

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Sixteenth Legislature
23rd Day

Monday, March 18, 1968

The Assembly met at 2:30 o'clock p.m.

On the Orders of the Day.

WELCOME TO STUDENTS

Mr. R. Heggie (Hanley): — Mr. Speaker, I beg. leave to introduce the grades three to eight classes of the school of the Dundurn Military Camp. These children are here under the guidance of their teacher and principal, Mr. John Schellenberg, and they are all the sons and daughters of the military personnel situated at the camp. I hope they have a nice time in Regina and visit the various places of interest. I can say in closing, Mr. Speaker, they are a very well behaved group; they were on the same day-liner coming down as I was and they behaved in a very fine manner. I wish them a safe journey home.

Some Hon. Members: — Hear, hear!

Hon. D. Boldt: (Rosthern) — I notice that the Hon. Member from Swift Current (Mr. Wood) isn't here so I would like to introduce a group of students from the Mennonite Swift Current Bible School that are here in the second row of the Speaker's gallery. They are a group of students that come from almost every part of Saskatchewan; they are all grade 12 graduates and are now taking further education. They are spending their day in Regina here, I am sure all Members would want me to welcome them. I hope that their stay here will be informative and educational. I wish them a safe journey home.

Some Hon. Members: — Hear, hear!

Mr. J.A. Pepper: (Weyburn) — Mr. Speaker, I would like to introduce to you and through you students that are situated in the east gallery. It is a group of the junior high school students from the Junior High in Weyburn. There are some 70 students here; they are accompanied here by their two teachers, Mr. MacIntosh and Mr. Nedelcov. Their bus drivers are Mr. Ashbey and Mr. Tate. This is just a portion of the grade eight students at the Junior High, I believe there are roughly 200 of them in this class. I am sure I am expressing the good wishes of all Members here when I say I hope their visit with us proves educational and profitable and very pleasant, and that their journey home continues in the same manner.

Some Hon. Members: — Hear, hear!

Mr. W.A. Forsyth: (Nutana South Saskatoon) — Mr. Speaker, I would like through you to welcome to this Legislature a group of students from George Vanier school in Saskatoon. They are here as a part of their school program and will be visiting other areas in Regina. I am sure we all wish them a very pleasant and educational stay and a very safe journey home.

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Some Hon. Members: — Hear, hear!

Mr. C.G. Willis: (Melfort-Tisdale) — Mr. Speaker, on behalf of my seatmate, the Member for Swift Current (Mr. Wood) I too want to welcome the group from Swift Current that are here today. I know the Member from Swift Current would have appreciated being here, but he is not only out of the House today; he is out of the province on account of a bereavement in his family. On his behalf I want to welcome the group from Swift Current here today and wish them the very best while they are in the city.

CONDOLENCES

Hon. W.R. Thatcher: (Premier) — I know that the House learned with profound regret the death of Mrs. Rose Davies, wife of the Member for Moose Jaw South over the week-end. I knew Mrs. Davies personally for many years, living as I did in Moose Jaw. She was a fine mother, a good wife, and an excellent citizen of the community. For that reason I would like to move a motion in a moment or so. The Leader of the Opposition (Mr. Lloyd) discussed with me earlier in the day the adjournment of the House tomorrow afternoon, so that Hon. Members could attend the funeral at St. Andrew's Church in Moose Jaw. We will have a motion later this day to provide for such adjournment. In place of sitting tomorrow afternoon, it has been agreed that the House will sit Wednesday evening.

I should like to move, seconded by the Hon. Leader of the Opposition (Mr. Lloyd) by leave of the Assembly:

That this Assembly learns with profound regret of the loss suffered by the Honorable Member for Moose Jaw South (Mr. Davies) by the death of his wife, and extends to him and to members of his family its sincerest condolences, praying that Divine Providence may comfort and sustain them in their bereavement.

HON. W.S. LLOYD: (Leader of the Opposition) — May I first of all express appreciation for the announcement by the Premier that the Legislature will adjourn tomorrow afternoon so as to make it possible for Members to attend the funeral. I want mainly, of course, to associate myself and those in my group with his comments with respect to Mrs. Davies, the wife of the Member for Moose Jaw South. Mrs. Davies was ill during most of the 1967 session. During the latter part of the session she was sent to the University of Saskatoon where very shortly afterwards an operation was performed. It is almost precisely a year ago since her operation. She has been in very poor health since that time. One can appreciate something of the additional difficulty under which our colleague, the Member from Moose Jaw South, has had to do his work since that time. As the Premier has said she was a person who was a good citizen, a good wife and a good mother. She was intensely interested in her husband's activities with the trade union movement and within the political movement, and in that respect was a great help to him.

Mr. and Mrs. Davies have a family of four, two of them are still at home. Both of the two older members of the family, one boy and one girl, are married and away from home. The boy is presently teaching in Northern Quebec. Fortunately he was

able to make arrangements to come home not so very long ago. The daughter, Barbara, who was married just last summer, is married to a young man who is on a scholarship in Great Britain. She has been able to return home within the last ten days to be with her father and her family at this time.

We want to associate ourselves in these expressions of sympathy and regret to our colleague who has been with many of us for a number of years in the Legislature.

Mr. G.T. Snyder: (Moose Jaw) — Mr. Speaker, I would like to express my personal appreciation for the consideration that the Government has given in extending the opportunity for Members to attend Mrs. Davies' funeral on Tuesday at 1:30. I know I speak for all of her many friends in Moose Jaw and friends in this Legislature who I am sure join me in saying that the community will be a poorer place because of her passing. I want to say again that it is sincerely appreciated that the Government has agreed to adjourn the House on Tuesday.

Motion agreed to.

Mr. Thatcher: — Mr. Speaker, I move, seconded by the Leader of the Opposition (Mr. Lloyd,) by leave of the Assembly:

That the Resolution just passed be communicated to the Honorable Member for Moose Jaw South (Mr. Davies) on behalf of this Assembly, by Mr. Speaker.

Motion agreed to.

MOTION

ADJOURNMENT OF HOUSE TUESDAY, MARCH 19, AND CONTINUATION WEDNESDAY NIGHT

Mr. Thatcher: — Mr. Speaker, I wonder if I could move, seconded by the Leader of the Opposition (Mr. Lloyd):

That notwithstanding Standing Order 2, this House shall, at its rising tonight, stand adjourned until 7:30 o'clock p.m., Tuesday, March 19, 1968, and that on Wednesday, March 20, 1968, Standing Order 5(2) be suspended so that the sitting of the Assembly may be continued from 7:30 o'clock p.m. until 10:00 o'clock p.m.

Mr. Lloyd: — Mr. Speaker, it is a question really. Since the time that we are losing is on Tuesday, do I take it that the order of business when we sit on Wednesday night will be the same as for, Tuesday?

Mr. Thatcher: — We were just speaking about that, Mr. Speaker, we are not sure whether this is possible or not. We will try and be fair on it; we will get together with Members on your side just as quickly as we can.

Mr. Lloyd: — Another point, Mr. Speaker, if I may rise again. It is rather important I think that we know when we rise tonight. We will be sitting tomorrow night of course. We can prepare

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for this?

Mr. Thatcher: — Yes.

Mr. F.A. Dewhurst: (Wadena) — A question on this, Mr. Speaker. Does this mean if this motion passes that the committees tomorrow morning are also suspended if the House arises tonight?

Mr. Thatcher: — No, the committees will be sitting in the morning; they can adjourn a little early if necessary. The funeral is at 1:30, ordinarily the committees would adjourn at 12, maybe we can do it at 11:30 by mutual consent if that is agreeable.

Mr. Dewhurst: — The motion makes no mention of it, but without checking the rules or anything, I was just wondering if Committees can meet when the House is adjourned. I haven't had time to think it through or check it all; that's why I was raising the question.

Mr. Thatcher: — We would hope that the committees could proceed in the morning as usual.

Mr. Dewhurst: — Further checks can be made and we'll know later today for sure.

Motion agreed to.

ADJOURNED DEBATES SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of the Hon. W. Ross Thatcher that Bill No. 31 — An Act to amend The Liquor Act (No. 1) be now read a second time.

Mr. A. Thibault: — Mr. Speaker, I am not going to have too much to say about this Bill, except that there are a few questions in my mind as to what the Government wants to do. It is a matter of closing more liquor stores and making way for these special outlets, or is it to accommodate more areas? I would like the question that was put on the Order Paper by the Member for Touchwood (Mr. Meakes), to be answered. Perhaps it would clarify matters a bit. I don't think we'd be able to ask the question of how much business a certain store did. It's on the Order for Return that we got, Question No. 155. Perhaps that would clarify some of the doubts in our minds.

Now I also want to point out that in the Estimates we have planned to receive an extra \$2.5 million from liquor. At the same time we should bear in mind that the amount that is being spent for the Safety Council and Bureau of Alcoholism is somewhere around a quarter of a million dollars. That seems to be a pretty small amount when we see the death rate on our highways. You go back to 1960, we had 164 deaths on our highways; in 1967 it has gone up to 287, an increase of 123 a year. The biggest upsurge came in 1966. I hope we are not getting ourselves in a position where we are pushing liquor. I am not

against having liquor outlets and plenty of them, but I think the country must also be ready at the same time to meet the problem that it presents. A fair amount of driver education and breathalyzer demonstrations would be very good throughout the country. We should have a committee of the Legislature to study the problem of driver education such as we had a few years ago, a continuous study, to bring before the House: the problems on our highways. Perhaps this is a bit out of order, but it relates to the amount of liquor that we are putting out, because it is quite clear that one of our biggest problems on our highways today is the consumption of liquor. So if we are going to have an extra \$2.5 million this year from liquor profits, I think a quarter of a million dollars is a pretty small amount to put into driver safety and so on.

Mr. Steuart: — Mr. Speaker, on a point of order, he is not relating to this Bill.

Mr. Thibault: — Well, it is relating to the Bill. If I'm out of order, Mr. Speaker, I'm not quite clear, I think he called me out of order. I don't intend to say much, but I want you to find out how I feel towards adding more liquor outlets, and I think that is sticking pretty well to the Bill. Now, a lot could be said about who gets those liquor outlets. We know very well that they have been handed to special political friends. You may say it's not true, but I think that you should consider the small hotels out in the country who are not doing too good a business. By installing a special liquor outlet in another part of the village it makes it even harder for the small hotel-keeper. They already have facilities to sell liquor and I think in a lot of cases that you should consider giving it to some of these small hotels rather than a drug store. In a lot of places the drug store is doing very well, and if there is a hospital and a doctor in the area he has no trouble there to make a living. I would look at this area also. As I said a moment ago as far as I am concerned, the ones I have seen in the past are pretty well handed out to political friends.

Mr. Steuart: — Not since, you've been defeated . . .

Mr. Thibault: — That's fine, if you want to do it that way. But consider the small hotel-keeper regardless of his politics. In my constituency we don't look at politics too much and that's the way we want you to judge it. I haven't been defeated, you've been trying hard, but I am still here and I'll be here for another while yet.

With that, Mr. Speaker, I don't intend to say anymore. We should bear these things in mind when we are playing around with liquor outlets. A quarter of a million dollars to try and meet the consequences of liquor is peanuts and a lot more could be done. There is a heck of a lot more room for something to be done and you are able to do it. This is what I would like to see done with some of the money that comes out of liquor profits.

Some Hon. Members: — Hear, hear!

Mr. A. Matsalla: (Canora) — Mr. Speaker, I cannot help but agree with the comments made by my colleague, the Member from Kinistino (Mr. Thibault)

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with regard to the effect of the use of alcohol. Nevertheless this isn't the point that I wish to enlarge on. I want to enlarge on the point in connection with the installation of liquor outlets in a small community. I must say first of all that the installation of a liquor outlet in a small community does have an effect on the small community. I agree that this is a convenience to the people in the area of a small community and, therefore, it is something that adds to the services rendered in the small community.

We often speak of small communities fighting for existence, because we have noticed in the past number of years that the small communities are pretty well giving way to the larger urban areas. Therefore, I think it is important here that we do think in regard to the installations of the liquor outlets, and here I am referring to the small community hotel owner.

I think the hotel in a small community does provide a service to the community, lodging, meals, serving of refreshments, and I, therefore, think that the small community hotel should not be overlooked when these liquor outlets are being placed in the small community. We know — I have figures to prove it — that the business in the small community hotel is gradually becoming less and less. Now perhaps it doesn't refer to every small community hotel but it does refer to quite a number of them.

The operational costs are increasing and, of course, there are always renovations that are being insisted on. Now I would like to refer to one small community hotel in my constituency. The liquor outlet there was installed in August, 1966. I would like to particularly refer to wine sales. In 1965, that is the year prior to the installation of the liquor outlet, the wine sales in the hotel amounted to \$2,500 — this is in round figures — in 1966 they dropped to \$1,565, or let us say \$1,600 in round figures, a drop of about \$900. In 1967 sales dropped to \$1,460, say \$1,500, about the same. It also had an effect on the beer sales. I note here that the 1966 beer sales were very much the same as 1965. However, the 1967 sales have gone down by about \$8,000 in this particular hotel, this is the on-premises. The off-premises sales have gone down from \$23,600 in 1965 to \$20,000 in 1966, and then to \$17,000 in 1967. I think that this is quite significant, I believe here that the installation of this liquor outlet in the small community did have an effect on the revenue of this small hotel. I also want to point out that the room revenue from the hotel is really not too significant insofar as revenue goes. I'm going to give you some figures. In 1965 the room revenue was \$1,600; in 1966, \$1,700; in 1967, \$950. So you will notice here that this particular hotel certainly doesn't depend on room revenue; it's the beer and wine sales.

I think it's also important to note here the operational costs. These include the capital cost allowance. In 1965, this particular hotel had operational costs of over \$14,000; in 1966 they went down to \$12,000; and in 1967, \$11,000. I think there may have been a matter of repairs — hence the reason for the difference. In looking this over I would like to urge the Government to consider the matter of installing the liquor outlet in a hotel, if the liquor outlet is being installed in a particular community. I don't know why the hotels have been overlooked; perhaps there are some reasons that I cannot see, but I seem to think that a hotel is a good or even a better place to install a liquor outlet than say a grocery store.

With these few remarks, Mr. Speaker, I just want to say again that I ask the Government to give some consideration with regard to the small community hotel when they are deciding on installing liquor outlets.

Some Hon. Members: — Hear, hear!

Mr. F.A. Dewhurst: (Wadena) — Mr. Speaker, I would just like to add one or two words on this debate of this second reading. I notice here the answer to Question 155 which was tabled on March 15; that when these private outlets were being opened that way, a number of liquor board stores have been closed in different places, a total of 18. In 1964, there were only two that were closed; in 1965 there were four closed; in 1966 there were six closed; but in 1967 there weren't any closed until after the election was over. Then we find that in November there was one closed in 1967. Then in January this answer shows that from the beginning of January to the 17th of February there have been five closed in a matter of six weeks. It would appear to me from examining the answer to this question that these stores are being used for political purposes. Some places where they are closing the liquor board stores which existed before, I am of the opinion that they did for political purposes. The information that comes to me — it is pretty hard for us to get correct information, because it is pretty hard to get information from the Government on the operation of these stores — is that the store at Theodore was doing roughly a gross business of about \$90,000 a year, and the sales have been rising each year. The gross profit of the \$90,000 liquor sales was in the neighborhood of \$45,000. The salary for the employee in that liquor store was between \$5,500-\$6,000, the overhead another \$1,000, so it would leave in the neighborhood of \$38,000 profit for that store. Yet this store on January 6th was closed down and the private outlet is being established. The man who operated the store at Theodore — I don't know him personally — but from the information I have; was a veteran and a disabled man, a man that could do that type of work of running the liquor store, but he is not able to take on lots of types of tasks he isn't capable of doing on account of his disability. So I say that not only are these liquor outlets being put in the wrong places, but they are closing stores in such a manner to do harm to people who have to make a living-. If some of these stores were not operating in a proper manner, and if the vendor was not doing the proper job, then the Liquor Board could have checked up to see that their records and everything were in shape. But in any case where I have checked where they have been making closures of these Liquor Board Stores, I have heard no complaint of inefficiency or bad management on the part of the vendor in those Liquor Board Stores. I am not saying that there is no case of it, because I don't have the detailed information, but I do say that I think it's a crime to a veteran, a man who is disabled, and in a store making in the neighborhood of \$38,000-\$40,000 a year profit for the Province, that with little or no notification these stores are closed down and all kinds of people are put out of business. If for a good reason a store has to be closed down, in a case like that I think these people should have the first chance to operate the private outlet. When you travel around the province and see these private outlets, not only in drug stores, but in implement dealers' offices and so on, I think they can be used as a great boot-legging set up. I think much more care needs to be used in the operating of these private outlets, because I don't think the proper care or proper consideration is being given at the present time, and I think

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a number of stores are being closed which shouldn't be closed.

