moose Jaw City):** — Mr. Speaker, I think the time was when most of us remember the training of nurses consisted of the trainee being engaged in a great many tasks in the hospital which had nothing very much to do with actual nursing education. I know that this and a number of other matters pertaining to curricula, modern methods of nursing, the greater degree of responsibility that nurses must take today because of the infinitely greater complexity of medicine and like factors require a closer study. During the last three or four years there have been discussions towards the sort of steps that the minister has indicated in this bill. The need for a study and the need for a review of the present methods have been in very many people's minds, including professions other than the nursing profession. I was wondering, Mr. Speaker, and perhaps the minister might enlighten me on this when I sit down this afternoon, before this matter is put to vote—what happens with respect to the training of psychiatric nurses in this study? As a matter of fact, I wondered why a representative of the Psychiatric Nurses Association had not been included on the board. There are a large number of people in the nursing profession that are engaged in rendering the psychiatric services and it would seem to me that, for a great number of purposes, including, of course, liaison, and to achieve as great as possible a measure of agreement, such a step might be considered by the minister in this bill.

There may be reasons why the board is constituted only as it is stated here. But it seems to me that there is some good reason

to think about changing the membership of the board in the manner I have suggested.

Another suggestion I would like to make while I am on my feet this afternoon has to do with the number of people who want to get into the nursing profession. It seems to me, and I have watched this pretty closely, particularly over the last ten years, that we lose a great number of nurses every year because, of course, they are mostly young ladies and many enter into matrimony. Many of these do not get back into nursing. Some of the re-enter the profession in later years after their family starts to grow up. But there are also a number of women whose families are at that stage who are approaching or in the middle-age group who are psychologically very good at dealing with people in hospitals and who have a great deal of personal experience, not only in family matters, but in attending to the needs of people generally.

They have, however, academic deficiencies that do not permit them to enter nursing training and I have felt for several years that we might concentrate on some special up-dating, up-grading courses that would give to people of this type the academic attainment that would enable them to enter the profession. It seems there are quite large numbers of women who are available, but who are not able to take training because they have not for reasons of which we are all aware, been able in their earlier years to gain the academic attainment which is absolutely necessary to enter the nursing profession.

It seems to me that we might thereby gain a greater measure of stability insofar as turnover of nursing forces is concerned in this province and particularly with respect to the psychiatric nurse. I think perhaps we would gain something. It is a very gruelling thing, you know, for young psychiatric nurses to stay in that particular field of endeavor. This is a particularly hard kind of work. The older women have also, I believe, somewhat more experience in life and in dealing with people that make her tenure of employment long term. The main point I make here, of course, is that we would be more likely to retain such a person in the nursing force than we would some younger people who quite often never enter it again after they enter the ranks of matrimony. I make this suggestion supplementary to the first, Mr. Speaker. I would like to hear comments on the question I have raised about psychiatric nurses' representation on the board. With that I think I can leave this for second reading. We can take up these and similar matters that will certainly arise in committee.

**Mr. Steuart:** — Well, I will just answer the question, Mr. Speaker. The hon. member raised the question why some member of the Psychiatric Nursing Association was not placed on that board. The studying is continuing as to whether there will be any suggested changes at this time, into the education of psychiatric nurses, whether it will be included with the general changes that are recommended here. Possibly if and when they are included, then this addition would be made to the board. It wasn't recommended at this time and I think it is something to go into fully when we get into the clause by clause discussion of the bill.

Motion agreed to and bill read the second time.

Hon. D. G. Steuart (Minister of Health): moved second reading of Bill No. 74 — **An Act to raise Revenue for Hospital and to provide**

**for the levying of a Tax in Areas presently not contributing toward the support of a hospital.**

He said: Mr. Speaker, this bill provides for a provincial tax to be levied in areas presently not supporting a hospital by way of taxation. This matter was discussed last summer with various municipal and hospital officials and I obtained their general concurrence for my proposition that all areas of the province should support the position of hospital facilities. The committee composed of representatives from the Municipal and Hospital Associations as well as the government, was established to make recommendations with respect to the implementation of this proposal and this bill has incorporated their recommendations. The bill contains the following provisions:

- (1) The expression "municipality" is defined broadly to include all areas of the province under which taxes are levied for municipal or local purposes.
- (2) Each municipality affected is required to levy the tax on behalf of the province.
- (3) The act does not apply to municipalities or portions thereof already required to support a hospital by way of taxation.

Each municipality will be notified on or before the 1st day of March of each year of the amount required to be raised in that year by the levy of the tax. This amount will be equivalent to two mills on the dollar of the equalized assessment of the municipality for the preceding year. Each municipality affected will levy a tax each year on behalf of the province at a rate sufficient to enable it to pay the required amount to the Provincial Treasury by the 31st day of December in that year. Tax revenue when received by the Provincial Treasurer will become part of the consolidated fund. Prior to the first day of April of each year all tax revenues received by the province in the preceding year will be distributed among hospitals in the province. Payment made by the province to each hospital will be in accordance with a formula prescribed by the regulations that will be based upon the utilization of the hospital by the residents of the municipalities and the Local Improvement Districts in which the hospital tax will be levied. The total annual revenue to be realized by the proposed levy will be approximately \$400,000 at a two mill rate. The first levy will be made in 1966. Provision is made for some degree of public representation on the board of the hospital as a condition of the hospital receiving payment under the act. Provision is made for authorizing a municipality to make long-term grants to a hospital. Authority in this regard is not adequately contained in existing municipal legislation.

Mr. Speaker, this bill not only provides for the financial support of hospitals to be provided on a more equitable basis but it will have the effect of giving more revenue to our hospitals. For these reasons this legislation will represent a most practical and beneficial addition to the laws of this province and I strongly urge all members in this assembly to support this act. I beg leave of the assembly to move second reading of this bill.

**Some Hon. Members:** — Hear, Hear!

**Mr. R. A. Walker (Hanley):** — This might affect my constituency to a very large extent

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and I want to have something to say about it. Unless the government wants to get it passed today I would very much like to be able to adjourn until another day so I can say something about it.

**Mr. Steuart:** — There is no urgency today but if we are to hope to have this act passed so that the municipalities can make provisions for this coming year I hope it wouldn't be late.

**Mr. Walker:** — I wouldn't detain the house, Mr. Speaker, any length of time on an adjournment.

Debate adjourned.