Some Hon. Members: — Hear, hear!

Mr. B.D. Gallagher: (Yorkton) — Mr. Speaker, I would like to say a word or two in reply to what the Member for Wadena said in respect to Theodore, and the closing down of the Theodore Liquor Store. I can well imagine where my friend from Wadena got his information. I can advise him that the person who gave him his information was one Alfred Engelhart, a CCF political heeler, that was given the job as a vendor in Theodore, because he was a friend of the former MLA from Yorkton, Mr. Neibrandt. The suggestion that this man has made that this disabled veteran was put out of a job is absolutely wrong. The store was closed, Mr. Engelhart went around the town of Theodore for about two weeks saying that it was a political reprisal, that the store was closed to get him out of the town of Theodore. The fact of the matter is this, Mr. Speaker. This man was offered three different jobs and turned them all down because he would rather live on social aid. He is a typical socialist, and I can tell you, Mr. Speaker, the vendor that was appointed in Theodore will do ten times as good a job as Mr. Engelhart did.

Some Hon. Members: — Hear, hear!

Hon. W.S. Lloyd: (Leader of the Opposition) — Mr. Speaker, I have only a brief comment, I'm not prepared to talk about any particular individual case. I do think, however, that the Member for Yorkton (Mr. Gallagher) who says somebody is a typical Socialist and would rather live on social aid is engaging in more than his usual exaggeration in talking about things which he doesn't know very much about. I think that kind of a statement, Mr. Speaker, is one which a Member would be much better for his own sake as well as everybody else's sake not to make. He ought to be thoroughly and completely ashamed of a statement like that, if he has any sense of responsibility at all.

Some Hon. Members: — Hear, hear!

Mr. Lloyd: — I don't know the man in question, but I'm saying a man who makes that kind of a generalization ought to be thoroughly and completely ashamed — It is disgusting to say the least.

I want to raise, however, some questions of principle on which I hope the Premier may comment when he closes the debate. As I recall the original intention of allowing certain private vendors a right to sell liquor, it was really to make it possible for persons in rural areas and in smaller communities to purchase their supplies as they wished, without travelling what might be considered excessive distances. I think all of us will admit that in those cases where the purchases are rather small, that this has been a convenience to some people. At the same time, I think it was understood at that time that it was preferable to have these sales through the publicly operated and controlled Liquor Board Stores, where it was possible for them to do so and to sort of make ends meet. I can recall, I believe, the Premier saying that Liquor Board Stores would be closed down only in those cases where they weren't economical. There were suggestions that this would be only in the smaller villages.

It was a question of extending outlets and consideration would be given to the economics of doing this through an ordinary Liquor Board Store. It was likely in towns of a fair size that the Liquor Board Store would be the device or the outlet chosen, rather than the private retailer.

It seems to me and here I admit, Mr. Speaker, I go only on assumption that this part of the policy has been over-looked a bit. Indeed it has been extended to the point where in some cases the operation of a Liquor Board Store probably would be justified economically. I would hope that the Premier — and I don't expect him to do it off-hand in closing the debate — at some appropriate time later on might be able to give us the information about the business done in many of these small stores which are being closed out. Then we and the public would be able to see perhaps more clearly where we are going. It could be done in Committee of the Whole or it could be done in Estimates or it could be done in answers to certain questions which are asked, I do want to make this point. All of us realize the problems connected with the sale and distribution of alcoholic beverages. I think most of us agree at least that it is preferable if this can be done through a public institution. The possibilities of control are better under those circumstances. I think nobody wants to depart from this too far. I do hope that the Government will be able to provide assurance to indicate to the Legislature and the public that it is not going beyond those desirable limits.

The only other question I want to raise is a question which has been raised with me in several instances. That is: what is the situation of the vendor in the store which has been closed? What are his rights? What are his opportunities to continue employment within the Liquor Board service?

Some Hon. Members: — Hear, hear!

Mr. E. Kramer: (The Battlefords) — I would also like to say a word or two about the possible advantages of hotel outlets, using the small town hotels, as opposed to the various outlets of any kind, not just drugstores, that are now being used. It is very difficult to find out what the criteria are for establishing when an outlet is going to be set up or when a store is going to be closed. It seems that it is very difficult to find what measuring stick is being used by the Government. Now it would seem to me to be logic, when you are already inspecting a hotel that is already under the surveillance of the Government as a beverage outlet, that it would be much easier to give these small town hotels the liquor outlets, and it would be much safer, first, because the vendor, a private enterprise vendor is working on commission and certainly has his eye on the ledger as to just how much he is going to make. The temptation to pick up an extra buck here and there is always there. This temptation certainly doesn't exist in a liquor store, vendors are there to serve the public, whether they buy one bottle, or two or six; and certainly the opportunity to sell to minors is not as evident in a liquor store and neither would it be in a hotel, because the only reason a person would go into a hotel would be either to consume beverages in that area or to buy bottled liquor. If a minor, he would be certainly a suspect, but you're opening up this area every Tom, Dick and Harry, as someone has said, from machine dealers, drugstores, storekeepers, anywhere a kid can be going in for a package of gum or he could be sneaking a crock out in his jeans, if that vendor decided that it might be a

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good idea to take a chance, and if he was not under too strict surveillance as could well be the case, when this type of outlet is being increased.

Mr. Speaker, I think the Government would be wise, in view of the rising increase in liquor consumption and as the Member for Kinistino (Mr. Thibault) said in view of the high increase in death rates and accidents which are known to be attributable largely due to consumption of liquor, certainly, we should be more careful in establishing outlets that can be kept under stricter surveillance without the temptation of the profit motive to the vendor in the smaller areas; Therefore, I would ask the Government to strongly consider that, if it is going to establish new outlets, it establish the outlet through the hotel facilities, as I believe it is safer there. As far as I am concerned I don't think it should be closing any liquor stores, if they are breaking even at all, or even if they are less than breaking even, because it is necessary to keep liquor in a safe area where it can be controlled.

Mr. F. Meakes: (Touchwood) — Mr. Speaker, I would have liked to, if it hadn't been for the Premier's remarks that he wanted to deal with this Bill today, to have had this stand for another day or so until I got the answer to my question. He intimated that he wanted to go ahead with it today. One of the reasons I asked the question was to see the figures for the Liquor Store at Kelliher which was closed November 28 last. The information that I have is that the store was doing a good business, that it was not losing money. In fact it was quite profitable, but after the election the announcement was made that there would no longer be a liquor store there and it was turned over to private hands. It certainly contradicts my friends' statements over there to say that it was not a political decision. I even understand that in Kelliher two men got into a disagreement, both of them were Liberals. One of them got a black eye over who was going to get it. I didn't see the black eye, but this is the information I have. I do wish that we could have seen the answers, that I could have seen the answer to my question before I had to vote on this, because to me what my Leader just said is true. If a store was losing money, then I would have to maybe go along with them, but the information I have is that it was doing good business.

Some Hon. Members: — Hear, hear!

Mr. W.J. Berezowsky: (Prince Albert East-Cumberland) — We've heard that before, but it makes me wonder why a community such as I have at Creighton doesn't have a Liquor store anymore. I understand that — these may not be correct figures — sales were \$60,000, but a private vendor couldn't make a living at it. I don't know, and I wish when the Premier gets up he tells us what commission is paid to these vendors. It seems to me from these kind of sales that the Government is trying to get away from paying wages and thus making more money by having liquor sold through private dealers. That's what it seems to me. I hope the Premier corrects me, I don't want to make a political issue of this. I do say that certainly communities such as Creighton, which have a great number of people in the hinterland who come into the community, should have a liquor store. I am sure that the Government will give some consideration to this if he can't find a private vendor. I am just wondering why a private vendor won't take on this job. Now there has been a suggestion that maybe it could be handled

through a hotel., As apparently the Government can't find anybody, maybe the hotel would handle it, maybe that's the answer. I really got up, to just pose one or two of those questions, if the Premier will tell us just how much are these people getting, what are the conditions of work, what commissions, what are they getting, why is it that some of them are closing out businesses? I don't think that it's all political; some of it is. I know of some and I want to back up some of the Members where I definitely that they are political appointments, but that is the responsibility of this Government. But certainly in Creighton they can't find anybody from their party to take over the store and it's not political there at all.

Some Hon. Members: — Hear, hear!

Mr. R.H. Wooff: (Turtleford) — Mr. Speaker, my greatest objection to the proposed legislation is that in sum total it means more outlets and more consumption. Only a few moments ago we passed legislation setting up a Commission dealing with alcoholism. It didn't matter whether it is accidents on our highways or whether it is any other tragedies that occur in our communities, liquor is all too often involved and the primary cause of much of the trouble that comes to us. Only in this morning's paper, I am sure some of you noticed that there had been a multiple slaying again, six people killed and three people wounded and the only reason was that this man had been drinking heavily. He was more or less blind drunk, not insane or anything of the kind. An extension of outlets, an extension of hours has always, at all times, and under all circumstances finally finished up with higher and higher consumption. This, Mr. Speaker, is my greatest objection to the present legislation. I ask, the Government to reconsider it. Don't let us get into a position where we simply are pushing liquor sales for profit.

Some Hon. Members: — Hear, hear!

Hon. W.R. Thatcher: (Premier) — Well, Mr. Speaker, I would prefer to answer most questions in detail when we get into Committee, However, there are a number of requests that have been made from Members that perhaps I could deal with briefly at this time.

First of all, I want to answer the Hon. Member from Wadena (Mr. Dewhurst). I don't think he was very fair when he said that these liquor outlets are designed by the Government to be used for purely political reasons. These liquor outlets were established originally for one main purpose, to give better service to rural areas, We felt that there was no reason why a farmer or a citizen of a small town should have to drive 40 or 50 miles if he wanted to make a purchase, when city people could drive a few blocks. Obviously at that time it was not feasible to open public stores all over the province, because they simply weren't economic. That is why we established these outlets. In doing so, we followed the procedure that had existed for quite a number of years in the Province of Manitoba.

I do not accept the proposition of the Hon. Member for Turtleford (Mr. Wooff), that more outlets mean that liquor consumption necessarily will go up. The figures don't bear that out. It is quite true that more liquor is purchased in the rural areas, but usually it is purchased at the expense of city stores. In other words, if they weren't getting it in these outlets, they would go to Regina or Saskatoon or somewhere else.

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When you look at the figures you find consumption is up a little bit in Saskatchewan, but very little. It is quite true that profits are up, mainly however because this Government has put substantial new taxes on the purchase of liquor, and so of course has the Federal Government.

The Hon. Leader of the Opposition (Mr. Lloyd) asked me to outline briefly the criteria that we are trying to use as we establish these outlets. Up to now we have assumed that any store which had a volume of \$100,000 or less would ultimately be replaced with an outlet. I would think likely this figure in the near future will go to about \$125,000. I think no store that is doing a volume of more than \$125,000 will be closed. But those that are doing less than that figure probably will be. We have closed, as Hon. Members know from a question which was asked the other day, about 18 stores in the past three or four years. I would expect that this year another seven or eight will be closed, mainly in towns and villages. But I can assure the Leader of the Opposition that in the larger centres where they are economic, we will continue to keep the public stores.

The Hon. Member for Prince Albert East-Cumberland asked me about Creighton. That is one place where we have had a problem. Creighton is right beside Flin Flon and this was one of the lowest-volume stores in the province. I think \$60,000 might be a correct estimate. So we did close the store, because our officials told us it was losing money. We opened an outlet. The outlet apparently wasn't as profitable as the individual had expected, and he decided he didn't want to continue it. Since that time we have been trying to find another gentleman who was interested in opening an outlet. I told the Hon. Member the other day that, if he had any recommendations to make to us, we will certainly put an outlet in Creighton. Unfortunately it just doesn't pay to have a store in that area.

Now the Hon. Member for Kinistino (Mr. Thibault) said that with all these profits, we should be spending more on the Alcoholic Bureau. Well I remind him that we are spending \$250,000 for that purpose this year. That is five times more than his own Government ever spent. Thus I think we are moving in that direction. Gradually we must spend more, I'll agree with him. I remind you that the Government has started a program, of driver education. I can tell you that within a few days the Attorney General (Mr. Heald) will be bringing in an Act, which will deal with drunken drivers in a very stringent way.

The Hon. Member for Wadena (Mr. Dewhurst) I think again was a bit unfair when he spoke about employees in these stores. I was assured by the head of the Liquor Commission the other day that there has been not one employee in one of these stores that have been closed, who has not been offered a job in one of the other stores. That is certainly Government policy. If this gentleman the Hon. Member mentioned hasn't got employment, it must have been because he turned it down. It is quite true he might have to move to Saskatoon or Regina where one of the other stores is. But the Union Agreement insists that these gentlemen have the right to take other employment and I can assure the Hon. Member that will be Government policy. I think it was the Hon. Member for Kinistino (Mr. Thibault) or the Hon. Member for The Battlefords (Mr. Kramer) — I'm not sure which — who asked the Government if we wouldn't look at hotels when we are choosing outlets.

It has been the policy of the Government in all cases, and

I think there are no exceptions, where first of all we go to the drugstore. There are a number of reasons for this that I won't go into but invariably we go initially to the druggist. Now there have been two or three occasions where the druggist would not take the outlet and in that case we go to some other store. But if the druggist is willing to take these outlets, that's where we try to place them. It was felt by the Liquor Commission that hotels already have a monopoly on beer and wine in the community. They felt that there would be better control if the outlet was placed in drugstores. I suppose we could debate that decision. Today there is nothing in the regulations to say that we can't put it in a hotel. I don't mind giving an undertaking that we'll take a look at the matter again, but for the present we don't propose to put these outlets in hotels.

I thought the Hon. Member for Wadena (Mr. Dewhurst) was a little rough too when he said that bootlegging could take place too easily in these outlets. Well if he knows of any bootlegging that's taking place, I suggest he should tell me as the Minister or the Attorney General and we'll certainly look into it. I suppose bootlegging even takes place when we have Government stores but that doesn't mean that we condone it. One of the Hon. Members asked us what the financial formula was for these outlets. On the first \$40,000 of liquor that is sold — and incidentally the agent must pay cash — the agent receives ten per cent commission. On all sales over that figure, he gets 5 percent commission. I might say that, while I cannot and don't propose to divulge the sales of individual stores, in a general way these outlets are not doing more than about \$50,000 volume. If Hon. Members have other questions in Committee, I will try to answer them and I will try to have the officials here at the same time. I only conclude by saying that I do not believe the fact that we are giving rural people these services means that we are necessarily increasing the consumption of liquor. I don't believe that at all, because, while we are increasing the sales through these outlets, we are decreasing correspondingly most of the sales which otherwise would have gone to city points.

Mr. A. Thibault: (Kinistino) — Mr. Speaker, would he be willing to give us figures of business that was done by the stores that have been closed?

Mr. Thatcher: — The stores that have been closed?

Mr. Thibault: — The ones that have been closed, the amount of business that they were doing. I'm sure that would clear up a lot of the controversy that . . .

Mr. Thatcher: — Yes, I should be willing to give you such information but I can't give it to you this afternoon.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion of the Hon. G.B. Grant, that Bill No. 3 — *An Act to amend The South Saskatchewan Hospital Centre Act* be now read a second time.

Mr. E. Whelan: (Regina North West) — Mr. Speaker, our approval for directors for this hospital should be given on second reading only after we have

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scrutinized with care the work of the directors to date, the future activities of the entire board and the directors' obligation not only to the Government, not only to the Minister, but to all Members of the House who are by their existence responsible to the people of Saskatchewan. The directors must by their appointment assume obligations to the entire province. To date. Mr, Speaker, the present directors have reported only once. The date and type of that report by its timing and content were most unfortunate. Mr. Speaker, for the benefit of future directors and on behalf. of my constituents, I wish to place on record my interpretation of the administration of the Saskatchewan Hospital Centre to date. While considering the matter of appointing two directors, I think it is an opportune time and most advisable that the directors should know how the people of the city of Regina and southern Saskatchewan, and particularly the Members on this side of the House, feel about the direction of the South Saskatchewan Hospital Centre. The following comments I would like to direct to new board members, but also to all board members of the South Saskatchewan Hospital Centre. Mr. Speaker, when the Minister of Public Health spoke. as reported in the Leander-Post June 10. 1965, talking about the base hospital for Regina, he said and I quote:

There is no doubt that a third hospital is needed and a construction start on a new hospital will be made within the next two years.

In addition, the same Minister in this House, earlier in 1965 indicated, as shown on page 506 of Hansard, that the base hospital construction would be undertaken. Two years from 1965 is 1967, the two years have come and gone and there is no base hospital. In 1966, \$400,000 was placed in Supplementary Estimates and I quote the Hon. Premier, Hansard, page 498:

For the detailed planning and design of a new multi-million dollar base hospital in Regina.

Mr. Speaker, in 1967 the amount for the base hospital was increased to \$750,000 and the Premier's speech in this House was greeted with the utmost enthusiasm by his colleagues. Only on one other occasion was there more desk-thumping, and that was when he announced the Heavy Water Plant. Two years from 1965, I repeat, was 1967. I want directors who are sitting on the board to take note of these facts. So we voted for the \$750,000 and we all voted with enthusiasm, although the wiser people said openly that it was only election bait and there would be no hospital start by 1967. Well the wiser people were right. It was election bait and there was no hospital start. To the hundreds of people in southern Saskatchewan seeking admission because of chronic conditions, the veterans who need medical attention, the mentally ill, to the people of Regina who supported Members opposite and believed that they would start a hospital in 1967, it was a cruel hoax and an unprecedented piece of political foolery. In 1967, we asked for the names of the architect who was going to build the building. We sought information in this House but we received no information. To those suffering anguish and in dire need of the facilities the hospital would provide, an attempt was made to quieten them by stating that a Board of Directors had been appointed and that an architect would be drawing plans. Although the Board of Directors had provided no information to this House. and although their activities have been shrouded in secrecy, and although they have been voted hundreds of thousands of dollars by the people of this

province, the only time they spoke up was five days before the election last year when the chairman of the board said that by November 1, 1967, there would be completion of soil tests and engineering.

Mr. Speaker, when this Minister closes the debate on second reading, I want to know the location of the property. It would be nice to know the legal description and the actual date the soil tests and engineering were completed as indicated on October 6, 1967. There was also a date, January 1, 1968, in this political release, for completion of studies to determine the amount of usable space in the allocation of specific programs that will be carried out within the hospital.

Well, Mr. Speaker, if rumors are right about the future of Wascana Hospital, with continuous statements being made by people allegedly in the know, that it will be phased out and used for office space, why isn't this study of usable space provided to quieten the fears of the general public? Mr. Speaker, with the Frazier Report being brought down and the complete irresponsibility of the Provincial Government under close scrutiny, and the need for special treatment in this field emphasized, why isn't the allocation of special programs being announced? We were supposed to have it by January 1, according to the chairman of the board. He told us this October 6, 1967, five days before the election. They said before the election that this would be done by January, 1968. January was two months ago. This is March. With the veterans anxious about accommodation for treatment, the veterans of both wars, why isn't the allocation of specific programs being announced.

Mr. Speaker, we have been voting these people huge sums of money. We have had speeches made about what they are going to do, but we don't even know who the directors are at the present time. We don't know the number of board meetings held. This state of affairs brings it clearly to me and particularly the release, the only report we have, five days before the election, that the chairman is more interested in politics than in medical care. When people have approached the Minister, or the former Minister, or the Premier, the answer has been: "Well, the CCF didn't build it." Some people even voted for the Liberals in the 1964 election on the basis that the Liberals would build it before another election. Well, they will know better another time. Some of those who voted are now chronically ill, they live in my neighbourhood, seeking admission to the base hospital, admission for operations that should have been performed months ago. They are suffering unheeded by the present Board of Directors. Elected in 1964, announced in 1965, construction to begin in 1967, March, 1968 the sod has not even been broken.

There is more to this. In this little announcement, five days before the election, the chairman of the Board of Directors said that by March, 1968, there would be completion of studies to utilize available space to the best advantage. If this announcement wasn't political, where is the study? Surely the Members of this House, who are going to be asked to vote money for the project, are entitled to this information. Let me read his political announcement five days before the election which said:

March, 1968 (this was one of the deadlines) completion of studies to utilize available space to the best advantage.

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Leader-Post, October 6, 1967. Mr. Speaker, five days before the election, the chairman of the Board of Directors was capable of setting out the planning, year after year, for construction of a Base Hospital. Even though we have voted more than \$1 million, and he is going to get more this year, and even though The South Saskatchewan Hospital Centre Act, Section 17, Part 1, says and I quote::

The Board shall make an annual report of its transaction to the Minister of Public Health in which shall be set forth in detail the revenues and expenditures for the year ending on the preceding 31st day of December and such other particulars as the Minister may require.

To date we have no report whatsoever. Mr. Speaker, even if the interpretation of the Act is that we should have received a report on the operations for 1966, it is clearly indicated by the fact that there is, no report whatsoever, that there has been no activity, that the Board of Directors either doesn't want us to know, isn't doing anything, or the Minister has a report and is refusing to give it to us. We seem to be worrying about money spent at the University. I think we are worrying more about who gets some of our money than what they do with it because, in this particular case, we are not even getting a report. If there is any activity whatsoever, this Legislature should have a report.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — In summary, either there has been no activity or else the board is refusing to report to us. What kind of provision will the Base Hospital make for the care of veterans? What kind of provisions will this board make for psychiatric care? For cancer patients?

The Regina Area Hospitals planning council was established, a grant was provided by the Government in February, 1967. The Minister of Public Health (Mr; Grant) said in this Legislature and I quote:

The Area Planning Council will play a very important role in co-ordinating the services to be provided by the three hospitals. One might properly refer to four hospitals, since the combined Geriatric Centre and Rehabilitation Centre represents some 300 beds which must be co-ordinated with other facilities in Regina.

Mr. Speaker, approximately one year later, January 30, 1968, the chairman of the Area Council suspended operations, and he said in his letter to all members of the Regina Area Hospitals Planning Council and I quote:

I speak for myself, and I think for all members of the Council, when I say we are keenly disappointed that the Hon. Minister of Health has found it impossible for his Department to continue to financially support the operations of the council.

The Provincial Government by withdrawing its financial support crossed up the Minister of Public Health, crossed up the Member for Regina South West (Mr. MacPherson) who is the chairman of the Area Council and crossed up all of the people of southern

Saskatchewan who are seeking a base hospital with proper facilities.

Mr. D.A. McPherson: (Regina South West) — On a point of order, Mr. Speaker, he's got the wrong McPherson, it's D.K. MacPherson who is chairman.

Mr. Whelan: — Mr. Speaker, in any case, they were crossed up, there's no question about that, the people who were working under them, there isn't a doubt in the world. Why was the support withdrawn? The Area Council could estimate the health needs and one of the recommendations was and I quote the chairman:

And after a great deal of study . . .

I guess it must have been the other MacPherson when you start reading the very intelligent things that he's saying, it is obvious.

. . . by the members of Council and its staff, the Council recommended that there should be a co-ordinated hospital plan for Regina hospitals including the new South Saskatchewan Hospital Centre because this would be the best way from which an unnecessary duplication of hospital, services could be avoided.

Without an Area Council will there be duplication? Will there be any study? Will there be any plans? People in southern Saskatchewan were alarmed when the Provincial Government withdrew its support. They have every right to be alarmed. For instance there is a strong rumor in the city of Regina at the present time that the Wascana Hospital will be phased out and the Base Hospital will take over the services, although a recommendation of the Area Council calls for a co-ordinated hospital plan for Regina. Would they have recommended this? Small hospitals are being closed, I'm talking, about Hodgeville. Small hospitals are being closed without any additional beds being provided in Regina City, although the plan to proceed with closing small hospitals is in full swing. Why, in view of the fact that extra beds have as yet been provided by construction of a base hospital? The Regina General Hospital thinks in terms of progressive patient-care plans and they plan to extend their activities in this area. A recently appointed director of the South Saskatchewan Base Hospital, according to a rumor in the medical profession, is opposed to the progressive patient-care plan. He says and he is quoted as saying: "It is of little use and the idea of no duplication of services will not be used." This would seem to point at a new base hospital policy at odds with the General Hospital, and I think the public is entitled to an explanation of these rumors, a definite statement of policy, a policy they were promised by a statement by the Chairman of the Board of Directors five days before the election. We were promised it by January, 1968. Mr. Speaker, if we are going to appoint two new directors to the Base Hospital Board, and we have no objection to appointing them, I don't care if they call the new base hospital the MacPherson Hospital, if they give us the new base hospital. I hope they will insist on giving the people of Regina and southern Saskatchewan information that they need. After all they are the people that are paying the shot. The directors should realize that they are not there in the interest of one group. They are appointed in the interest of the people of Saskatchewan, and

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all the people of Saskatchewan are entitled to know what is happening to their money. Those in this House who are voting their money will be in a better position to assess the expenditure if they are given reports regularly in detail, rather than once only and five days before an election.

During the election campaign mention was made about the position of our group on the hospital. We maintained that a hospital had been built and we have a Liberal version of that hospital as a matter of fact. I want to make sure that it understands the type of hospital we are talking about. There it is — it's just a bed sitting out in the middle of the field, that's the hospital that it has built. This is the one that I'm sure that it was talking about when it said that it had been built. Yes, it's in the Hon. Minister's of Public Health (Mr. Grant) constituency.

Now I've been quoted as saying that a hospital will never be built and we didn't actually say that, that isn't what we said. We said that there would be a hospital. We weren't very enthusiastic about it, I suggested there was some doubt as to when it would be built. I'm even suggesting now that there is doubt about who will build it, about the time and the date. We ran an ad, and I want to put it on the record because there has been some doubt as to what we actually said. And here is the ad and it says:

Gigantic giveaway, unbelievable prizes, all you do is find the 80,000 jobs promised. First prize, a guide through the Estevan Heavy Water Plant; second prize, a guided tour through the Iron Pellet Plant at Regina; third prize, a free flight on Saskair to Primrose Forest Products.

Now, Mr. Speaker, here is where I made mention of the Base Hospital and I want to make sure that Hon. Members opposite catch the reference to it. I said in the ad:

If you find yourself exhausted by the long and arduous search, we will supply you with a free bed in the new Regina Base Hospital.

And that offer still holds, Mr. Speaker. It was the only ad we ever ran about the Base Hospital, and I say its conscience is bothering it. I think it was a good contest that we were offering. The contention that I said that there would be no base hospital is grossly inaccurate. I think there will probably be a sod-turning ceremony just before the next election at the rate the Government is going.

Now, Mr. Speaker, may I sum up. (1) We are entitled to complete details from the Board of Directors. (2) The facilities that are going to be provided should be set out and the public should be advised. (3) The Board of Directors should understand that they are working for the people of Saskatchewan and do not represent a certain political party or any particular group. (4) 'After promising to build a hospital immediately, it is a cruel hoax for those who are in need of professional attention. The Government is still procrastinating four years later.

I say, Mr. Speaker, there is a desperate need for this hospital. A trip through the Regina General and a visit to a

patient who is in the hospital convinces anyone that modern facilities, not patched-up old ones, but new modern facilities are needed and the sooner the better. In 1964, people sick, and in anguish waiting desperately for beds said, "Well, the CCF never built the hospital and the Liberals will." These same people will tell you openly now that they really believe the CCF would have built the hospital by now. After all, they reason, the CCF said they would bring in hospitalization and they did. The CCF said they would bring in the ambulance plane and they did. The CCF said that they would bring in medicare and they did.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — They now say that the hospital would probably be operating, if the CCF had been elected in 1964.

Southern Saskatchewan has had a bad deal. Small hospitals have been closed. The Board of Directors should take careful note of this, particularly the two new directors; the Base Hospital has not been built, mental, health care has deteriorated; new and modern techniques and facilities in training are necessary to maintain health standards. The Minister can find someone who will take the plans for the Base Hospital out of the deep freeze, if he can find directors who can hear the anguished cries of citizens chronically ill waiting for hospital beds, I'm in favor of adding him to the Board of Directors. I'm certainly in favor of adding the directors, I cannot blame the present directors. I don't think it is fair to blame them and in my estimation you can't operate under the circumstances. You can't depend on statements and you won't have facilities just because the Premier says so. Experience has told us and the facts support this. And we may have to wait another election, and there may have to be a new Government before there is a Southern Saskatchewan Base Hospital. Some of those who threw up road blocks and did everything within their power to stop construction of the Base Hospital when we were the Government, now hold positions of influence in the Government opposite. This may have a great deal to do with future prospects for an early completion date of a base hospital.

Mr. Speaker, we will support the Bill.

Some Hon. Members: — Hear, hear!

Mr. A.E. Blakeney: (Regina Centre) — Mr. Speaker, I think that the Member for Regina North West (Mr. Whelan) has said many of the things which should be said about this. However, I can't help but feel that some further things ought to be said about the Base Hospital and that before we vote on this Bill, we should have a statement from the Minister as to how the present directors have progressed in their labors and what we may expect from two new directors. It seems to me that we should probably have two new directors having regard to the lack of progress with the board as it now exists. This Base Hospital is certainly not something which is a new idea. It has been one that has been thought of in Regina for some ten years or so. It took form when the Hospital Survey Committee recommended that a third hospital be built in Regina, rather than that Regina hospital facilities be concentrated only in the two existing general hospitals. And the Hospital Survey Committee recommended that the Government of the day engage consultants to immediately

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look into the question of a third hospital for Regina. Perhaps it would be better to say that the consultants were immediately to look into the question of the reorganization of hospital facilities in Regina so as to provide for the use of three hospitals rather than two. And when I say three hospitals I mean three general hospitals. There was, of course, no suggestion that the chronic hospital be phased out. Indeed, it was felt that that ought to be integrated into the whole hospital picture of Regina. And the consultants were engaged. Two internationally recognized consultants, Dr. G. Hartman and Dr. Harvey Agnew, were engaged and they prepared a report on the hospital situation in Regina. They recommended the construction of a third hospital and did a requirements study on that hospital.

The study was such that it could have been turned over to an architect and he could have, on the basis of the requirements study, drawn up architectural plans for the hospital. That was the stage that it was in in 1964. However, the Government decided — and I am not suggesting unwisely — that the matter be turned over to an Area Hospital Council so that the opinions and the views of the existing hospitals might be canvassed and so that the plans for the general hospital, the third general hospital, which was by this time named the South Saskatchewan Base Hospital, would be such as would be approved by all the existing hospitals and so that it might be proceeded with.

Mr. Speaker, in 1964 an Act was passed to provide for the appointment of the South Saskatchewan Base Hospital Board. And that Act is now up for amendment. Mr. Speaker, that Act gave to the Board appointed pursuant to that Act, powers to act, powers to do a large number of things, many powers, which so far as I am aware have not been exercised. I would think that it is high time that we had at least two new board members and perhaps more than two new board members, so that we could get on with the job of performing the tasks which were intended to be done when the South Saskatchewan Base Hospital Act was passed. What, Mr. Speaker, was this Board to do? It was to buy land. Mr. Speaker, has land been bought? There is no land owned by the South Saskatchewan Base Hospital. The Act created a corporation. The corporation is given power to own land, but four years later, Mr. Speaker, it owns no land. There are suggestions that a site has been chosen. If a site has been chosen, why hasn't the board acquired the land? It seems to me that we do in fact need some new Board members, to get on with the job of acquiring land.

Mr. Speaker, last year in this House, the Minister of Health (Mr. Grant) told us that there was an option on land. That proved to be false. There was no option on land. This year the Minister has said, as I understood him, that the South Saskatchewan Base Hospital had acquired land. This is not accurate. The proposed site which is given for the South Saskatchewan Base Hospital is not one which is owned by the hospital corporation. If my research is right — and I stand to be corrected on this and I hope that the Minister will correct this when he closes the debate — that land is still owned by the Wascana Centre Authority. It is still zoned for park land. Now if, Mr. Speaker, the Board of the South Saskatchewan Base Hospital has decided to go ahead, as we were led to believe by that Board a couple of months ago, it is high time that they acquired some land pursuant to powers which were given to the board in 1964.

Four years have elapsed. It's not too soon to think about

acquiring some land if the Government is going to build a hospital. Now we have heard an announcement that firms of architects, in Prince Albert and in Regina, have in fact been appointed. I am advised by the Member for Nutana Centre (Mr. Estey) that Kerr, Collingwood and Ritchies, with offices at Prince Albert are in fact based in Saskatoon. My apologies to the Member from Nutana Centre. It will be noted that they have apparently not heretofore had an office in Regina. But I don't quarrel about that. There is no need to be parochial about this. This is, or ought to be, a hospital for all of Southern Saskatchewan. All I want to say, Mr. Speaker, is that notwithstanding the fact that we are advised that architects have been appointed, we have had no report from this hospital board. Mr. Speaker, I have a number of other things I want to say so I ask you to call it 5:30.