### **ADJOURNED DEBATES**

The assembly resumed the adjourned debate on the proposed motion of Hon. D. G. Steuart (Minister of Health) for second reading of Bill No. 42, **An Act to amend the Union Hospital Act.**

**Mr. W. G. Davies (Moose Jaw City):** — Mr. Speaker, I believe I am correct in saying that Bill No. 42 is complementary to the bill on which the member from Hanley (Mr. Walker) has just adjourned debate. As I take it these bills will be in committee or before us at least around the same time. That is proper because each bill as I have said really complements the other.

As I understand it, Mr. Speaker, Bill 42 is designed to alter the makeup and the membership of Union Hospital Districts and their boards. It was the first of the two bills that were introduced. The responsibility for hospital operation and financing that is contained in the Revenue Bill will be dealt with in this bill so far as representation on hospital boards is concerned. I understand too that this responsibility is to extend to the private hospital institutions across the province. If I have misconstrued this bill in any way I would like the minister to correct me. I believe it is fair to say that the Union Hospital Act is a fairly devious piece of legislation and certainly it has a lot of "isms" and "ums" in it that need explaining. But in any case, as I have understood it, the old act provides that where a Union Hospital District includes a city in its district each municipality and each LID in the area in that hospital region is to be represented on the board in the manner and to the extent determined by the Minister of Public Health. The sections in the present act enable the minister to prescribe or determine representation at the time the Union Hospital District is first established. By this bill I understand that the minister will have powers to make changes at his discretion from time to time, whereas, before, the powers resided only at the time the district was formed. It would also seem that the Union Hospital Boards already organized or to be organized may be given the authority to make financial grants to private hospitals for any purpose.

The present Union Hospital Boards would by agreement with the private hospital participate in the management of private hospitals and make grants if this were considered desirable. As I understand it this could be done by the bill that we have before us. Also from what I can see the bill changes the act so that a corporation is now entitled to vote on Union Hospital matters. The act as it is at this time authorizes a resident burgess to vote but a corporation is entitled to vote on a municipal bylaw only by special provision provided in each municipal act. So,

legally at this time a corporation can't vote on a Union Hospital poll.

This will be changed by Bill 42, and a corporation will vote on the same basis as on municipal bylaws. The corporation in the sense that it is used in this bill, Mr. Speaker, means any church or other religious organization that is not exempt from taxation. I would think that the reason for this is because the administrations of private hospitals are going to be called on to include in their administrative setup representations from municipal bodies that will be making a contribution to the running of hospitals; that is, the now exempt municipalities that don't make contributions and that are not members of Union Hospital Districts.

Mr. Speaker, as I see the changes, they would not only provide that grants may be made by Union Hospital Boards to another private hospital but they would enable the public hospital board to enter into an agreement with another hospital. This would include a private hospital with respect to the provision of certain facilities. If I might give an example, I suppose this could mean that the Holy Family Hospital of Prince Albert might, by agreement with the City Hospital, undertake to look after the children for both hospitals. There would be some financial and some administrative setup that would expedite this agreement.

The new arrangements contemplated in the bill apparently also make it possible to build additions or extensions to existing hospital buildings to undertake the establishment of related facilities. These as I conceive it include the purchase of property to supply hospital facilities of one kind or another. The important point seems to be that a vote would be required for the provision of facilities and the addition to buildings and grants only in the case where there is an issuance of debentures. As I read the bill, if debentures were not required, grants could be made and expenditures could be authorized by the board itself. I think the problem that the government is attempting to solve by the introduction of this bill is fairly easily seen. I am not sure about whether the means that they have suggested are by any means wholly effective for the purposes contemplated. Nor am I completely sure that they have suggested in the bill means that will somehow achieve its intentions in other respects. However, we will be taking it clause by clause in committee and the answers to the questions that I have in my mind may very well emerge. For the moment I can say that the members on this side of the house would not want to oppose the bill on this reading. But we will want and we will require a great deal of clarification as to the meaning of some of the sections.

Mr. Speaker, to me the paramount consideration of the house must be at all times that where there are public institutions or public hospitals, and where there are to be considered additional measures to help the privately controlled hospital institutions the principle must be that a substantial or adequate measure of public control is present. It has to be adequate wherever the question of public expenditure funds is concerned. Provided the public has its entire opportunity to exercise option or choice on all major matters that pertain to the institutions and finances, then the principle I just briefly touched upon may be satisfied. However, as I have intimated we want to see this principle is followed and observed in fact.

Bill 42, Mr. Speaker, also deals with the rights of boards to make bylaws, rules and regulations not inconsistent with this

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act as it deems necessary for the holding and conduct of a meeting of a board and for the conduct of affairs of the board. I think this pretty well follows exactly the language of the amendment. Now, the situation is, Mr. Speaker, that rules and regulations of Hospital Boards are subject to the approval of the Minister of Public Health. Again I am not at all sure whether the amendment that I have just mentioned would free hospital boards from having to go to the minister for the approval of certain of their regulations, or affairs that are governed by their bylaws. If this is the case to any marked degree it is a departure from the present practice and one that I would personally want to look at very closely in committee.

Debate adjourned

The assembly resumed the adjourned debate on the proposed motion of Mr. MacLennan for second reading of Bill No. 50, **An Act to amend The Liquor Act.**

**Mr. Davies:** — I just want to say a word about this bill. I realize the demand there is for outlets and understand that administration of liquor laws is not easy. There is to my mind all the more reason why, as other members have suggested, that public control of liquor sales is not relaxed to the point where harm is done. Some of the problems that emerge with respect to liquor consumption are mentioned in the February 26th, 1966, issue of the Moose Jaw Times Herald. The headline says "Liquor Prosecutions Skyrocket This Year", and I am just going to refer to a couple of paragraphs.

Prosecutions in Magistrates Courts under the Saskatchewan Liquor Act between January 1st and February 18th of this year almost tripled over the same period in 1965. Statistics kept by the Moose Jaw City police show convictions under The Liquor Act in 1966 of 102 compared to 35 in 1965, and increase of 67.

and it goes on to say, Mr. Speaker:

The increase is seen under all sections of The Liquor Act. In fact, under some sections, there have been more convictions during the brief period this year than during the entire 12 months of 1964.

There is more, but I think these references will indicate the nature of what is being said.

My main purpose in rising is to say that as the profits, the provincial profits for liquor are increasing and as the government is contemplating a fairly considerable, even drastic increase in the number of outlets, it is surely the time to consider some more positive and additional assistance to the field of alcohol education. I feel that alcohol education is very much the same as driver education. If you look at the statistics you will find that those youngsters that have had driver training are involved in only half of the violations that those who haven't had driver training courses are involved in. It seems to me that if people get a more intelligent appreciation about the abuse, and yes, the dangers of alcohol, we would have fewer violations than are shown in the report in the daily paper in my constituency.