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

Mr. Blakeney: — When we called it 5:30 I had indicated that I would be supporting the Bill before the House and I indicated that I would be supporting it, because I felt the Board of the South Saskatchewan Hospital needed some strengthening. Judging by its past performance something ought to be done to strengthen and activate the Board. I had pointed out that the authority for the Board had been on the Statute Books for approximately four years. The Board, itself, had been in business something between one and two years, if my recollection is right. I said that if indeed the Board was going to set out to build a hospital, there were one or two elementary points that it might consider. One of them is that it might need some land. And it hasn't got around to that point yet. Perhaps, indeed, it has given some thought to land and had someone else acquire it. But if in fact the Board which is an emanation of the Crown is going to need this land, I think it is not very creditable on the part of the Government to leave the land in the name of Wascana Centre, and thereby leave the cast of the carrying charges for this land to be borne partly by the University and partly by the city and partly by the Government, if in fact this land has already been selected for the hospital.

I had dealt briefly with the matter of architects and had indicated that apparently, if I can judge from news reports, an architect had been selected. I was dealing with the point raised by my colleague, the Member for Regina North West (Mr. Whelan) in saying that we would hope that the members appointed to the Board would be members who believed in advising the public about progress. And there are many things of which the public is concerned and legitimately concerned. They are concerned about where the University fits into this picture. They are concerned about whether or not the Board of Governors has been fully consulted and what their view of the matter is. They are concerned about the question of whether the Senate of the University has been consulted and whether the teaching programs, which we are advised, again indirectly, are going to be carried on in this hospital, have been approved by the Senate as required by The University Act. We are concerned about a number of things about which I would hope the Board would enlighten us. And as I say I hope that the new members added to the Board would be people who believed in taking the public into their confidence. Certainly one of the main areas which we would have expected the Board to make some progress, and concerning which progress we have heard nothing, is the area of financing. The Premier announced, as I recall, two years ago, that the hospital would

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be partly financed by funds from the Federal Government. We would like to know and we believe that the Board should tell us, and we hope that the new members will tell us, what progress has been made with respect to financing. Some time ago we caused some questions to be asked in the House of Commons as to whether or not the Government of Saskatchewan has approached the Federal Government for special assistance for the construction of the new Base Hospital in Regina. We were advised, and I hope that the Board will correct any errors that I make in this regard, that to the extent that the project appears on an initial list of projects making up the five-year program in Saskatchewan from the Health Resources Fund, a request has been made. Mr. Speaker, we regret that we find it easier to get information on this project by asking questions at Ottawa than by reading reports which should be tabled in this Legislature but aren't.

Hon. G.B. Grant: (Minister of Public Health) — Mr. Speaker, could I ask the Member to which report he is referring to?

Mr. Blakeney: — I am referring firstly, to the report of the South Saskatchewan Centre which should have been tabled. But if the Member for Regina South (Mr. Grant) takes the view that this ought not to have been tabled in the House, we would have welcomed an insert in the report of the Department of Public Health dealing with the matter. But to be eligible under the Health Resources Fund, the project has to be established for the purpose of teaching or research in the health field. We would hope that the new Board, a strengthened and augmented Board would get on with the job of devising a program for teaching and research in the field of health, so that we may be eligible for this grant. We are advised, again through the House of Commons, that the project has not been approved by the Health Resource Advisory Committee and I think that it is absolutely crucial that the project be approved by the Health Resources Advisory Committee. We would think that this ought to be very high on the list of projects for the strengthened and augmented Board. We would hope that the Minister when making selections to the Board, would keep in mind the need for having people who are aware of the need of getting the project approved so that we can get Federal funds.

It may well be that my information is old, is stale. It may well be that the Board has in fact taken steps, that the Minister will be able to advise us about. If so, I know that I for one, will very much welcome the information that he gives us when he closes the debate. We would like, Mr. Speaker, to see the new members to the Board be people in whom the Government would have confidence. We would like to think that the Government had more confidence in the new Board than they apparently have in the present Board. because we are aware that when funds were provided, ostensibly for this Board, last year, it was felt necessary to place in the Estimates a provision that the funds would not be in fact be paid over to the Board, but would be held by the Treasurer. Apparently this was done either because there was going to be no need for spending money or because the Treasurer felt that the Board was not competent to deal with the funds. Either of those assumptions is rather ominous if you are in favor of getting a hospital built in Regina.

We felt that last year, it was perhaps a little early to assume that funds would be paid over to this new hospital Board. But what are we to think, Mr. Speaker, when the fiscal planning of the Government set it in their Estimates for the year ending March 31, 1969, contains a similar provision which allows the Government to hold the payment of funds to the South Saskatchewan Hospital Centre in suspense until the funds are required. Now the Hospital Centre doesn't have access to funds from anybody else except from the Government of Saskatchewan, at least so far as I am aware. It appears that we are going to see plenty of activity, e.g., land bought, we are going to see planning go on, and yet, Mr. Speaker, apparently the Government opposite doesn't have sufficient confidence in the Board as it presently exists to provide for payment over to that Board of funds voted by this Legislature. And I would hope, Mr. Speaker, that the Minister in selecting his new members would find someone whom he apparently trusts to handle the funds authorized by the Legislature to be devoted to this project.

Now it may well be that I am uncharitable here, that in fact they do trust the Board to handle funds, but that the Board is in fact not going to do anything which requires these funds. That really is not a very promising picture, I would hope that the Minister would be able to find people who would be able to reject both of those positions; find people who would insist that this project go ahead . . .

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — . . . find people who would say that funds have to be turned over to the Hospital Centre; find people who would say that steps had to be taken and had to be taken before March 31, 1969, to acquire land; and perhaps to commission and pay architects and order materials, and certainly to hire some key staff.

Now, Mr. Speaker, I say these things because there is genuine misgiving in Regina about the progress of this Hospital Centre. And there is every reason for this misgiving. We have had, Mr. Speaker, as I have said before, the Act on the Statute Books for four years. We have had a comment from the Premier two years ago that this would not be a provincially financed hospital; and there was no other visible source of financing. We had a comment last year to the effect that it would be provincially financed and then we have had a provincial election.

Mr. Steuart: — And we won!

Mr. Blakeney: — That's right. One of the Members who won was the Hon. Member for Regina South West (Mr. McPherson).

Mr. Steuart: — He is building the hospital. After 20 years he is going to get some action.

Mr. Blakeney: — Well now! We are very amused at this comment and if in fact some action with respect to a Base Hospital emanates from the Member for Regina South West, it will be a very uncharacteristic pose for that Member.

Mr. Steuart: — Even if he doesn't do anything he did more than you

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did, but hide in the office. Tell us what you did about the Regina hospital.

Mr. Thatcher: — Besides talk, that is.

Mr. Blakeney: — It just happens, Mr. Speaker, that I have a little comment on it.

An Hon. Member: — It will be awful little! Tell us about all the rooms you opened when you were Minister of Health.

Mr. Blakeney: — Well, Mr. Speaker, I don't want to get led astray, but I can tell you this, Mr. Speaker,, during my short career as Minister of Public Health I opened more hospital beds in this province than those two men put together.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — There is no question about that. And I will count them up with any of them. Any time they want to get into the numbers game, I am there. Any time they want to get into the numbers game on how many hospital beds they opened in this province, I would be glad to get into the umbers game.

Mr. Steuart: — How many in Regina?

Mr. Blakeney: — Well, now! I didn't open any in Regina. I am perfectly prepared to accept that. I note that the Member for Nutana Centre (Mr. Estey) is not chortling in the way some other members are, because I had the pleasure of opening some 400 beds in his City and that's more beds than the Hon. Member for Prince Albert (Mr. Steuart) ever opened. And that's more beds than the Hon. Member for Regina South (Mr. Grant) ever opened. In total all across the province . . .

An Hon. Member: — . . . in Regina.

Mr. Blakeney: — That's right. Now with respect to Regina, Mr. Speaker, and I will return to Regina, the number of beds opened in Regina during the former Government and this one is very frequently misrepresented, is some 259 beds at the Regina General, 156 beds at the Grey Nuns and a further 11 beds at the Regina General and a further 298 beds at the Geriatric Centre, making a total of some 681 beds. I am aware that the Members opposite are very, very careless of that fact and they are always saying that no beds were opened in Regina. The 681 sloughed off as nothing, although it is twice as many beds as the Member for Prince Albert (Mr. Steuart) opened in his total career.

Mr. Steuart: — You couldn't open a jar of pickles in Regina in connection with the hospital. Not one.

Mr. Blakeney: — The reason why we are apprehensive, Mr. Speaker, about this Hospital Centre, particularly since the election of the Hon. Member for Regina South West (Mr. McPherson) is the

fact that he has been a relatively steadfast opponent of this project. It is simply no good for the Member for Lumsden (Mr. Heald) and the Member for Regina South (Mr. Grant) to impliedly represent that the Member for Regina South West (Mr. McPherson) has ever said in public that he was in favor of a South Saskatchewan Hospital Centre.

Hon. D.V. Heald: (Attorney General) — Why would anyone question his record of public service?

Mr. Blakeney: — No one is questioning his record of public service. All I am saying is that, with respect to a South Saskatchewan Hospital Centre, if he is in favor of it, he has kept back enthusiasm very, carefully shrouded.

I have here clippings wherein he makes very clear that he felt that the action of the previous Government in discontinuing the renovation project for the Regina General Hospital was reprehensible. Mr. Speaker, that project at the Regina General then involved an expenditure of some \$11 million and would now involve an expenditure of some \$15 million. I say to this House and I think that it will not be denied, that the Province of Saskatchewan cannot afford, or at least will not afford, a renovation project at the Regina General of \$15 million and the construction of a South Saskatchewan Base Hospital. These will not happen simultaneously. Accordingly it seems clear to me that those who are in favor of the large, the \$15 million, renovation project at the Regina General now, are opposed to the construction of a South Saskatchewan Base Hospital. And in that category, I place the Member for Regina South West. I am afraid that his views with, respect to this matter will influence the Board of the South Saskatchewan Hospital Centre. This is why I am supporting this Bill. I am supporting in the hope that the Member for Regina South, the Hon. Minister of Health (Mr. Grant) will find some people who are genuinely supporters of the project of the Centre. I would like to see him, and I believe that he supports the project, search around for men who do in fact support the project. I say that I believe that he is in favor of it, I am hoping that I am right in that. I am not encouraged as a matter of fact by the withdrawal of funds from the Area Planning Council. He has withdrawn funds from this and it is a pittance, \$30 or \$40,000 perhaps, which would have enabled the necessary planning to go ahead for the construction of a third hospital in Regina. As I understand the position of the Minister of Public Health (Mr. Grant) he had previously asked this Planning Council to go ahead and plan a South Saskatchewan Hospital Centre in combination with the two existing hospitals in Regina, so we would have what is known as an integrated complex.

This planning was by no means complete and we are now left in a state as far as I can see of great uncertainty. We no longer have a planning organism, I don't know of anything which has replaced the Area Planning Council in getting at the problems of hospital care for Regina. Now if this isn't a matter of real concern for the citizens of Regina, I don't know what is. I don't know how this problem is going to be met unless the Board of the South Saskatchewan Hospital Centre takes a very vigorous stand and begins actively planning, and not only actively planning but actively constructing, a South Saskatchewan Hospital Centre. This is why, Mr. Speaker, I hope the Minister finds men who will share my view and, I hope, his view and who

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will proceed with this project without further delay. I hope, for example, that he does not select a member who was previously a member of his staff when he was Minister of Industry and is now an alderman in this city, Alderman Mullin, who has consistently found reasons why this project should not be gone ahead with. As I read reports of his position he has consistently felt that the major renovation project at the Regina General should be gone ahead with. Again, I may misrepresent him and I hope that the Minister will correct me if I do. All I can say is that we are not now asserting that there should not be renovation projects at the Regina General. This is not the assertion. The assertion is that the big project, the \$10, \$11, or \$12 million or \$15 million project is financially incompatible with the construction of the South Saskatchewan Base Hospital, at least by the Government opposite. I can't imagine them proceeding with two major projects of that nature in Regina at one time. Therefore, Mr. Speaker, we need to find people who are willing to opt in favor of the South Saskatchewan Centre and these people may not be so easy to find.

I am not sure that the present Board represents a group of people who are completely dedicated to the idea of a South Saskatchewan Hospital Centre. Again, I may do them an injustice and I am not asserting that they are not so dedicated. I am just saying that the Board would be improved and strengthened by the addition of two or three people, and the Bill calls for two, who would be persons dedicated to the proposition that we need a Base Hospital in Regina and we need it as soon as it could be sensibly and reasonably built and we need to get on with the job now.

Mr. Speaker, I have made clear the reasons why I support this Bill. I could go into the past history of this project but I think, by and large, it is well known in the House. I, therefore, will not indicate or review in detail for the House, the history of the Base Hospital project and the need for urgent action. However, there should be general agreement that there is need for urgent action on the hospital situation in Regina. May I remind the Member for Regina South (Mr. Grant) and the Member for Prince Albert (Mr. Steuart) who are preening themselves on their exploits in the field of hospital care in Regina that the bed ratio per capita in Regina is now worse than it has been at any time since the 1930s. It is getting worse every day. And it is far worse that it ever was when I was Minister of Health. There are far fewer beds per capita now than was the case then. Notwithstanding the fact that the Members opposite tried to disguise this fact it is still true. Having said that and having indicated that the need for hospital beds is acute, I feel that this is best solved by proceeding with the South Saskatchewan Hospital project. I feel that in order that this project be proceeded with a vigorous board is necessary, I feel that the present Board has for reasons best known to itself or the Government opposite not proceeded as rapidly as it should have proceeded. I believe that a strengthening of the Board can do nothing but good.

Accordingly, Mr. Speaker, I will be supporting the Bill.

Some Hon. Members: — Hear, hear!

Hon. G.B. Grant: (Minister of Health) — Mr. Speaker, first of all I must say that never did such a small Bill have so much help from both the Members of

the Opposition from the Government side. I don't know whether I appreciate the Government's support or not on this occasion.

The Hon. Member from Regina Centre (Mr. Blakeney) accused me of doing a little preening. I wasn't aware that I was preening on my accomplishments as Minister of Health. I think he was doing a little bit himself. I must remind him that four years ago, in spite of all those beds that he built, there was some 400 on our waiting list for admission for the now-called Wascana Hospital. While I haven't had a figure in the last month. I believe the waiting list is in the neighbourhood of 5 or 30. So I think there has been some improvement and I hope he is not preening himself on the beds he claims credit for.

Mr. Blakeney: — Gets tougher . . .

Mr. Grant: — Well, we certainly looked after that waiting lists that we inherited from you.

Mr. Speaker, I think the Members of the Opposition have done a pretty good job of publicizing their points, I hope they have made their point. They have done it by stooping pretty low in a good many cases, using some facts that are completely unrealistic, and I will attempt to answer there to the best of my ability. This will be somewhat disjointed, in the same manner that the remarks of the Opposition were disjointed, because I'll have to follow the quick notes that I made and cover the various points that they touched on. I think, Mr. Speaker, that they have done an injustice to a group of citizens who have made themselves available as the Board of Directors of the South Saskatchewan Base Hospital. These gentlemen are acting with no remuneration — one of the few boards that we have in this category. They are men of integrity, ability and considerable standing in this community. I have complete confidence in them and I am sure the citizens of Regina have also.

Some Hon. Members: — Hear, hear!

Mr. Grant: — I think it is most uncalled for to cast any reflection on the abilities of these men or the seriousness of their intent. Every one of these gentlemen took this job on with the intention of building the Base Hospital and I will tell the Hon. Members across the way that they are getting ahead with it in a manner that I am proud of, and one that will produce a hospital that will not be two to three times beyond requirements, such as the psychiatric centres were up in Yorkton, well designed, pretty plush, but too numerous in number. It will be more effective and a better hospital than the University Hospital ever was. I hope they are not proud of that structure, We are going to have to spend more than the building originally cost to update it. It is a poorly laid-out hospital. They may have thought it was a good one at the time but in their haste they were certainly responsible for building a building that was soon out-dated. We are going to have foundations under this building when it is built; it's not going to be like their training school over in Moose Jaw.

Some Hon. Members: — Hear, hear!

Mr. Grant: — Also it will not be like the Foothills Hospital in

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Alberta, where in all haste they went ahead and built a hospital and had nobody in it for quite a number of years and no staff to staff the hospital. This is one of the most complicated structures to plan and design that this province has encountered for many years. It is necessary for the Board of Directors to keep in mind all the facilities and the services that must be rendered in a teaching service and research hospital. Criticism was levelled at us, because with their check in Ottawa they haven't been able to ascertain whether we have made an application for assistance under the Health Resources Fund. But they did admit that it is on the list. Let me tell you, Mr. Speaker, that's as far as it can go, until it reaches a certain stage of design when the application will be submitted with the design; and I can guarantee that we will meet the requirements of the Health Resources Fund.

Some Hon. Members: — Hear, hear!

Mr. Grant: — Now the Hon. Member from Regina Centre also said that the authority has been in existence for four years and the Board has been set up two years. Well, this shows how short his memory is. The Board was set up last spring. It took over on February 7th, I believe it was February 15th, the first report of that Board is due on or before March 31st, that is the only report that they are responsible for filing in this House and it will be filed before March 31st. Now I think it is most unfair to criticize my Department or the Board for not reporting. The Hon. Member from Regina North West (Mr. Whelan) emphasized this several times and made a great hue and cry and noise that the people are entitled to such a report. Certainly they are entitled to the report and they will get it right on time.

Some Hon. Members: — Hear, hear!

Mr. Grant: — I was pleased to find that the Hon. Member from Regina North West finally admitted that he was the one that drew up the ad that they had on the hospital bed in the field. I wonder who had contributed to this great piece of advertising, and he used the word "I" when he was describing that masterpiece.

An Hon. Member: — Henry said he got the hospital.

Mr. Grant: — He couldn't even keep his McPhersons straight. I think I would suggest that he use the same method the Kinsman Club used, a big Don and little Don, then he will know whom he is talking about. The Hon. Member from Regina Centre (Mr. Blakeney) wasn't sure whether Kerr, Cullingworth and Associates were from Prince Albert or Saskatoon. We advise him that they had an office in this city a year before they were appointed as architects in association with Ramsay and Ramsay. Yet he said that they never had an office in Regina and this is not correct. The architects, as he knows perfectly well, is a consortium composed of Kerr, Cullingworth and Associates and Ramsay and Ramsay in this city.

There was criticism of my winding up of the Area Planning council. Let me state that the allocation of services through the four hospitals will be announced very shortly. It is complete, it is a case of getting it prepared for publication and

for transmittal to the hospitals concerned. This was no easy task as the Hon. Member from Regina Centre I am sure will admit, having had some experience in the Department. To get four hospitals to agree on an allocation of services is almost as difficult as landing on the moon, but I can honestly say and am pleased to say, that we have accomplished this and it will be released very shortly. A lot of the credit is due to the Area Planning Council and I have already publicly expressed my appreciation of the work they did, but there was a lot of work required after they submitted their report. Their original report was not acceptable and it took a lot of man hours to shake it into condition for total acceptance.

Now the Hon. Member for Regina North West (Mr. Whelan) is a great one at following up rumors, in fact he has done a pretty good job of not only whipping up one but probably creating it in connection with the Wascana Hospital. If he will just recall that within the past week this rumor seemed to be so widespread that I felt it wise to issue a release denying these rumors. Such was done and was carried in the local press. He also says that the rumor of the doctors is that they are opposed to progressive care. Well I get rumors every day from the doctors and they are opposed to a lot of things. I wouldn't be too excited about that, Mr. Speaker.

Now, there is a question what kind of care is going to be provided in the Base Hospital. For instance are we going to have psychiatric care? Well, if they had gone ahead and built this hospital as they say they would have three years ago, I can tell them and tell this House that the Base Hospital would not have had the type of psychiatric unit that is deemed necessary in light of current thinking. In fact, thinking is changing so rapidly in the medical field these days that it is very difficult to plan so as to incorporate all the current thinking and also provide for some that is still in the early thinking stage.

The Hon. Member for Regina Centre (Mr. Blakeney) also said that he had opened more hospitals than I did. I'll admit that, but I'll also point out that he didn't have the intestinal fortitude to close any. It is pretty easy you know to open hospital beds. I love that, I am very happy whenever I can cut a ribbon for a new hospital. That's a pretty pleasant task, but along with that goes some of the unpleasant things. I might say that I hope to make better progress than he did in this regard. I'll answer one query that he had. He's a little concerned that I may appoint Alderman Mullin to the board, I can assure him that I will not. I have never given it a thought and I have no intention of doing it. I can point out many of the difficulties that have been encountered by this board, the least of which were not the removal of Dr. Pickles from Regina, and the untimely death of Mr. Westcott, who was doing an admirable job in bringing out the distribution of the services in the hospitals, and we were most unfortunate to lose his services because he was a very valuable help. The relationship is good between the Department and the hospitals, and I can assure the Hon. Members that the schedule provided by the South Saskatchewan Hospital is on time. I believe this will be contained in the report when I table it, and I am sure they will be pleased with the progress that has been made by this Board in the short time, about a year, that they have been in existence.

There is a question about the acquisition of land. I may not have been too accurate when I referred to an option a couple

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of years ago, but the land has been acquired by the Wascana Authority. It was deemed that the South Saskatchewan Hospital Board did not have the necessary authority to expropriate if that were necessary. That's why the Wascana Authority services were used. The planning for the site has been completed, and just as soon as the transaction for the land has been completed it will be turned over to the Department of Public Works and the South Saskatchewan Hospital.

I think, Mr. Speaker, those are the main points that I wanted to touch on. I'll see if I have missed any that I was trying to answer.

There seemed to be quite an issue made on the lack of advice to the public by this Board. I don't think this should be left unanswered, because the Board has certain requirements to meet. One of them is that they will report to the Minister and this they will do well within the time limit set for them. They have had press conferences; there will be one within the next week or ten days in connection with the transfer of the Wascana Hospital to the Board. There has been full consultation with the University authorities, the Principal of the Regina campus is on the board and the Dean of Medicine was, until he was appointed Principal of the Saskatoon campus. The two of them attended the majority of meetings. There has been full collaboration with the University in the working out of the teaching program. Now it seems to me, Mr. Speaker, that the Hon. Members, knowing that a report was required from the South Saskatchewan Hospital Board, could have saved themselves an hour or so of debate in this House and unnecessary reflection on the integrity of people contributing greatly to the welfare of this city and of southern Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. W.E. Smishek: (Regina North East) — Mr. Speaker, before the Member resumes his seat I wonder if he would be prepared to answer a question? I would like to ask the Hon. Minister how much money has the Government turned over to the Board, and how much has been spent by the Board to date?

Mr. Grant: — This will be disclosed in the report I believe of the Board. The money is available for them.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion of the Hon. D. Boldt, that Bill No. 41 — *An Act to amend The Automobile Accident Insurance Act*, be now read a second time.

Hon. D.V. Heald: (Attorney General) — Mr. Speaker, I adjourned this debate the other day because of some of the observations made by the Hon. Member for Regina North West (Mr. Whelan.), and I desire now to make a few comments with respect to the items raised by him.

First of all, if I recall his remarks, he suggested that Cabinet may by regulation provide for different surcharges and different damage limits in different areas in the province.

Now I was a bit astounded at that suggestion, but I didn't want to get up without checking the Act and having my law officers check it, and we have now checked it. It is my opinion and the opinion of my law officers that the regulations are limited to setting the two amounts for the purposes of Section 5A and express authorization would be required to permit the amounts to be set at different levels for various areas of the province. If you look at Section 2 of the Bill, subsection 3, it talks about an amount, not amounts, an amount. So I think it is clear that there couldn't be different rates of surcharge for different areas of the province.

Then he made some comments with respect to the Order in Council provision. Mr. Speaker, any change by legislation this year is too late for the 1968 licence. Similarly any change would have to be provided for a year in advance and at a time when the results for the year on which the surcharge is to be based are not known. Last year the Government was able to start the surcharges in 1967, merely because the session commenced earlier than it usually does, certainly earlier than it did this year. Printed material dealing with such changes has to be ready for distribution on March 1st, so the O.C. provision can't be used in the way that he suggested it could be used.

Then he made some comments I think with respect to the surcharge, the change from 51 per cent to 50 per cent or more. His suggestion was that both should not be required to pay if they are both 50 per cent liable. Well, I wonder about that. Why shouldn't both pay if it's found that both contributed to the accident and the payment on behalf of each was \$50 or more. You see the alternative to that, the way it has been this last year, that because of the 51 per cent rule both could escape the surcharge in a case where both were 50 per cent liable and equally to blame for the accident. Of course, I am told by the Government Insurance Office that this has happened in a number of cases and this is the reason for the change from 51 per cent to 50 per cent.

Then he had an objection which concerned me too in the first instance about civil liberties. His objection to Section 67 being left out of the three sections referred to in the place of subsection 3 of Section 5(b). We feel that the amendment is required because some magistrates have held that the signed statement made in making a claim for insurance comes within Section 67. Now as I take it from the burden of the remarks of the Member for Regina North West, he felt that this was an invasion of civil liberties or civil rights. I would refer to one case where this kind of thing was considered by the Saskatchewan Court of Appeal: it was the Eftoda case, 1963. Our Court of Appeal held in that case that the trial judge was correct in allowing a statement given to an insurance adjustor as to an accident to be admitted in evidence. This is the same kind of thing, and the court didn't see that there was anything improper about this. It is felt that the suggested deletion of the reference to Section 67 is necessary to shorten the time taken to hear the appeal. After all please bear in mind, Mr. Speaker, that this appeal only involves the narrow question as to whether the surcharge of \$25 is payable due to the accident being 50 per cent or more the fault of the appellant, I would remind Hon. Members that in the case of surcharges by other insurance companies, independent insurance companies, private insurance companies, because of accidents in other provinces, the amount of the surcharge is much higher and there is of course no appeal. Now I suppose you can say that the driver

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can cancel his insurance with this company, but that is self-defeating as well, because the other companies, I am advised, usually ask whether the applicant has been requested to pay a higher rate and will almost certainly make the same surcharge. So we don't feel that the clause is a violation of civil rights or civil liberties in view of the position taken by the Saskatchewan Court of Appeal.

Now then the Hon. Member raised questions as to the retroactivity of the section. Now there was no intention by the Government to make any retroactive change in the procedure so as to cover 1967 licences or to change the amount for 1968. A House amendment will be presented changing the coming-into-force section to limit the retroactive provision, to make it absolutely clear, to limit the retroactive provision to subsections 2, 4 and 5, of Section 2 and Section 3, and making those provisions retroactive to March 1, 1968 only. This is to make it clear that the procedure permitting the payment of the surcharge and then appealing applies to the 1968 licences, which went on sale on March 15th, 1968. The change, making the surcharge payable where the licence was 50 per cent or more at fault, will also apply from that date so as to apply to this year's surcharges. That was always the intention. No change in the amount of the surcharge or the amount of damages to which it applies can be made for the 1968 licence year as the licences are already on sale to those surcharged, and a change in the amounts could not be made for 1968 licences, even if the provisions as to regulations were now in effect. They do not come into force until May 1st, 1968, which does not change the fact that it is too late for the 1968 surcharge to be altered.

Mr. Speaker, those are the comments that I would like to make. I repeat there will be a House amendment providing for the retroactivity, and I will or the Minister will be providing copies to Members of the Opposition when it comes up for study in Committee of the Whole. Section 9 says this, subsection (1), subject to subsection 2, this Act comes into force on the 1st day of May, 1968, and then subsection 2 says, subsections 2, 4 and 5 of Section 2 and Section 3 come into force on the day of assent, but are retroactive and shall be deemed to be in force on and from the 1st day of March, 1968.

Mr. A.E. Blakeney: (Regina Centre) — Mr. Speaker, there were a number of things I wanted to say about this Bill. The points that I had most reservations about were the retroactive provisions, and the comments of the Attorney General have reassured me a good bit on this score. I was most unhappy with the retroactive provisions on two counts, one, that it apparently gave power to make retroactive regulations, if that were possible — it purported to do that — and two, that it made a penalty apply on a retroactive basis. I have already expressed opposition to that both in this House last year and in this House this year in another debate. These points are the most unsatisfactory in the Bill as it now stands. There are, however, a couple of other aspects of this Bill which are really quite unsatisfactory. I would, however, first like to say that there are a couple of things which are satisfactory; e.g. the changing of six months to one year; the provision of providing that ambulance service can be paid for even when the insurer later denies liability; and the provision that the Lieutenant Governor in Council can by regulation make provision for disabilities in respect of which payments are to be made under Part II, which aren't specifically covered by the Act. I don't like the idea of provisions such as these being set out

in regulations as well as I do in the Act. However, I am aware that the Act is not complete and needs to be augmented and I have no real objection to regulations doing it.

There is a new procedure with respect to appealing from a surcharge; I am not sure that this will work very satisfactorily for the citizen. I say this, because in effect the time when a hearing is to be held is to be set by the insurer rather than by the citizen or by the court. I suspect what will happen in that the insurer will wait until a bundle of these come along and will issue his invitations, if that is the appropriate word, for folk to come along and argue on a day satisfactory to the insurer. However, as the Attorney General points out, it is not all that easy to provide alternatives and I am willing to see how this procedure works out.

There are two points that I do want to dispute and these are the provision with respect to the deletion from the list of reports which cannot be looked at, of the report under Section 67 of the Act and the provision with respect to liability for the surcharge depending on a degree of fault of 50 per cent or more.

Dealing firstly with the Section 67 report, the problem here, Mr. Speaker, is this, that as a practical matter, when a person gets into an auto accident, he goes around to the Claims Service Centre and he gives his account of the accident. He gave it under the guidance, and on occasion I suggest, on the suggestion of the adjustor. Frequently the wording is that of the adjustor and not of the assured. I have had reason to be a little bit apprehensive of this, because on occasion the adjustor while purporting to act as the adjustor for the claimant under his comprehensive coverage, is in fact working to get a report of the accident, which will protect the insurer in his capacity as public liability insurer of the other vehicle involved. An adjustor finds himself in a very difficult position. But the facts are that adjustors can and do point out to assureds the fact that by law the assured must give a statement. Section 67 says that the insurer may require any person involved in an accident to furnish such additional information in any way the insurer deems proper and to make up supplementary report, etc. And I know that adjustors do point out to assureds that they have to give a statement, they have to tell their story. In this situation when the statement is very frequently taken before the assured consults any lawyer, before he has any advice as to what his rights are, and under the suggestion and in some cases the guidance of the adjustor, the statement which comes out of the procedure is frequently not all that favorable to the assured. I don't really object to the insurance company having this information, but it seems to me that, under those circumstances, the assured, if he feels that he has somehow not told his story properly — if I may put it that way — shouldn't be faced with his statement under section 67 when he wants to appeal his surcharge. He is not likely to appeal it if he thinks his statement is right anyway. He is only likely to appeal it if he thinks that the statement is wrong, if it is an unfavorable statement. The insurance company has all of the information which he gave them, and it seems to me unfair to stick the assured with the particular phrasing and wording which was taken at the time of the accident by the adjustor and isn't the wording selected by the assured at all in most cases. I don't object to the insurance company having those facts, but I think it is unfair to face the assured with: "Didn't you sign this

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statement? Didn't you say that you were proceeding in this way? Didn't you say that you were doing this and that?" And indeed the assured signed that statement, but the specific words may be those of the adjustor who well knows the import of those words while the assured doesn't. And in practice this is the basis upon which these statements are taken. I don't think assureds should be able to hide and stand on their rights and say nothing. I think this is a perverse view of civil rights, I think an assured should have to give the facts to the insurance company. But I don't think the particular words or phrases which they use to give those facts, particularly when the words and phrases are selected by an adjustor, should be held against them. This is why I think it is not quite fair to allow Section 67 reports to go before a magistrate. As I've said before, the insurance company will have every opportunity to bring the same information out, but I don't think they should be able to ram down the throat of the assured, the words which he probably did not select himself.