We all well know that prohibition or restriction is no answer to the problem. But it seems to me that we have not in considering



an additional number of outlets given corresponding attention to the need for an augmented campaign of the most positive and the most modern variety in the field of alcohol education. I believe this is my main reservation and my chief concern as we consider this bill.

I would like to ask the hon. Provincial Treasurer to do much more this year in helping those agencies that are concerned in the field of Alcohol Education, and if possible, consider some new programs that would result in an improvement of the kind of situation that I have referred to very briefly. I am sure this is the case everywhere in the province and doesn't apply only to Moose Jaw. It is indicative of the general problem. I say we cannot consider more outlets without considering at the same time some positive action in education for the use of alcohol.

**Mr. T. Weatherald (Cannington):** — Mr. Speaker, I would just like to say one or two words on this matter because I think that the opposition is trying to paint people on this side of the house with the image that we are for the indiscriminate sale of liquor and liquor profits. This, of course, Mr. Speaker, couldn't be further from the truth. This policy I have no hesitancy in supporting. I have noticed on the other side of the house that only members from the large centres have spoken against this bill — the member for Swift Current (Mr. Wood). The attitude that they have put forth is one which suggests that as soon as you open a store, everybody in that part of the country becomes an alcoholic. I suggest, Mr. Speaker, that there is no evidence that consumption has increased when a new outlet has opened. The consumption where liquor stores are opened remains very close to that in the areas where liquor stores are not opened. However, Mr. Speaker, people who live 30 or 40 miles from a liquor store attempt by practically any means to obtain liquor, through milk truck trips, train, by anything that you could name.

This, Mr. Speaker, brings up the core of what I think is the problem. At the last election we promised to decentralize many government services. This is still a burning issue because it is well known the Socialist party has for years been a great strong advocate of centralization of many services. The smaller towns in this province, of course, rebel against this, and rightly so. So, Mr. Speaker, I suggest that in this program we are equalizing the opportunities of the citizens of this province, that we are, in fact, carrying out our program of decentralization, the program which in the past the hon. members opposite have not been very good at putting into effect.

Mr. Speaker, I think that this is well accepted by the people in the small towns that are receiving these outlets, by the voters, and I find no reason not to support it.

**Some Hon. Members:** — Hear, Hear!

**Mr. W. Robbins (Saskatoon City):** — Mr. Speaker, I rise to oppose the principle of this bill, despite the remarks of the member for Cannington (Mr. Weatherald). I feel that he would agree with me that liquor is a problem. It is a problem in our society, and even people who use liquor will admit that this is so.

Now, I don't think we take any prudish approach in relation to liquor, it is here and will be with us, but nevertheless I think we should look cogently at the facts in relation to the

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distribution of liquor.

I think it is fair to say that liquor is a factor in traffic accidents, broken homes, deserted wives and children, and associated problems. I think this is a fair statement. But my criticism of the bill is basically that when you permit a private vendor to distribute liquor he almost automatically has a motivation to increase sales. It is part of his livelihood, and, therefore, of necessity, perhaps, he has a motivation to increase his sales.

The argument was put up by the member for Cannington (Mr. Weatherald) that some people had to go 30 or 40 miles. They wished this service and they had to go this distance to get it. Then why doesn't the government open a liquor store closer to them, even if it doesn't make money. After all, there are large overall profits in liquor. It is quite evident in the estimates. The Provincial Treasurer when he made a remark with respect to the Budget Debate and instead of saying \$19,000,000 in estimated liquor revenue for 1966-67, said \$91,000,000. Perhaps he was just looking into the future.

I contend that with government control of liquor sales, the people working in those stores have no real motivation to increase sales and that this is a vital point that we should not fail to consider. Quite frankly, I dislike saying that the government has a wrong motivation here but I have a feeling that they are not so much interested in control as they are interested in revenue, because this does lead to increased sales in all probability, and because of this fact the increased revenues will flow to the Provincial Treasury.

Mr. Speaker, the Provincial Treasurer referred to me as the Shakespeare of Saskatoon, so I might as well promote the accolade and I would like to conclude my few remarks with a poem. I might mention this is written as if it were the government speaking:

Last year we established new vendors of booze,  
To bring in the cash, just how could we lose,  
The blacksmith, the barber, the jeweller, the lender,  
May 'liberally' now become a booze vendor.  
This year we'll amend it,  
The reasons are clear,  
We want increased sales of gin, rum and beer.  
We now have too few,  
We need more than twenty,  
Let's jam through the bill  
And increase it by plenty.  
Twenty's too few, to make service nifty  
We'll widen the number, we'll increase it to fifty.  
Our theory is axiomatic  
We simply expound  
That revenues skyrocket when private vendors abound.

**Some Hon. Members:** — Hear, Hear!

**Hon. W. Ross Thatcher (Premier):** — I would like to say a word about this bill. I thought some of the remarks made by the member for Cannington (Mr. Weatherald) were very pertinent. Because it is significant in this debate that the only people on the opposition side who have yet spoken are from city ridings, Moose Jaw, Swift Current, Saskatoon, and I see the hon. member for Regina West (Mrs. Cooper) ready to get on her feet. This legislation has been designed for one purpose—to give the people of rural Saskatchewan, the same kind of

service as the cities today enjoy. Why should any farmer in this province be forced to ride a hundred miles in order to get a bottle of liquor? It simply isn't economical to put government stores in villages of 100, or 200, or 400 people, it just can't be done. But it is economic to establish an outlet. My hon. friends say it is dangerous to have these people running stores for profit.

Mr. Speaker, these stores operated on a margin of 10 per cent gross. Show me another merchant in the province of Saskatchewan that is trying to operate on a 10 per cent margin. Great care has been taken . . .

**Mr. R. A. Walker (Hanley):** — Would the minister permit a question? Do the expenses include the cost of inventory or is the inventory laid in on a consignment basis.

**Mr. Thatcher:** — The agent must pay for the inventory before he receives it, in cash. His money is tied up, and he receives only 10 per cent out of which he must pay salary, rent, and everything else. Now these stores were tried in Manitoba some years ago. Before we introduced the scheme here, our inspectors went to Manitoba. They found that the outlets had worked very well. As a matter of fact, today in Manitoba all liquor is distributed through outlets of this kind, except in the major city areas. I can tell the house that it will be the intention of this government in villages of 100, 200, 300 people, where they have liquor stores, to close those stores and replace them with outlets. Because we think it possible to give the same service with an outlet that is being given with one of the public stores.

Now, one hon. member, I forget which one, said that we shouldn't be letting private enterprise people have the privilege of issuing banquet permits. Again, this is done for one reason, not for any motive of profit but rather so that the farmers and the rural areas will have the same privileges as the city areas. Why should a city, or why should a rural person, have to write into Regina or one of the city points in order to get a banquet permit? This measure will simply facilitate the rural people getting another privilege which is today enjoyed by the city people.

May I tell you, as the minister in charge of the Liquor Commission, that I would think there are few towns of any size in Saskatchewan, that have not asked us to be included as a point where one of these outlets should be located. Before one is placed in a village or in a community there is a vote held. In every single case the vote has been absolutely overwhelming — perhaps 80 or 90 per cent in favor. I say again, it is all very well for these city members that have anywhere from one, or two, three or five stores, to oppose outlets. They may not be concerned about the fact that farmers and rural people have to drive 100 or more miles. However, this Liberal government is going to look after the people of rural Saskatchewan. We are going to see that they have the same privileges as far as liquor is concerned, as have urban people, no more, no less. When my hon. friends opposite say that this legislation is going to mean that there is more danger in driving, that there is more danger of accidents, that we are undermining our youth, I say nonsense. I join with the hon. member for Gravelbourg (Mr. Coderre) to say that such talk is nothing but hypocrisy to me.

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**Some Hon. Members:** — Hear, Hear!

**Mr. D. W. Michayluk (Redberry):** — Mr. Speaker, after listening to the Premier, I decided to rise and participate in this particular debate in respect to additional outlets for the sale of alcohol and alcohol beverages.

I want to refer to a statement made by the hon. member for Cannington (Mr. Weatherald). He stated that we are trying to label the government for indiscriminate sale of liquor. The Premier stated that the people have to travel 100 miles in some instances to purchase alcohol. Well, Sir, in my constituency, we have one additional outlet established a year ago in the town of Blaine Lake. It is correct, Mr. Speaker, that the people have expressed their opinion in respect to this facility by a franchise or local option. However, what decision did the local people have in selecting the vendor and in selecting the place or the premises where liquor or alcoholic beverages will be dispensed. I must say that I am not against an outlet for the town of Blaine Lake. There is a liquor store 23 miles on highway no. 40 at Hafford, another one in the town of Shellbrook which is some 40 miles away. Blaine Lake is on a good highway to Saskatoon, some 53 miles away, so that any resident in the town of Blaine Lake would have to travel, 23, 40 or 53 miles. But this is not the point at issue, Mr. Speaker. The point at issue is this, that a liquor outlet in the town of Blaine Lake is situated right on the main street across from the bank, next to a theatre, bordering a MacLeod's Hardware stores, across the street from a barber shop and located in a drug store. What happens is this, Mr. Speaker. Part of the building is a drug store, one other section of that building is divided for purposes of a liquor outlet. There are students coming in to this drug store to buy their text books, and magazines. What do they see? Absolutely, you are correct, Mr. Minister, they see the sale of liquor.

**An Hon. Member:** — Oh, terrible!

**Mr. Michayluk:** — What I want to imply is that the people of Blaine Lake did not have a choice in selecting the location. The Premier said that they are working on the basis of 10 per cent commission, gross. Well, the vendor in Blaine Lake owns the premises, after this — and I have been given the figures for Christmas and New Year sales and the figures quoted were for the month of December and early January sales as \$14,000.00 — \$1,400 a month commission for the town of Blaine Lake. I'm not deriding this particular outlet in the town of Blaine Lake. What I am protesting is its location.

**Hon. D. G. Steuart (Minister of Health):** — A boozing centre.

**Mr. Michayluk:** — Yes, it may be exactly what the Minister of Public Health (Mr. Steuart) has just stated, a boozing centre. Why couldn't the government have located this liquor vending outlet in the town of Blaine Lake at a place not so available to the young people who frequent a drug store.

**Mr. Thatcher:** — I will tell you if you wish. Because we put them in drug stores, wherever there is a drug store, that is where they are located.

**Mr. Michayluk:** — Well, let me finish, Mr. Premier, and then you will have your say.

We have some 85 liquor stores and the Premier gives the reason that they are going to take out liquor stores out of little communities that have a population of 100, 200, 300 and 400. What was the population of the town of Churchbridge? Where was it moved? The liquor store was moved to Langenburg, and you established one of these, according to the words used by the Minister of Public Health (Mr. Steuart), boozing centres, for an outlet. Why did you close the liquor store in Churchbridge?

Now I want to reinforce some of the statements that were made by the hon. member from Moose Jaw (Mr. Davies), the hon. member for Saskatoon (Mr. Robbins). You will recall, Mr. Speaker, that on Public Accounts I rose and I spoke on behalf of our young boys and girls. The Liquor Commission or the government allocates only \$16,000 to the Bureau of Alcoholism. The duties of this bureau is to educate our young generation in the evil effects of alcohol. The Premier mentioned in his Budget Address that they are anticipating \$19,000,000 revenue from the sale of alcohol.

**Mr. Robbins:** — He said \$91,000,000.

**Mr. Michayluk:** — Yes, he said \$91,000,000 but the figure he had in mind must have been \$19,000,000. Mr. Speaker, one-thousandth the portion of the last year's income from the sale of alcoholic beverages is allocated for informing our boys and girls of school age of the evil effects of alcohol. Mr. Speaker, I made mention that the Department of Education uses television to instruct our students in the schools of the province. To date I haven't seen one program that is devoted to show the evil effects of the use of alcohol. Mr. Speaker, the members of the government and the Premier on the other side know the evils of alcohol. We on this side know. I have spoken to vendors and by what they say, and particularly the one who has been given the axe, here is what he said: "It is those people who are least able to afford it, who spend money because liquor is available." I'll agree with the Premier, some people have to drive 50 miles to buy a bottle of whisky, but you make whisky available to people who have little control over drinking. It is made available to them in the liquor store every day. Many homes have been ruined, many families have been a burden to the Department of Social Welfare. Deserted wives, broken homes, crime, due to the fact that liquor was made available. The Premier says "Oh, of course, but people are indiscriminate". It is the same thing. You put an automobile in my yard and give me the key and ask me not to drive it. This is exactly the same, Sir, you are making liquor available to people where some of them would refrain from spending or buying it.

The Premier who is the minister in charge of the Liquor Board should permit communities to select places where liquor is to be sold. Leave the option of choice to the local community. What the government is presently doing is appointing their political supporters.

This is the case in Blaine Lake, Mr. Speaker, if the government wishes to make more liquor outlets available, suggestions have been given by some members on this side of the house, that you provide additional liquor stores. It may be that additional liquor stores may not make a profit. If you want to provide services to the people, provide them in a fashion which is respectful.