Now the second point I want to make is on the question of liability depending upon a degree of fault of 50 per cent or more, or more than 50 per cent. We had this all out last year. This Bill came in last year and it said, 50 per cent or more, and we objected to this, because we said that the practical effect of this will be that adjustor after adjustor will wipe his hands of the matter and say, "I can't decide, you were both equally at fault," and the effect then will be that there will be a \$25 fine for being in an accident, that will be the main effect of it. If you get in an accident, it will cost you \$25 unless it can be clearly demonstrated that you were not at fault or you were barely at fault. A driver is going to have to pay \$25 because the adjustor simply won't turn his mind to the problem. When the situation is that the Crown will have a vested interest in saying 50-50 rather than 60-40, the insurers will not be turning their mind to whether it's 60-40 or 50-50. They will in fact take the easy way out, and it is the easy way out, and say "50-50" and that is going to result, in effect, in a fine on everyone who gets in an accident. This seems to me to pervert the whole basis of insurance. When you have insurance you are supposed to be recompensed for the damages suffered; auto insurance is indemnity insurance. Now I know the Members opposite take the view that people who get sick should pay a deterrent fee, but I don't see why people who get in accidents should necessarily pay a deterrent fee; and this is, in effect, what the Government is doing. The Government is saying that if a driver gets in an accident, all the adjustor has to do is say, "Well, I can't decide, it is 50-50" and then in order to avoid paying; each of these drivers will have to contest the matter before a magistrate. It seems to me that's putting altogether too much temptation in the way of the adjustors. They will very naturally make the 50-50 decision and it will amount to an automatic fine. If this Bill passes, we will be able to see whether this happens, because we can ask how many accidents were judged to be cases of 50-50 fault last year and how many 50-50 next year. My bet is that if this Bill passes, the percentage of 50-50 accidents will rise markedly and sharply. And if this is so, then we will have conclusive evidence of the fact that it provides too easy a way out. It seems to me that automobile insurance is to protect people who get in accidents. When people get in accidents and each is 50 per cent responsible, there can be no great blame attached to either. It is like the two fellows who are drinking. The optimist says his glass is half full and the pessimist says his glass is half empty. A driver who is only 50 per cent responsible is at least

50 per cent not responsible. He's at least 50 per cent not responsible for the accident. Why then, if he has paid his premium for insurance, should he be stuck with an extra \$25. It is in effect a way of saying that your premium for automobile insurance is that amount which is stated in the regulations plus \$25 if you get in an accident. That's the net effect of it, because we will see that a great number of the accidents will turn out. To be 50-50. Unless there is a prosecution we will see a very large number of 50-50s. This surcharge will be an unwarranted imposition on the drivers. Unless a driver is 51 per cent responsible, why should he be surcharged? Surely what he paid the first premium for was to protect him, if he was not more blameworthy than anyone else. And if he is not more blameworthy than the other driver, what was his first premium paying for? Our position is that this is an unjustified impost.

I for one will be opposing this Bill on the ground that more than 50 is the right test of liability and the 50 per cent or more is the wrong test and on the ground that the requirement to make the Section 67 reports available to the magistrate is unfair, having regard to the practicalities of the situation in which these reports are taken. I have already indicated that the comments of the Attorney General are very reassuring on the question of retroactivity, and I accordingly will not take the time of the House to say what I would have said on that score.

Some Hon. Members: — Hear, hear!

Hon. D. Boldt: (Minister of Highways) — Mr. Speaker, last year when we brought in this Bill, the Government stated at that time that we are not interested in collecting more money for the Saskatchewan Government Insurance; we are interested in curbing accidents on our highways. The results of the \$25 surcharge certainly have proven to be satisfactory to a degree, not 100 per cent, but to a degree because the rate of increase of accidents have decreased from the previous year. Now I would like to make a few statements about what was said by the Hon. Member from North West Regina (Mr. Whelan). His criticism was directed at provisions covered in the amendment which are almost identical with provisions in the Bill passed last year. They are included in the amendment, because procedural changes, as the Attorney General said, are necessary, when it was decided any surcharged driver should have the right to choose to prepay the surcharges and obtain a full licence before his appeal, if he so wished. The reason for this is we have operators who if the surcharge isn't prepaid are issued a 60-day permit. They drive out of the province, they are involved in an accident, and they have to prove whether they are covered by this permit. So we are receiving phone calls from all over the United States and other provinces, where these operators that have been surcharged and are on the 60-day permit, to the office to see whether this permit covers their insurance. This is the reason why we say, when somebody is surcharged, he can come and pay the \$25, and we will initiate the appeal proceedings. If he wins the appeal, the \$25 will be refunded. He doesn't have to pay the \$25 if he doesn't wish to do so. This is voluntary. Three specific points were raised which should be answered. One of them is that the insurance surcharge is not a tax but an insurance premium and should be considered at the same time as all other premium rates are. The former Cabinet decided the rates the same as we do now. All we are asking in this Bill is that We also set the

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surcharge and the surcharge will be set at the time of the rates. There will only be one setting. We won't change our minds in the middle of the summer and say, well we should surcharge them up to \$50-\$60. The surcharge will be decided upon when the rates are set. This is impossible when rates are set by regulations prior to March 15 but any changes in the premium surcharge must wait for the legislative approval. This is the way we are doing it now. It doesn't make sense. As the Hon. Members are aware none of these premiums are transferred either to the Provincial Treasury or to the Saskatchewan Government Insurance office. We are not trying to hide anything from this Legislature; we are attempting to provide the most logical solution for a practical administrative problem. The Hon. Member for Regina Centre (Mr. Blakeney) and the Hon. Member for Regina North West deplore the degree at fault, that we will reduce this to 50 per cent. Perhaps the Hon. Members have forgotten that there is a \$200 deductible which exists under Part III of the Act, so that persons who are equally negligent and our surcharge has created a loss of more than \$500, so this is quite a serious accident when you have \$500 damages to both vehicles, and to say that they are equally guilty, they should not be surcharged. Let me quote you an example: somebody is driving on Albert Street at 80 miles an hour and somebody is going through a red light, and they hit at an intersection, should they both go away scot-free? They should both be surcharged. If it is true that our adjustors will take the attitude that we are going to state that every accident is 50-50, I can also make the same assertion that, when there is going to be an appeal case, the judges are going to say, "Well, it is 50-50." I could say that that's what they are doing now, I'm not suggesting that they do, but we have the same right to say it. So this is the reason why we are putting it in, so, that persons who are equally negligent and have created a loss of more than \$500 are equally charged. This is surely an accident of fairly major proportions, and these are the people that we want to hit. We've heard all along that we want to get after the accident-prone and we are trying to do this. Are they to be given preferred treatment in comparison to a driver who is totally responsible for a loss of \$200 on another person's car? We do not call that a fair distribution of premium costs and the amendment is intended to remove this inequity. Much has been said, and I need not say too much about the retroactive clause, but for the information of the House, information which I intended to provide to the Committee, the only feature to be applied retroactively in any way are those allowing an appellant the right of prepayment of the surcharge without losing the right to an appeal. And I believe the Member for North West Regina (Mr. Whelan) said that we are going to surcharge the 50-50 back to January 1, 1967. This is not the case. Mr. Speaker, these amendments are designed to improve the service of the Automobile Accident Insurance Act, and I submit these amendments deserve the support of Members of this House. The question of use of privileged documents was referred to in regard to Section 67 of The Automobile Accident Insurance Act by both Members. We are attempting to solve a problem of interpretation as a method which will be simple and effective. As Members are aware, in order to lay a claim under any contract of insurance, the claimant provides a statement regarding the circumstances of the accident supported by the statements of the witness. These are not privileged documents nor are they required under Section 67. Unfortunately this interpretation which has been accepted in the past has been disregarded in relation to some appeals in the past year. We have a choice of trying to reverse some decision by lengthy legal process or making it clear that the ordinary

claimant's statements are acceptable to court perusal. These documents originally privileged under Section 67 will continue to be privileged. There is no intention to void very necessary individual rights. Mr. Speaker, this is all I have to say at this time and I move second reading of this Bill.

Mr. Blakeney: — Mr. Speaker, I wonder if I may ask a question before the Minister takes his seat. This may not be precisely relevant to what he said but I've had reports to the effect that someone could be surcharged \$50 in one year, \$25 in respect of a fault that occurred in 1966, and \$25 in respect of a fault that occurred in 1967. Is that possible or have I got mixed up?

Mr. Boldt: — The surcharge is applied only on a yearly basis.

Motion agreed to and Bill read a second time on the following recorded division:

YEAS — 30

Messieurs

Thatcher	MacDougall	Leith
Howes	Grant	Radloff
McFarlane	Coderre	Weatherald
Boldt	Bjarnason	Mitchell
Cameron	Estey	Larochelle
Steuart	Hooker	Coupland
Heald	Gallagher	Charlebois
McIsaac	MacLennan	Forsyth
Guy	Heggie	McIvor
Loken	Breker	Schmeiser

NAYS — 21

Messieurs

Lloyd	Berezowsky	Baker
Wooff	Smishek	Pepper
Kramer	Thibault	Bowerman
Willis	Whelan	Matsalla
Blakeney	Snyder	Messer
Dewhurst	Michayluk	Kwasnica
Meakes	Brockelbank	Kowalchuk

The Assembly resumed the adjourned debate on the proposed motion of the Hon. G.B. Grant (Minister of Health) that Bill No. 39 — *An Act to amend The Saskatchewan Hospitalization Act* be now read a second time.

Mr. W.E. Smishek: (Regina North East) — Mr. Speaker, when I adjourned debate last Friday, I quoted a statement of Sir Winston Churchill who in 1944 said — that is 24 years ago:

Disease must be attacked whether it appears in the poorest or the richest man or woman simply on the grounds that it is an enemy, that everybody in the country irrespective of means, sex or occupation shall have equal

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opportunities to benefit from the best and most up-to-date medical and allied services available.

Mr. Speaker, the introduction of deterrent fees denies equal opportunity to health care; it deters the poor; it is class legislation. Last Friday I also reminded this Legislature of the World Health Organization constitution, which in part states: "Governments have a responsibility for the health of their peoples." Deterrent fees whether imposed on hospital or medical services is an abdication of that responsibility subscribed to by WHO of which Canada is a member. Also before adjourning debate last Friday, I advised the Members opposite of the telephone calls, the letters and the petitions I had received to that date and why the Members on this side are going to resist with all our might the imposition of this regressive tax which is based on the criteria of taxing the sick. During the weekend and today I received more telephone calls, more letters and more petitions. Here are a couple of letters that I received today, addressed to myself, saying:

Please would you use your good office to register my protest against the proposed hospital and medical deterrent fees which I am very much against.

Another letter reads this way:

I have written to Mr. Thatcher stating my views against the hospital deterrent fees. I hope you are not in favor of this. As I told Mr. Thatcher, it is a sad state of affairs when the Government benefits from someone's misfortune of being sick. There is not much to say except I hope this letter and many others you have probably received will help in voting it down.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — Are you prepared to table those letters?

Mr. Smishek: — I am prepared to table those letters, Mr. Speaker. This afternoon I received further communications. This is a copy of the letter that was addressed to the Premier and also to the Minister of Health (Mr. Grant) from the senior citizens, the Pioneers and Senior Citizens' Association. I'm sure that every Member of this House received a copy of it. In part they say:

The Pioneers and Senior Citizens' Organization of Saskatchewan is strongly opposed to the Government's proposed hospital and medical utilization fees on the sick, as a means of resolving the problems of alleged overuse of Hospital Services or the Health Care financing.

They go on giving five reasons why they oppose the introduction of deterrent fees, concluding by saying:

The Pioneers and Senior Citizens' Organization of Saskatchewan strongly urges the, Government of Saskatchewan not to proceed with, deterrent fees penalizing the sick.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — Mr. Speaker, watching the

newspaper accounts of the last few days, one can't help but conclude that there is general disapproval with the Government's intent of introducing deterrent fees. The opposition is general. I note from last week's newspaper reports, the Community Clinic Association in the city of Regina held a meeting, some 400 persons attended that meeting expressing their opposition to deterrent fees. This report appeared in the Leader-Post of March 12. Again on March 12, under the caption of "Deterrent fees cause concern" a group of trade union people meeting in Estevan expressed their unanimous opposition to the introduction of deterrent fees; Saskatchewan Federation of Labour has met the Cabinet also expressing their opposition to the introduction of deterrent fees. I notice, Mr. Speaker, that in the Saskatoon Star Phoenix of March 7, the City Hospital Board of Saskatoon in part had this to say:

The Board also moved to issue a vigorous protest to the Provincial Government regarding what it termed the deterrent fee. The protest would include a suggestion that an increase in the Saskatchewan Hospital Services Plan premiums would have been more favorable.

Mr. Speaker, there are people who say that if money is needed, let's have a fair basis of taxation rather than the imposition of deterrent fees. I'm sure that all of us have also read the report of the position taken by the SARM. They say in the March 13 issue of the Leader-Post the following:

Delegates of the 63rd annual convention of Saskatchewan Association of the Rural Municipality met in the Hotel Saskatchewan, Wednesday requested the Government to immediately rescind the proposed utilization fee for hospital patients. This is urgent and the Government should know the feelings of this Convention immediately.

The convention adopted a resolution — SARM is an organization I believe that represents a cross-section of the people of Saskatchewan. I notice that churches have also reacted. A report in the Leader-Post of March 14 under the heading, "Churchmen say fee retrograde."

The imposition of deterrent fees would constitute a backward step from the effective medical and hospital care system in Saskatchewan. The Board of Evangelism and Social Service of the United Church said in a letter addressed to the Minister of Health (Mr. Grant) on Wednesday.

We think that the necessary control should be exercised by medical and hospital authorities in relation to need rather than through a deterrent fee regardless of need. To our knowledge the application of deterrent fees with the change in philosophy that this involves was not proposed or debated in the present election campaign, nor had public hearing on this matter been held.

Notice also, Mr. Speaker, the Government Employees Association addressed a letter and issued a press release that they too are opposed to the introduction of utilization fees. The report appearing in the March 14th issue of the Leader-Post in part says this:

The SGA which represents 8,000 employees in the province

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said it is not opposed to increases in single premiums to meet rising costs, the principle of spreading the cost equally among the beneficiaries regardless of degree of utilization must be maintained in order to insure unrestricted availability of the services when needed.

Mr. Speaker, practically every Saskatchewan organization is voicing its opposition to the introduction of deterrent fees and this is merely a beginning. The Hon. Minister of Health (Mr. Grant) and the Provincial Treasurer (Mr. Steuart) in my opinion have not justified the need for the introduction of deterrent fees either in hospital or in medical care plans. The Hon. Member for Regina South (Mr. Grant) used such words as "irresponsible demands", "government programs are used unwisely", "over utilization", "misuse", and so on, but he did not cite a single case which would demonstrate that there is abuse, abuse that has been proven by the Minister or by any of the administrative bodies who administer the two particular plans.

Mr. Speaker, perhaps the most revealing remark made by the Minister of Health (Mr. Grant) when he moved second reading of Bill 39, was this statement: "Compulsory participation in health schemes is a potentially dangerous situation." Mr. Speaker, this remark as I read it carries with it a clear implication that this Government does not believe in a publicly administered and financed universal health service which would be available to all citizens. This is precisely what we have been saying over the years. The Liberals opposed the introduction of the Hospital Services Plan. They opposed the introduction of the Medicare Plan, and now they are bent on destroying both of these plans, and make no mistake, Mr. Speaker, deterrent fees are the beginning of the end of these two plans. Mr. Speaker, there is ample proof of the Liberal party's opposition to the introduction of public health plans, which particularly in the case of the Medical Care Plan is well documented. As I told this House last Friday, medical care and health services have been of particular interest to me. I have served on the Thompson Committee which recommended the Medicare Plan and I have made it a practice, when items of interest appeared in newspapers of clipping them. I have a newspaper clipping from the Winnipeg Tribune, dated July 12, 1962. There are two parts to the story, the first part of the story carried a headline of "4,000 marchers protest Act", "Lloyd stands firm on the plan". "Crowd smaller than expected." You will recall that Liberals were talking about 30,000 people marching on Regina to protest the introduction of the Medical Care Plan; only some 4,000 appeared. There is the story of the Premier doing his antics, but the next part of the story is perhaps worthwhile reading and placing on record. It is under the heading of "He huffed and he puffed", the story in part reads this way:

'Here we are elected by the people of Saskatchewan, we are locked out from our own desks', said the Premier. Liberal Leader Ross Thatcher was red-facedly indignant sitting in an office chair plunked down outside the locked and darkened Legislative Chamber. In the lobby along side Mr. Thatcher, sat 16 grim, glum grits, foiled in an attempt to make parliamentary history by becoming the first Opposition to call a Legislative session. They hadn't been able to get the Lieutenant Governor to open the session, they hadn't been able to get the Premier, Mr. Lloyd, and his 34 CCF-NDP Members to attend.