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Provide this facility over which there is public control through the government. Take them out of drug stores, take them out of drygoods stores, take them out of grocery stores, provide public places other than those I have mentioned.

I know that the people of the town of Blaine Lake are not happy, that this liquor outlet is in a drug store.

Mr. Speaker, I will not support this bill in its present form.

**Mr. I. H. MacDougall (Souris-Estevan):** — Mr. Speaker, we have been subjected to many irate and wild speeches in this legislature but I don't think I ever heard anything quite as hypocritical as I heard from the member for Redberry (Mr. Michayluk) who just sat down.

Now, if he doesn't want the liquor outlets in his community, I can tell him that we have several towns . . .

**Mr. E. I. Wood (Swift Current):** — Point of order, Mr. Speaker. I don't think "hypocritical" is a parliamentary term.

**Mr. MacDougall:** — Well, it was reasonably hypocritical . . .

**Mr. Speaker:** — Well, I didn't hear the comment. I don't know whether it was singular and personal or in general.

**An Hon. Member:** — It was singular.

**Mr. Speaker:** — Well, if it was singular, it is out of order.

**Mr. MacDougall:** — Mr. Speaker, if I have to withdraw it, if it wasn't hypocritical, what was it? I never heard such political balderdash in my life.

**Mr. W. S. Lloyd (Leader of the Opposition):** — On a point of order, Mr. Speaker, please, the hon. member has been asked to withdraw. Surely he cannot withdraw in that kind of equivocal way.

**Mr. Speaker:** — Well, I ask the hon. member if he made a specific charge of hypocrisy against the member that he will withdraw it.

**Mr. MacDougall:** — Well, yes, I did, Mr. Speaker, but I withdraw it. I have only one complaint about the bill that we have in front of us and that is that we are again opening up a bill which we opened up last year to create liquor outlets. I think that we should take the maximum ceiling off them because if there was anything that was needed in country, rural seats, it is outlets where people can buy their liquor at their own discretion. Now, I think that the speech that was just made by the member for Redberry (Mr. Michayluk) reminded me very much of the speech that was made by

the hon. member from Regina East (Mr. Baker) last year on Sunday Sports. He sort of pussyfooted around, etc., I would suggest if he doesn't want the liquor outlets in his constituency I have several towns begging for them in my constituency. They are prepared to go to a vote. Outlets are placed after a vote has been taken. As has been pointed out before in this debate, the members that have spoken are members from city seats who can go half a mile to one mile, to a mile and a half and get liquor. Limiting the minister to a mere 50 outlets is less than one outlet per rural constituency and I can see no reason why the people in my constituency should have to go any farther for their liquor than the people in the cities. For this reason, Mr. Speaker, I intend to support this bill, except that I would like to see an amendment made increasing the number of these outlets that are available so that every town in my constituency than wants an outlet can have one.

**Mrs. Marjorie Cooper (Regina West):** — Mr. Speaker, I couldn't disappoint the Premier when he suggested I was going to speak so perhaps I should say something on this matter.

I have listened to the arguments from members opposite and quite frankly I have not been impressed. The member for Cannington (Mr. Weatherald) was feeling quite badly that he thought people on this side of the house were painting their side of the house as people who were only interested in liquor profits and interested in increasing the sale of liquor. Well, I can assure them it wasn't people on this side of the house that painted them. They painted themselves with a brush and tarred themselves well by their actions all through.

Now, I don't think the member from Souris-Estevan (Mr. MacDougall) made any very cogent arguments. I noticed that he started out by saying "If ever there was anything needed in the country for country people, it's more liquor outlets". What a sense of values that shows!

**An Hon. Member:** — More whisky.

**Mrs. Cooper:** — He would have it all wide open. Now, I don't want to repeat many of the arguments that haven't been made on this side, and so ably made by my seat mate, but what I cannot understand from the members opposite is this; why all this solicitude to see that people in smaller places have this one article right at hand. Now, they have to go many miles; that is, people in smaller areas, have to go many miles, not just to the nearest town, for shoes or clothing, furniture, repairs, lumber, all sorts of things that they have to go many miles to get. But the government is terrifically concerned about this one item — liquor. They give special attention to this sort of thing. My understanding is that liquor is something that keeps and I think that most people in rural areas and on farms have refrigeration to keep the contents cool.

**An Hon. Member:** — So does the Premier.

**Mrs. Cooper:** — I didn't know.

**Some Hon. Members:** — Hear, Hear!

**Mrs. Cooper:** — I don't think they need to have any worry on this matter, I understand that you can get it by mail order or so I am told, I

think that this solicitude for this one item needs a lot of examination.

I would like to review in just a few words the record of this government when it comes to liquor outlets and liquor sales. Bit by bit, and this is serious, bit by bit this government is trying to remove the control from the Liquor Commission to political control under the hands of politicians subjecting themselves to all sorts of pressure. What have they done over these last two years? First of all, they permitted advertising which the previous government never did allow, longer hours in the stores, high pressure salesmen to come in, now fifty more, fifty commercial outlets. The member from Souris-Estevan (Mr. MacDougall) would have it a thousand if he could.

**Mr. MacDougall:** — As many as people want.

**Mrs. Cooper:** — Well, you are only concerned about what some people want. Does the government hope eventually — we would like to ask the hon. Premier this question — to turn all the sale of liquor over to private enterprise? Now, you say I'm from the city and close to sores. I am, but I am more concerned than for the people in the city, I am concerned for the people of the province. I take a look at the figures of the sales of liquor in this province last year. I am not going to take time by quoting them. I have them here. You know them as well as I do. Surely to goodness, we don't need to do anything to increase sales in this province. Now then, easy availability certainly does, and I don't think anyone can prove differently, increase consumption.

I remember hearing a lecture from a manager of a supermarket, a very interesting lecture. It was a lecture on salesmanship. He pointed out that if they were overstocked in goods, they placed them in a favorable place in the store and by directing traffic in certain ways past many counters that have very palatable things they could increase sales by at least one-third. And certainly this is going to be true that if you are going to open a lot more liquor outlets you will increase consumption. I do not believe that increasing consumption is good for the people at all.

So, you say profits are up. That's true, profits are up. Death and destruction on the highway are up too. Alcoholism is up. But at the same time as this government is doing everything it can to increase the sales of alcohol, the grant to the Alcohol Education Council which provides teachers to go out to the schools and try to give our children a little bit of alcohol education — and remember these teachers are qualified teachers, all graduates of the Yale School — the Minister of Education (Mr. Trapp) cuts the grant for alcohol education, not once, but twice.

Open everything up. Cut down on education. What can we think? Who is painting who? And this sort of thing, so that I say while profits may be up, the number of people in jails is up. Broken homes continue. Poverty and dependency result. And for all of these reasons I feel that the performance of the government in this area is a pretty sad one. A pretty sad one for the people of this province. I am quite sure, as the member from Souris-Estevan (Mr. MacDougall) says, that if one town gets an outlet the next town wants one because they feel they may be losing business. This is what is going to happen. The handwriting is on the wall. Profit is to be the big thing. Commercial outlets handle it. When government stores handle it there is no incentive to profit. I am afraid this is one very sad case where the



government is a friend to big business, to private enterprise, to the breweries, but certainly is no friend to the mothers and wives and children and the people of this province.

**Some Hon. Members:** — Hear, Hear!

**Mr. W. J. Berezowsky (Cumberland):** — Mr. Speaker, had the Premier not made the statement that members from rural communities were not speaking I would not have stood up. I do represent a rural community, not only of small farmers but also of people who live in far away settlements. I am very much perturbed by this legislation because, as it has been pointed out by other members, you are going to make more liquor available to people. There is no member in this house who will deny that liquor is a poison.

**An Hon. Member:** — . . . in your area, Bill.

**Mr. Berezowsky:** — Well, maybe you don't agree with that. We have become accustomed to drinking this poison but we know that it is not good for our communities. I have seen over the years where young people after buying beer, or liquor, find themselves in trouble of one kind or another. On highways they kill each other and this is not good for any country. I think it is regrettable that a government would increase outlets when those steps are not called for. I can say, Mr. Speaker, quite honestly, I have had not a single representation from any community for this kind of legislation. It is quite true that people, as I do, obtain liquor for festive seasons and we like to have a bottle of liquor or a bottle of wine because it is traditional. Although it is a poison, we have established a custom to treat each other in a ritual way. It may be out of the way to have to pick it up in Prince Albert. But I haven't found it bothering me very much if I didn't get it for Easter or Christmas just to accommodate our friends.

But this government is adding to drunkenness. They can't deny that. The revenues are going to go up. Maybe that's the reason. Maybe they want to please the producers of liquor but the fact to note is as David Grayson said "Drunkenness is not a mere matter of intoxicating liquors. It goes deeper, far deeper, drunkenness is the failure of a man to control his thoughts." This is what bothers me. I don't care if you have every store in the country dispensing liquor, but I am concerned with what it does to human beings, to the mind. Just as Grayson said, "It is the failure of man to control his thoughts" when affected by liquor. If you go into history you will find that where you had drunkenness there you had control by dictators over the people. As it was in the old country, my good friend knows, we hear it from our folks, the Establishment bribed the people with sausage and liquor to get support at the polls. Of course, after that the voters got the kind of laws that they deserved.

I think it is a tragedy, Mr. Speaker. I don't know what you can do about it. I think it's bad to vend liquor in drug stores. I know some of these drug stores. I know the one that was referred to by my colleague. It isn't a matter of revenue for this drug store because this proprietor does very well. He is a personal friend of mine. It isn't that at all. It is degrading these establishments if you do this. But if there is a demand from these communities for this kind of service — and I am sure there isn't yet — if the government is satisfied that there is, then leave it to the local councils to say where they want these liquor stores.

Or leave it to the local council to say whether they want them at all. I think that there should be some thought given to withdrawing this legislation at this time because I don't think it's in the interest of this province or to the people of this province.

**Mr. G. G. Leith (Elrose):** — Mr. Speaker, I remember the debate a year ago when I rose in my place, Mr. Speaker, to speak in favor of the addition of 20 new liquor outlets. I still support the principle and the act that now will give 30 more. I want to remind members opposite that much of their talk seems pretty empty when you consider that during the last five or six years of their administration, they almost doubled the number of liquor outlets that were in the province. I am not sure about the years but I think that the number of outlets went from 50 to 90 in the space of about four years.

I can't agree that adding additional opportunity breeds drunkenness. I think that this is a fallacious argument. I think that what some of the members seem to be suggesting is a return to the furtive hole in the corner period of prohibition when people who wanted to drink had to go to a blind pig. Now, this may be extreme and maybe they don't really want this. But the lady member from Regina West (Mrs. Cooper) has suggested again this year as well as last year that opportunity breeds drunkenness and the member from Cumberland (Mr. Berezowsky) has just said this as well. I can't disagree with him more. Opportunity doesn't breed drunkenness. Opportunity, used properly, is an opportunity to enlighten ourselves of the use of alcohol. The very fact that another outlet is open doesn't necessarily mean that consumption is going to go up.

Every year in the last 20 years consumption of alcohol and beer has gone up in Saskatchewan. Under the Liberal administration it has gone up. Under the CCF administration it went up as well. Saskatchewan is not unique. The consumption of alcohol has been going up steadily in North America and Europe since 1930 at least. There are facts to prove this. The lady member from Regina West (Mrs. Cooper) was on a legislative committee that investigated the effects and the possibility of opening and widening and liberalizing, if you can stand that word, the liquor laws. Her name is signed on the report that I read from last year and I urge all members opposite to read that report again. The Manitoba experience was reviewed. There was no fault found with the outlets in Manitoba. There was no inference that extra outlets in Manitoba created an insatiable desire for more alcohol. I think that the whole argument, of open-minded opposition members at least, revolves around the fact that they just can't stand to see any part of what they consider to be government business handled by anyone else.

Now, this argument was gone through last year. The fact that a member of the public, a druggist or a machine dealer, or a businessman, in a town can sell liquor does not mean that there is no government control. Their hours are regulated by the government. Their prices are regulated by the government. They cannot sell to minors just as the government stores are not supposed to sell to minors. But we do know that there are abuses in the system of selling alcohol. We do know that minors are getting it. Perhaps this is the area that we should be looking at. More rigid control of the young people who come in to buy. I feel that a druggist in, say the town of Elrose, has the same amount of control over minors buying liquor as the vendor in a city or in the town of Rosetown has. I can't go along with the argument that more outlets mean more consumption. I can refer you to the

experience in Europe or in England where it is customary and a natural thing for families to spend an evening in an inn. Their consumption of liquor and beer has gone up slowly but just the very fact of it being available does not necessarily mean that it is going to increase consumption.

For these reason, Mr. Speaker, I am going to support the amendment to the bill.

**Mr. A. E. Blakeney (Regina West):** — Mr. Speaker, I would like to add a few brief words on this bill. I find myself in agreement with many of the remarks of the member who just took his place. I believe, as I think many members of this house will believe, that the consumption of alcohol can be an evil and that the abuse of alcohol is an obvious evil in our society. By and large I think we would have a better society if we consumed less alcohol. But the question resolves itself into one of how to control consumption. Many take the view that restricting availability is a proper way to control consumption. With respect to people who are not able to make a judgment for themselves, I adopt that point of view entirely. Therefore, I agree with the member for Elrose (Mr. Leith) in thinking that if ways can be found of making it more difficult for very young people to have alcohol available to them, we ought to pursue these ways.