They hadn't been able to get in, despite a lot of kicking and banging on the door, so the rump parliament of Saskatchewan was in session in the corridor and the topic under debate was medicare. Mr. Thatcher's do it yourself legislative session originated at a morning Liberal Caucus which sent demands for a special session to Mr. Lloyd and Lieutenant Governor F.L. Bastedo. The Liberals said they would go to their seats at 2:30 and wait for the session to start. The Premier sent a tart letter message to say he wasn't going to call a session on two hours' notice, the Lieutenant Governor phoned the Liberals later to ask them what they were up to. Mr. Thatcher sent a message to the Cabinet asking for the key. When 2:30 came a straggling line of Liberals each carrying a chair came down the hall to the Chamber. 'Doesn't anybody want to kick the door in or shall I do it,' asked Mr. Thatcher. He shook the door handle and gave the door a kick. It didn't give in. Mr. Thatcher led his chair-carrying brigade around to the side door where the Opposition normally enters. 'This one is definitely locked,' he said, shaking the handle, 'but we could kick the other one,' he said. The Liberal Leader then tried the locked door five times more. The Liberals put down their chairs around their Leader. 'This is one of the most autocratic steps ever taken in Saskatchewan,' said Mr. Thatcher. Then we had statements by some of the other Members. Mary Batten, another Liberal Member said, 'People are dying of heart attacks in Saskatchewan because of medicare.'

Mr. Speaker, I submit there are going to be many more people dying when deterrent fees are introduced than during that period of the crisis we faced in Saskatchewan back in 1962.

Let me conclude:

Mr. Thatcher broke in again, blaring gleefully at the locked door, 'I don't think this has ever happened since 1867.'

Well, Mr. Speaker, I am sure that such antics have never been displayed in any Legislature by any group that could be called responsible to put on this kind of a demonstration. This, Mr. Speaker, I think is an example of the attitude of the Liberal party toward medicare. I notice, Mr. Speaker, in reading through some of the clippings that I have what some of the newspapers outside Saskatchewan had to say during 1961 when the Liberal party displayed their opposition toward medicare. The Toronto Star had this to say:

Ross Thatcher, Liberal Leader in Saskatchewan, has apparently decided that the way to fight the Medical Care Plan is to smear it with a big broad Communist brush. There should be no place for the big smear in our national life. Happily we managed by and large to avoid it even in the worst period of McCarthyism. It is only in the past week or so that signs of it have become apparent in Saskatchewan. It remained to the Leader of the Opposition and a Liberal at that now to give it a strong boost.

This is what the Toronto Star had to say in respect of the attitude and the position taken by the Liberal party when we tried to introduce the Medical Care Plan.

In contrast, Mr. Speaker, note that the Leader of the

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Opposition, then the Premier of Saskatchewan when the Medical Care Plan was introduced made this statement:

The basic aim of Saskatchewan Medical Care Plan is to provide a proper distribution of medical care and of opportunities for medical care. All help to pay, all are eligible for benefits, it's administered by a public authority, responsible through a Minister of the Government to the Legislature of the Province. It respects the right of the public and of the profession in the tradition of the Saskatchewan Hospital Services Plan and other public programs. It is a means whereby all of us can share by paying in advance costs which may fall without notice on all of us. As such it is the first of this kind on a provincial basis.

Some Hon. Members: — Hear, hear!

Mr. Smishek: — This is precisely why, Mr. Speaker, the Medical Care Plan was introduced, why the Hospital Care Plan was legislated so that we can all share in its cost, insuring that the burden of sick bills does not fall on an individual during a period when he is least able to afford to pay such bills.

Mr. Speaker, there have been those directly associated with the provision of health services, since the Government announced their intent to introduce deterrent fees, who have said: "The Medical Care Plan will go under within a year of the introduction of deterrent fees." I hope that isn't the case. Mr. Speaker, I am concerned, certainly the introduction of deterrent fees will have an undermining effect on both the Hospital and the Medical Care Plans.

Let me remind the Government of the Thompson Committee's estimated costs and projection of costs that they made for the future. I refer to the Thompson Committee Report on page 74, I think it is important for us to look at what was estimated and how the costs have risen and their relationship. The Thompson Committee in its estimates on the cost of medicare made these projections. The report says in part:

Making no allowance for administrative costs, it is estimated that the per capita cost will be \$22.39 and \$23.06 and the aggregate cost between \$19.9 million and \$20.5 million.

Of the projected rates that may rise, the Committee had this to say:

It would be unrealistic to expect an annual rate of increase of less than three per cent for the first four years of the plan's operation and rates in some years could be as high as five per cent.

Now, Mr. Speaker, let us take a look at what is happening in respect of rising costs and the exaggerations that have been made. Let us first look at page 19 of the current 1967 Annual Report of the Medical Care Insurance Commission, under the head of, "1967 Highlights." You will note that the total payments for insured services were \$23.3 million. It should be noted that was an increase of 5.3 per cent. Under the next listing, Payments made to Physicians. Payment rates for all visits

increased from 85 to 95 per cent of the fee schedule as of November 1. It should be noted here, Mr. Speaker, this increase was not patient made, it was an increase made by the Government and the medical profession. You will note the adjustment in the per capita cost increased to \$ 26.73, an increase of 3.7 per cent. Mr. Speaker; I would now like to make a comparison of the projected costs made by the Thompson Committee and what actually the cost was way back in 1963. In 1963, the first full year of the operation of the Medical Care Plan, the total payment for insured services on the average was \$22.05. It is \$26.73 at the present time, an increase of \$4.68 over a four-year period, an average increase of 4.2 per cent per year. The Thompson Committee made a prediction that costs would rise between three and five per cent. Certainly the estimates made by the Thompson Committee were accurate enough. I want to draw the attention to the other item on page 19 of the Medicare Commission Report. Average payment per family receiving services last year was \$80 compared with the year before, \$78.12, an increase of \$1.88 or on a percentage basis, 2.4 per cent increase only. Certainly no evidence of abuse. The average payment per beneficiary increased by 3.7 per cent. Certainly no evidence of serious abuse. The per capita cost of obstetrics decreased on the other hand by 27 per cent, since 1964. Mr. Speaker, I don't know whether the Government wants to take credit for the reduction in the number of births, and whether one can draw a conclusion that, since 1964 when the Liberals took office, the women — the parents are being very cautious in planning for larger families. Certainly there is evidence that there has been a drop in the number of births. Perhaps it is because of the Liberal Government. Certainly one can say that this is Government controlled; it is indeed patient control. On the other hand, Mr. Speaker, we notice that the per capita cost of diagnostic services increased by 32 per cent. Certainly it cannot be attributed to the patient. Diagnostic services are determined by the medical profession, not by the patient himself. The other item which has increased very sharply is the per capita cost of psychiatric services since 1964 increased by 100 per cent, Mr. Speaker. This I submit is largely due to the policy the Government has instituted in respect of psychiatric services. The rate at which they have been discharging patients from the mental institutions, the patients who needed more care from personal doctors, has had the effect of sharply increasing the psychiatric services and thus increasing the cost of medical care. On the other hand we know that the cost of psychiatric services in hospitals has been reduced and the cost on the overall basis has been kept down. The Government argument that costs are rising sharply and revenues are inadequate seems to be a hypocritical argument. Really these arguments are designed to implant a feeling of guilt in the minds of people every time they go to see the doctor. We have examined the cost or the rise for last year in medical care payments or insured services. It went up by 5.3 per cent over the last year. Most of the cost you will note by analyzing the highlights of the Report were created not by the patient, but created by or made by the Government. However, the Government is proposing not an increase of 5.3 per cent in revenues or somewhere about there, but are proposing a \$4 million tax assessment through the deterrent fees. The Government has also acknowledged that the Federal Government will be providing \$10.7 million in the current fiscal year towards the payment of medicare in this Province. This is for a period of nine months. The \$10.7 million that will be received from Ottawa is more than the estimated increase in the case of Medicare and the Hospital Services Plan, the two plans which we are concerned about. The introduction of deterrent

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fees will mean that this Government will be in fact making a profit on the monies that will be received from Ottawa.

An Hon. Member: — You've got to hand it to them!

Mr. Smishek: — Mr. Speaker, I would like to direct a series of questions to the Minister and to the Government Members. Can any Government Member tell me what justification there can be to levy a \$4 million tax on people through deterrent fees, when last year's increase in benefit payments was less than \$1.2 million? In 1964 the Liberals promised to increase services and to reduce taxes through efficiency. Respecting health services, they said they would get better co-operation from the doctors and the hospital boards. I ask them what happened. Are the doctors and are the hospital boards refusing to co-operate, or is it the Government that is refusing to co-operate? Can the Minister tell us whether the deterrent fee schedules were discussed and were negotiated and approved by the Saskatchewan College of Physicians and Surgeons? Was the Saskatoon Agreement re-negotiated and approved by the membership of the medical profession? If it was re-negotiated, why did the Government not make this publicly known to the people? When did such negotiations take place? Can we be told as to who signed the agreement and can copies of this new agreement, if there was one, be provided to the Members of the Legislature? Mr. Speaker, if no negotiations took place then it would appear to me that the Government broke the Saskatoon Agreement. In examining the Saskatoon Agreement, let me quote partly from it; item 16 in part states this:

From the patient's point of view he will have four choices. (a) He may choose a doctor who is enrolled in the Medical Care Insurance Commission for direct payment. His doctor will bill the Commission and there will be no further charges. (b) He may enrol in a voluntary health insurance agency to which he will pay an enrolment fee and at his option a further premium to insure for additional fringe benefits. He may then choose a doctor who has entered into service contracts with the voluntary agency. This doctor will then send the bill to the agency and there will be no further charges. (c) He may choose not to enrol with a voluntary health insurance agency and may choose a doctor who is not enrolled with the Medical Care Insurance Commission for direct payment. His doctor will bill him at his discretion. The patient will be re-imbursed up to 85 per cent of the scheme of a minimum fee set by the Commission. (d) He will be able if he wishes to go to a doctor who elects to practise entirely for private fees. He will then pay the full fee himself and will have no claim on the Medical Care Insurance Fund.

The question that I ask here is because I think that it is important that we know whether the Agreement has been re-negotiated because the Saskatoon Agreement certainly clearly states there will be no added charges made on the patient. Without the renegotiation of the contract then it would appear to me that this Government has thrown the Saskatoon Agreement into the waste-paper basket. Can the Minister tell us what negotiations were conducted with the approved health agencies and can he also tell us what will be their status with the introduction of deterrent fees? I also ask the Minister whether it is true that the

medical profession will stop billing through the insurance agencies once the deterrent fees are instituted, but will do all the billing direct to the patient? This is a question that is being asked. Apparently some patients have been told by some doctors that with the introduction of deterrent fees there will no longer be billing through the voluntary agency but they will be sending the bills directly to the patient. If that is the case, what is going to happen with the premiums that the people have paid to the voluntary agency to get the service that they have been receiving in the past? I have already asked the Minister of Health (Mr. Grant) the other day whether from here on persons will have to make a deposit to the hospital before they will be able to get admitted, to take care of the \$2.50 deterrent fee and the \$1.50 deterrent fee after 30 days. This question is being asked, and I think we need some clarification. The other question that is being asked particularly by chronic patients who have been in a hospital for some time, but who during periods of their illness are discharged temporarily, what will be the application of the deterrent fee? Take a patient who may have been in a hospital for a period of 90 days or longer, and he is then let go for awhile, perhaps to visit with his family during the Christmas period, once he comes back into the hospital, will the deterrent charges start all over again at \$2.50 for the first 30 days and \$1.50 thereafter. This point it seems to me, Mr. Speaker, needs clarification.

I would hope that members of the Government will answer these questions that are bothering the people and are also of concern to the medical profession and as well as to the voluntary agencies. As I see it, Mr. speaker, under the direct-billing formula, which apparently might become the case, for a routine office call of say \$3.00, the patient will now have to pay a \$1.65 of the \$3.00 amount and the Plan will only re-imburse the patient with \$1.35, unless the doctor agrees to accept the 95 per cent as full payment. Then in that case the \$1.50 deterrent charge will take care of it. Mr. speaker, in listening to the Minister of Health the other day giving his explanation and reasoning for the introduction of deterrent fees, he made some reference to plans in the Scandinavian and European countries. I would suggest to the Minister that he do some reading up and studying of the European plans, before he makes sweeping statements that deterrent charges are the thing of the day in respect of the Scandinavian and European countries. I am aware that there are deterrent charges in respect of some services. Deterrent fees in the Scandinavian countries are charged in respect of general practitioner services only, and there is a limitation because there are in many cases what they call the public health doctors that do a lot of work for which deterrent fees are not charged. Certainly no deterrents are charged in a case of specialists' services. Specialists in the European countries and in the Scandinavian countries are hospital-based and no deterrent fees are being charged in that case. For the benefit of the Minister I would draw his attention to the National Health Service in Norway, in regard to the hospital services. Let me bring this to his attention. All public hospitals in the country give every patient the same treatment and consideration, the same food and care. No one can get himself a private room, a private nurse or special food just by paying more for it. All the modern hospitals have a large number of single and double rooms which are assigned according to medical need, not according to the patient's pocket book. Those who are the sickest or dying get the private rooms and the special care; more recently constructed hospitals have completely

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abandoned the early system of large common wards, keeping to smaller rooms for all. No patient pays anything for his stay in a public hospital regardless of how long it lasts. All treatments, care, laboratory tests, medical, food and everything he receives are included and are paid for.

Mr. Speaker, it is therefore unfair to suggest that in Norway the deterrent fees are being charged; certainly there are no deterrent charges in respect of hospital care.

The same situation applies in the case of Britain. The Member did not use Britain as a particular example, but I know that there are no deterrent fees charged in respect of medical care or in respect of hospital care. May I also correct what I think is a false impression that was left that the Thompson committee recommended unrestricted deterrent fees. On page 70 of the Thompson Committee Report and I agree that the Committee did recommend consideration by the Government of a partial deterrent fee formula. The recommendations were spelled out in this way:

(a) They be small in amount; (b) they be restricted to home and office calls and that the utilization fee be less for office calls than for home calls. We suggest that the charge be \$1 on office calls and \$2 on home calls and \$3 on night, Sunday and holiday calls; (c) they would not apply to referred specialist services; (d) they would only apply to the first three visits in anyone illness; (e) the doctor would have the right to waive the utilization fees; (f) utilization fees should be directed to those items of service which are initiated by the patient.

The formula that the Minister announced on Friday certainly is a far departure from the recommendations of limited deterrent fees recommended by the Thompson committee.

Mr. Speaker, I cannot accept the introduction of deterrent fees in any form. They will increase the cost of administration to the hospitals, to voluntary agencies, to the Medical Care Insurance Commission, to the Hospital Plan, and to the Department of Health. Perhaps there is only one thing that we can look at as a glimmer of light and maybe this is one of the Government's reasoning. The introduction of deterrent fees will create some new employment, because many more people will be needed to administer these deterrent fees. But I submit that this is no justification of implementing them and using the sick people as a means to create added employment unnecessarily. They will deter many people from seeking health services when needed and will lead to under-utilization of needed health services by some. The burden of deterrent fees will fall most on the young and the old people. They have no relationship with the person's ability to pay. It is I submit a regressive tax.

There is no evidence whatsoever that either of those providing or receiving medical or hospital services asked for the imposition of deterrent charges. For every \$1 paid by patients on deterrent charges, Saskatchewan will receive 50 cents less from the Federal Government for hospital grants and later in case of medical care grants. Deterrent charges, in my opinion, have no place in public programs which purpose is to promote health, prevent illness, provide early diagnosis and treatment of disease and to promote rehabilitation. Deterrent fees will increase the cost, not only to the patient, but will increase

the total health bill cost to the population as a whole.

Deterrent fees were not part of the Liberal party platform in 1964 or in 1967. On the contrary, Mr. speaker, the Liberals promised to maintain and extend hospital services. They did not tell the people that they were going to introduce deterrent fees. This was not their election program. They had a responsibility, I submit, to put this into their election program so that people could have had a choice and had a right to consider. Mr. Speaker, in view of the fact that they had failed to make this a part of their election program, as I said last Friday, the Government has an obligation to submit the deterrent fee question to a plebiscite and let the people of Saskatchewan make a decision.

Mr. Speaker, I will not support Bill No. 39.

Some Hon. Members: — Hear, hear!

Mr. B.D. Gallagher: (Yorkton) — Mr. Speaker, I rise to speak in support of Bill No. 39 because of some of the things that have been said by the Member for Regina North East (Mr. Smishek). I believe his opening remarks were that it is the responsibility of Government under the Medical Care Insurance plan and the Saskatchewan Hospital Services plan to look after the health and the hospital needs of our people. This was one of the few statements, Mr. speaker, that the Member made that I have to agree with. It is because this Government has this responsibility that we are amending the Saskatchewan Hospitalization Act, which of course includes the imposition of deterrent fees.