However, with respect to adults who must make their own decisions, good or bad in so many of the other areas of life, I am not at all sure that restricting availability is the sensible way to control consumption. This, however, doesn't quite dispose of the matter. If it be said that we will not thereby follow the route of prohibition or anything approaching prohibition and accordingly we will make outlets available, the next question that presents itself is whether or not the outlets should be public or private. I think that this is not a black and white problem. You can't argue that private outlets are necessarily bad. I do suggest that they are open to more abuses than public outlets and I have a very strong preference for public outlets. I don't think, with every deference to the member for Elrose (Mr. Leith), that this view of mine stems from any overriding preference for public over private business. I happen to think that in the field of liquor control, there is, and I think that many members opposite would agree with me, an area for public responsibility which is much more obvious than in other fields of endeavor because liquor is demonstrably something which when misused causes great social evil. Under those circumstances, the argument for public control is pretty sound and the person who is arguing for private vending control is pretty sound and the person who is arguing for private vending has got to make his case. For 30 or 40 years we have accepted the idea of public control. The person who is arguing for private vending has the onus on him to establish that this is the best way to do it. I rather think that the onus has not been discharged. Admittedly there may be communities which are simply too small to have an outlet. I doubt whether there are many. I am not at all convinced that private outlets are necessary in Saskatchewan. However, if I am wrong then I don't think that any irreparable harm will be done provided they are carefully controlled.

I move on then to two other areas of misgiving which I have. Firstly, the question of control. I am not entirely out of order when I suggest that the changes in the Liquor Licensing Commission last year made that commission much more subject to political influence than was previously the case. I deplore that. I deplore it very greatly. Wherever liquor has become an element

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in active party politics the results have been disastrous and one doesn't need to go outside of Canada to find instances of it. The results of this in the province of Quebec under Mr. Duplessis' regime were, I would say, disastrous and that is almost an understatement. Many similar instances could be mentioned in the United States. I am not suggesting that this is going to happen in Saskatchewan, but I am suggesting that we ought not to arrange our affairs so that it can happen.

The next area is the one of public education and public treatment. He who says that we ought to make liquor available to those adults who wish it, I think must say that the person who is reaping the benefit from that — in this case, the Saskatchewan taxpayer — has a very heavy responsibility to do everything he can to keep liquor from being abused. This means a much greater effort at alcohol education. Certainly I deplore the relative lack of emphasis of the government opposite on alcohol education. It means a much greater emphasis on the treatment of alcoholics and I deplore the lack of emphasis of the government opposite with respect to the Bureau on Alcoholism.

**Mr. D. Steuart:** — We're doing more than you did.

**Mr. Blakeney:** — Well, that may be but then again, a great deal more liquor is being sold and a great many more alcoholics are in evidence. The idea that you can sell liquor at 1967 rates and apply educational standards at 1960 rates, or treatment standards at 1960 rates, is just unsound reasoning. The facts are that when we move into an area, a time of increased alcoholic consumption, as we have in the last ten or fifteen years, the number of alcoholics is going to increase sharply. For many, many types of alcoholism it takes ten years to develop and the facts are that there are many more alcoholics in Saskatchewan now than there were five years ago — many more. And not because the government opposite is in or that because any other government was in but because we have been in a time of relatively high consumption of alcohol for a period of years. The facts are then that this means that there must be increased emphasis.

I am not here to belabour the government opposite on the grounds that they are not doing as much as they should. I am just inviting all members of this house to agree with me that we as a government, and I use the term now to encompass all members of the legislature, ought to be putting a special emphasis on alcohol education and on the Bureau on Alcoholism. I think that the Bureau on Alcoholism had hoped to open a referral centre in the Saskatoon. So far as I am aware this has not been accomplished as yet. Certainly we had hoped to expand the program of alcohol education in the schools. This has unfortunately been cut back. I feel that if we are to vote for this bill — and as I have said I have a strong preference for the public control but do not see in this bill all the evils which some of my colleagues do — I think we ought, at the same time, to resolve to put more emphasis on alcohol education and the treatment of alcoholics. I am not belaboring the government on this score. I simply want to make the point that if we are to travel the route of greater availability we have an obligation equally to travel the route of greater alcohol education and greater treatment for addicts.

I do not believe that I can support the bill in its present form and will be voting against it, not for some of the reasons that have been expressed but because I think that, on balance, the case has not been made out for the private vending of liquor in

Saskatchewan. I am not objecting to 20 or 50 new outlets. My objection now is expressed in terms of 20 or 50 new private outlets when I feel that they could be handled publicly. I think this is the case which the government must make if it invites public support and I think this is the case that it has not made, at least to my satisfaction.

**Mr. D. G. MacLennan (Last Mountain):** — Mr. Speaker, in listening to the remarks of the members opposite, one was reminded of the remarks made by the members opposite last year, so I thumbed through last year's debates and proceedings, doing this just verified that their remarks haven't really changed. Some of the members opposite express what I believe is very real and honest concern, others weren't quite as sincere. One member, in particular, in discussing it was very, very careless in many of his remarks. When we heard him insinuate that some of the points, that are now special vendors, in the province are not located in decent and respectable places, I take a great deal of exception to that insinuation. I take a great deal of exception to many of his other statements. In one statement he was complaining that the government is not allowing local people to determine who should be the vendor. He is asking that the Liquor Board relinquish this very legitimate control that they absolutely need to guarantee control and proper use of the sale of liquor in the province. Yet again, being inconsistent in almost all of his statements, he asked for the Liquor Board to allow local people to influence the decision on who will be the vendor. He also made the statement that local people should influence and have control over the decision on just where the store should be located.

He criticized the location of these stores. Well, I have been in many points in Saskatchewan that have had liquor stores, government liquor stores for quite some time. These Liquor Board stores that were located when the former government was in power were located in areas and locations in towns and villages much similar to the location of the special vendor. I recall a Liquor Board store in one small community in Saskatchewan that was located right in the same building as the hotel. To me, that is even more disgraceful or dangerous than anything the member opposite even suggested.

Now, again we know that liquor stores have been located beside theatres, beside cafes. He did not criticize the location of these stores, but he did that vendors be located in places available to the public. Again, his remarks were, I thought, very inconsistent with proper rationalization.

Now, regarding most of the fears expressed by members today, and those expressed last year, I believe our experience in the past year in having such vendors shows that these fears were unfounded. First of all it is with a great deal of satisfaction that I can look at the record of the people who have been appointed as special vendors. Before they were appointed, they were very carefully selected, their background, their personal character were checked. I know all considered were very outstanding individuals and in each and every case were recommended by persons who had been in contact with them. Not one single one of these individuals has made any abuse at all of the sale of liquor. No prosecutions have been levelled at any of these people; their record in the past year has been one of an outstanding nature.

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According to another remark made by one of the members opposite there is a danger, because it is a private store that these people will actually push the product and encourage people to go out of their way to buy liquor. This is not going on. There are people in each one of these towns that I am sure, if they ever became aware of an operator pushing the product, would make sure that the report would come into the Liquor Board and into the responsible offices. I am sure that the opposition would be aware of any incidents such as that.

So through out experience in the province, in the past year, we have been very satisfied in every area where the stores are located. I have personal knowledge of one of the stores that is located in my constituency. It has made a tremendous impact on the town where it is located by providing greater services. The owner improved the actual building that the drug store was located in. Now the drug store is a brand new building, a far superior building to what it was in before. This again is through the encouragement of the Liquor Board people.

So, Mr. Speaker, based on our experience of the past twelve months, it is with no hesitation that I beg leave of the assembly to move second reading of this bill.

**Some Hon. Members:** — Hear, Hear!

Motion agreed to and bill read the second time.

The assembly resumed the adjourned debate on the proposed motion of Mr. Thatcher for second reading of Bill No. 53, **An Act respecting Interprovincial Steel and Pipe Corporation Ltd.**

**Mr. A. E. Blakeney (Regina West):** — Mr. Speaker, I adjourned this debate the other day in order to have an opportunity to look at the remarks of the Provincial Treasurer with respect to this. At that time I said that the bill fell into two parts, one to confirm the existing guarantee of IPSCO bonds and the other to deal with certain options. I indicated that I had no quarrel whatever with the confirmation of the guarantee of the bonds and that I did want to say a word or two about the options.

The question which I would like to direct to the house for consideration is whether or not the government is being adequately compensated for the risk which it took in the course of assisting IPSCO to establish in Saskatchewan. Now, I admit, Mr. Speaker, that the prime compensation is the existence and health of this industry. At the same time, during the course of assisting this industry, the government obtained some very valuable options; it obtained an option on approximately 550,000 shares at \$5.14 a share, and it obtained an option on well over a million shares at \$2 a share. Mr. Speaker, the current market price of these shares is about \$6.25. Now, I am the first to admit that this market price would not survive wholesale exercise of the options. I am afraid that if the options were going to be exercised on a wholesale basis the market price would be severely shaken, but I think that the phenomenal record of success of this company indicates that the intrinsic worth of the shares of the company are, I would think, \$5 a share if held over an appreciable length of time.

I think this would be true even if the options were exercised to a fairly major extent. Thus, the government had a potential return on these options alone, over and above any other shares which

it held, of let's say \$3 a share which on a million shares is \$3,000,000. If you feel that this figure is large, it can be very considerably discounted and still be a large sum. You can cut it in half, or even cut it in a third and it is still \$1,000,000. The government has decided to give up all these options and in exchange take an option on 60,000 shares at \$5. Those options are probably worth \$1, so it is getting an asset worth maybe \$60,000 or maybe up to \$100,000. As I indicated the options it is giving up could have a gross value of in excess of \$3,000,000, and even if you discount that substantially they have a value of \$1,000,000.

I am first to admit that it probably would have been unfair and oppressive for the government to exercise all the options. As I indicated in my earlier remarks the most of them were taken for another purpose. On the other hand, the shareholders had an investment in this company which was virtually saved by the government's intervention. I don't think they should object, nor indeed could object, in any real sense to sharing the equity profits with the provincial taxpayers. Obviously they are going to say that they would like it for themselves, but they would be prepared to admit that the government shared the equity risk and ought to share in the equity profits. My remarks, then are simply to raise a question. My propositions depend upon the figures and I think that they can be more adequately pursued in Committee of the Whole. I do, however, want to raise the question with the government by way of notice that I will be inquiring into this in Committee of the Whole. I find this question mark in my mind. I do not find it a sufficient one to vote against the bill. I will be supporting the bill with this mental reservation.

**Some Hon. Members:** — Hear, Hear!

**Hon. W. Ross Thatcher (Premier):** — Mr. Speaker, I propose to answer the hon. member for the most part in committee. However, I would point out to him, as I am sure he knows very well, that most of these options could not be exercised unless the company got into default or into financial trouble. Certainly, that is true in connection with the 413,000 shares. The Attorney General's Department tells me flatly that this option could only be exercised by the province if the province became liable, and was called upon to implement the guarantee.

It is quite true that the province had also 1,211,000 shares with an option at \$2 a share. But once again this option was given not with any intention of ever using it, but rather to give the government control of the company so that IPSCO couldn't sell somewhere else. The provision was needed so that control could be exercised if IPSCO got into financial difficulties. At the time the company was experiencing its difficulties the government had maximum exposure, and it was felt that if the company should go bankrupt for defaulting a bond payment, the government should be in a position to acquire immediate control so they could minimize their exposure.

At the time of granting the options, attempts were made to sell the company. So as to prevent buyers from purchasing the assets and closing them down, the government was given the option so that they could prevent such moves thereby preserving this industry for the province. I quote the department again:

It was our understanding that these were the only reasons for granting this option and unless one of the

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reasons mentioned necessitated the exercise of the operation, it was never intended that this option would be exercised for the purpose of the government making a profit.

In the deal which has been recently consummated, the government still has control of the company. If IPSCO decides to sell its interests to some outside company, it must first give the government of Saskatchewan the option of purchasing the shares. That provision was included in order to protect us from some company buying IPSCO and then closing it up. I say again that it is only in the last several years, indeed I might go farther, and say it is only since the government changed that IPSCO is really making some profits which mean anything.

This particular act, Mr. Speaker, is designed to tidy up the financial aspects of this. The president of the company, who incidentally is new, told me that under the financial set-up which they had, they simply couldn't expand. This government has made it possible by this bill for the company to raise several million dollars on the market. As a result we are going to have 400 or 500 more people working in IPSCO. Now the company will mean something since the dead end of Socialism has been removed.

**Some Hon. Members:** — Hear, Hear!

**Mr. Thatcher:** — I do now beg leave of the assembly to move second reading of this bill.

Motion agreed to and bill read the second time.

On the motion of the Hon. Mr. Steuart, the assembly adjourned at 9:58 o'clock p.m.