The gravest responsibility, Mr. Speaker, that the Government has in the field of health is to ensure the continuation of both the Hospital and Medical Care Plans and to guarantee their solvency. Every time an Opposition Member speaks on the matter of health, we hear the old story about the Liberals promising free medical care back in 1919, and that it wasn't until 50 years after that we got it, and because there was a socialist Government elected in Saskatchewan, and that is the only reason why we ever got medicare.

Now I think, Mr. Speaker, that any rational person — and I must say that most socialists are not rational — would know that, when the Liberal party promised a medical plan back in 1919, they did not expect or suggest that this was going to happen overnight.

Some Hon. Members: — Hear, hear!

Mr. Gallagher: — Mr. Speaker, it is just like suggesting that they promised a jet airplane in 1919. If they read MacKenzie King's message to the party in 1919, they would know that this was a blueprint for health needs for the foreseeable future. It was a blueprint not only for health but for most of the social needs of Canada. Also envisioned in blueprint were old age pensions, unemployment insurance, family allowances, as well as health care. This may be straying pretty far away from the Bill, Mr. Speaker, that we are discussing but it is not a bit further then the Member for Regina North East had strayed.

Since that day in 1919 — and I hate to go back that far — but the socialists seem to like to talk about that date, to use

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the words of the Federal Minister of Justice — Governments, mostly Liberal Governments, have underwritten universal social distress in Canada with the passage of the Canada Pension Plan and the advent of a national health plan, the last major needs of the country have been dealt with by government. Any reasonable person knows that all these measures had to be implemented progressively over a considerable period of time. I think the timing of their implementation and the order in which they were implemented was probably close to right. With the possible exception of the Canada Pension Plan which we might have better enacted ten years earlier, I think that all these measures were very timely adopted to cope with the social problems that existed as the country matured. I think any responsible elected Member of Parliament or any Member of any Provincial Legislature, who is responsible, knows that his prime responsibility today is to guarantee that the programs that have been instituted are kept working to alleviate the social distress that they were designed to alleviate. This is the reason that this Government is taking the action it is today in amending this Act, to ensure that we have a hospital plan that works. I need not recite today's statistics to show this House that hospital costs have spiralled and that the demand for more hospital facilities never ends. In Saskatchewan where we have more hospital beds per thousand people than in any other province in Canada, the demand is just as great or greater, than in any of the other provinces of our country. I believe, Mr. Speaker, there are several reasons for this.

First, we had the first prepaid Hospital and Medical Plan in Canada which of course would assure fuller use of medical and hospital facilities. Secondly, when our plans were first adopted, we failed to build in safeguards that would ensure these plans would not be over-utilized or abused.

I said before, and I will say again, that as a Government the prime responsibility today is to guarantee the solvency of the Medical Care Plan and the Hospital Plan. It is very easy for an irresponsible Opposition Member to stand up and cry about a tax on the poor, or a penalty for being sick, just for the sake of cheap political gain. I must repeat what has been said by both the Premier and the Minister of Health (Mr. Grant.) and I wish that the Member for Regina North East (Mr. Smishek) had stayed in his seat. Both the Premier and the Minister said that this Government guarantees that no person who is medically indigent will be refused medical or hospital care because they can't afford the money.

Some Hon. Members: — Hear, hear!

Mr. Gallagher: — The Opposition know that right now, as has been the case since the inception of the Medical Care and Hospitalization Plan in this province, the Government underwrites the premium for a person who cannot afford to pay for their Medical Care or Hospitalization cards. The Government assures this Legislature and it assures the people of Saskatchewan that it will underwrite utilization fees for all those who will be medically indigent. Surely, Mr. Speaker, the Government is doing what is right in underwriting utilization fees for these people, and surely the Government is doing what is right in imposing deterrent fees to assure the people of this Province that they will have these programs and not have them wrecked by doing what might be popular and more politically expedient, but would not ensure the solvency of these programs.

I remember, Mr. Speaker, speaking in this House in the fall session of 1961 saying that if the Government did not have utilization fees that eventually abuses would wreck both the Medicare and the Hospitalization programs. And any of you who were in this House at that time will recall that the lady Member for Regina didn't take too kindly to my suggestion. I believe that developments since 1961 have proven that I was right at that time and that the Government is right today in imposing utilization fees. The Member for Regina North East (Mr. Smishek) said that people were basically honest and he insinuated that Liberals think different. Well, one might expect the Member to say something like this, as he will say anything that he might think goes over well with the public. I believe that the majority of people are basically honest, but there are some who are not honest, and there are others who think that because the Government provides the service, it doesn't matter if they overuse the service. They take the attitude that the Government has lots of money anyway. One has only to read the newspapers to realize that some people abuse government programs because they think they can get away with it. One of the more recent reports gave the figures for the number of people convicted for breaking the Unemployment Insurance Act, and this is rather interesting, Mr. Speaker. It stated that more than 20,000 people were convicted, and probably there should have been twice as many more for violations of the Unemployment Insurance Act. It is because of facts like this that government must take steps, not only to protect the Plan, but to protect innocent people from being exploited by a few who take advantage of government programs to abuse them.

I know it would be much easier for the Government to increase the head tax or the premium. It would have been simpler and it would have raised twice as much money for the Treasurer if the Government had increased the sales tax one more per cent. But the Government would not be attacking the basic problem if they had taken this comparatively easy course. I am sure that every NDP Member knows of cases where hospitalization has been abused.

Mr. C.G. Willis: (Melfort-Tisdale) — By whom?

Mr. Gallagher: — No Socialist will admit it because it is mostly Socialists that are abusing it, Mr. Speaker.

An Hon. Member: — Name one.

Mr. Gallagher: — I have talked to many people who know what's going on. People like nurses, doctors, ward aides, orderlies. One of our local doctors suggested to me that the public can't abuse the program because no one can be admitted to the hospital without a doctor's order. This is quite true, but it is also true that some of the doctors are the culprits.

An Hon. Member: — Name one.

Mr. Gallagher: — I know one case, Mr. Speaker, and I know this gentleman as well as I know my seatmate. I know one case where an expectant mother, on going to the hospital to have a baby delivered, had her four year old son admitted to pediatrics because she couldn't get a baby sitter and it cost the Saskatchewan Hospital

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Services Plan \$15 a day for the ten days until she was discharged and then the four year old son was discharged with her.

Mr. Speaker, it is because of people like this that we have to have deterrent fees. I suppose that the Member for Regina North East (Mr. Smishek) represents more people on low incomes than most Members of the Legislature, because he represents an area that is just about all working people. Why does he not come out honestly and tell those people the facts? If he represents more low-income people than most other Members, then he will have more people who will have their utilization fees underwritten by the Government than any other Member. Why does he not tell those people what the Premier and the Minister of Health (Mr. Grant) have stated. The Government has stated that no person will be deprived of hospital and medical care because they are indigents. The Member is not telling all the story, because he thinks it might not make any votes if he did tell the whole story. The Member for Regina North East is running a close second behind the Mayor, Mr. Speaker, for being irresponsible. I expect that, if the Mayor gets up to speak in this debate, he will violently oppose the Bill and he will probably add another 17th plank to his program. He will promise everybody that goes to the hospital a bonus of \$10 a day.

Mr. Speaker, I would like to quote from a speech by Mr. Douglas, the former Premier when he was speaking on second reading on the Medicare Bill on October 25th, 1961, and I am sure, Mr. Speaker, that you are not going to call me out of order after the Member for Regina North East strayed so far from the contents of the Bill. And I quote Mr. Douglas. He was speaking on the second reading of the Medical Care Bill and here is how he started out his speech that afternoon:

As I said when the Speech from the Throne debate was underway, the Government doesn't pretend that we can put before this House or the people of the province a perfect plan. We think we can have a plan which is acceptable. We are convinced that the House itself and the committee of the Whole will have many useful suggestions, and we are convinced that as the plan is implemented, and in the light of experiences, undoubtedly changes will have to be made because no plan in its initial stages can possibly foresee all the contingencies which must arise.

Well, Mr. Speaker, surely when their Leader said this back in 1961, some of them must think of some of the things that he has said. And later on in the same speech that he was making, just before he closed his remarks he said: "May I just summarize." And he listed six different headings that he wanted to summarize on and the first one was the target date. The second was the increase in the income and corporation and sales tax. The third was the per capita tax of \$24. The fourth was the per capita tax would not be collected until the fall of 1962. The fifth was the payment for doctors on a fee for service basis. And the sixth one I will read out, I'm quoting Mr. Douglas:

The matter of utilization fees is still under consideration. The Government would prefer to have the advice of the Medical Care Insurance Commission, when the latter is appointed; before making a final decision. In the event that utilization fees are charged, then the cost will be \$1,800,000 less than the \$21.5 million estimated by the Advisory Planning Committee on Medical Care.

I want to say again, the Government is not seeking to shelve its responsibility with reference to utilization fees. I think those who are going to administer the plan ought to have an opportunity to give us their opinion, because there are two sides to the question. The first is; does a charge of \$1 for an office call or \$2 for a house call, or \$3 for a night call actually act as a deterrent at all? Does it reduce abuse?

This is what Tommy Douglas said in October of 1961.

An Hon. Member: — He asked a question!

Mr. Gallagher: — The second thing, now remember this, Mr. Speaker, “the second thing that has to be kept in mind is that it will cost \$1,800,000 less by having this deterrent fee” and the point brought up by the Member for Pelly, Mr. Barrie, today is a fairly valid one, that the people who are actually getting the service are making this little extra payment of \$1,800,000 which takes that much less of the general taxation burden. And \$1,800,000 if you could have that much money might be useful to do many other things. “You could build a Regional Mental Hospital with \$1,800,000.” This, Mr. Speaker, is what the former Premier of Saskatchewan said when they were passing the Medical Care Insurance Bill.

An Hon. Member: — Your Cabinet agreed . . .

Mr. Gallagher: — I suppose, Mr. Speaker, some of the things that the Member from Regina North East has said probably should be answered. I am sure the Minister of Health and other Members on this side of the House are going to have a lot to say about it. I think, Mr. Speaker, it was the most irresponsible speech that I have ever heard in this House. I wish, Mr. Speaker, that the Members to your left would take heed of some of the remarks made on the occasion seven years ago by their former Leader. The Government in amending the Saskatchewan Hospitalization Act is accepting its responsibility to preserve this program. It’s in the light of the statements that I have made, Mr. Speaker, that I support this Bill.

Some Hon. Members: — Hear, hear!

Mr. W.J. Berezowsky: (Prince Albert East-Cumberland) — Mr. Speaker, I am rather surprised to hear such an illogical speech from the Member from Yorkton (Mr. Gallagher). He’s tried to argue on one of those points concerning the time when we were trying to bring in a plan, at which time we didn’t have the experience we now have. I’d like to point out to the Hon. Member that since then we’ve had some experience; since that time, our plan has worked, and it has been fully indicated that we don’t need to have utilization fees or hospital charges. May I also point out since that time we’ve had a Commission, the Hall Commission’s recommendations to the people, to the Government of Canada and so we have that information.

I would like to first of all mention something of a promise that was made by the Premier of this Province only a matter of two years. March 24, 1966, in the Leader-Post we have this, I quote:

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Medicare cut hinted, Premier Thatcher hinted Wednesday a reduction may be made in the Provincial Medicare and Hospitalization per capita tax within the next two years. During debate on second reading of a bill to reduce by one per cent the Provincial surcharge on income tax, Premier Thatcher referred to the Medicare and Hospital tax, stating the Government 'intends to do something about the tax at the appropriate time and I can assure the Opposition they won't go into the next election with the advantage they now have on that tax.' That was his only comment on the subject, but it created a clamor from Opposition benches.

Now, Mr. Speaker, we must have governments and politicians whether they sit in parliament or are out in the hustings at election time. Surely when they make promises, these promises must mean something. So I say this: how can we have honor in public office if we cannot keep our commitments? Now, here is the Premier's commitment made only two years ago which this Government is now breaking by passing this Bill.

Just the other day the Minister (Mr. Grant) brought in a Bill, this Minister of Public Health said utilization fees are to be extracted from the sick of our province. Is the new Liberal Saskatchewan in the first year of the second century of Canada's history, is it doing just that? Well I say if it is then it's a shame and a disgrace. The Bill he presented and moved disregards the Premier's promise, as I pointed out, and basic fundamentals whether a person can or cannot pay utilization fees. This is a moot point. Only in hospital services rendered outside of the province will these fees not be levied the Minister has told us. It is obvious in areas close to the Saskatchewan boundaries, along the Alberta boundary, the Manitoba boundary and I suppose along the American boundary that people will try to get services outside of the province, because they won't have to pay utilization fees there. I say, Mr. Speaker, that this Bill is immoral and not in the public interest. Neither was it recommended by hospital boards and doctors' organizations. These people were not consulted as far as I know. If they were, I'd like the Minister to tell us. Evidently then this legislation has been brought in and is only intended to discourage a national medical plan for Canada by antagonizing the populace of Saskatchewan.

Mr. Speaker, this Bill ignores the right of the people to choose and the right to participate when sick. It is based on the premise that you cannot choose hospital services, unless you have the money in your pocket, and this is the kind of legislation that is being imposed by this Bill. I say this legislation is a betrayal of Liberal party's promises of lower taxes and expanded health services. It is intended to be the death knell for a drug program promised by the Liberals. This Bill is unworthy of a free and democratic society, and so every Member in this House should oppose it, in caucus yes, and in this House. It must not blacken the law of this Province because it is retrogressive and immoral legislation. I challenge the Premier to have a vote on this Bill in private, so that his Members can vote secretly and you'll find out that many of them on the other side think as we do here.

Some Hon. Members: — Hear, hear!

Mr. Thatcher: — You hurt my feelings, Bill.

Mr. Berezowsky: — I don't think I could hurt your feelings, you're too hard! Mr. Speaker, consider a person who has a chronic condition and must be repeatedly confined to the hospital for treatment. He will now be punished for being sick; he'll go in for a number of days, he'll come out, he'll go in again, and he'll come out and go in not for 90 days; it can be for 180 days or 365 days and all this time he'll have to be paying. There is no limit set by this Bill. It is 90 days from the time he enters the hospital and if he's let out for a few days and then comes back it's another 90 days from then on. This is the kind of legislation that this Government wants us to support. I say a person who is a victim of an accident, which may be no fault of that person, will now be punished by these utilization fees. A mother who has a baby will now be punished for having a baby. This legislation surely should be a boost for the pill if anything, though we talk about the need of immigration into our country.

I say that like education health needs are related to the dignity of mankind. Too many, as some of the Hon. Members opposite — I don't think they're all that way — still believe that we should not go too fast towards human dignity. Just go half way, part of the way, compromise on basic principles instead of standing up for them, and securing them in your laws. The Minister who moved this Bill, in line with the Thatcher philosophy represented by this Bill, is not seeking a real solution to our health problem. He's letting opportunity slip by dragging into our health plan this obnoxious and retrograde legislation. Mr. Speaker, this Thatcher Government has failed to recognize social changes and social values and this Government will be condemned in history. Yes, for a long time to come, as they are being condemned by our people today because they failed to recognize that in this changing world there can be no backward steps; but that society must go forward to better things. Mr. Speaker, that is what the Member for Prince Albert West (Mr. Steuart) promised us before the last election. When he got on TV, he told the people, "Vote for Davy Steuart and for better things to come." Now this is what we get, Mr. Speaker. If the Hon. Member for Prince Albert West thinks that deterrent fees are the people's idea of better things, he'll be in for a shock after the next election, I assure him.

An Hon. Member: — Now Bill!

Mr. Berezowsky: — He and the Premier have betrayed the trust of the people of Saskatchewan and they'll reap the harvest.

An Hon. Member: — That's what you said last time!

Mr. Berezowsky: — Now, Mr. Speaker, I had hoped that I would have heard the Minister of Public Health say that his free enterprise value had softened somewhat and there was strengthening of some collectivism in his thinking. After all did not this Government in its first term of office retain most of the progressive legislation which the former CCF Government had enacted? Had he not been under pressure by members of his own party in this Legislature and this country and been told not to do what he is doing? So we had every right to think and to hope that he would hold the line, but now we find that we are completely let down. He has now indicated how they are meeting the

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challenge of Saskatchewan's social needs by this kind of legislation. So I can only conclude that this Government is undemocratic, and that it has failed to transcend partisan and selfish interests of the private enterprise friends. Make no mistake, Mr. Speaker, this legislation was long in the making in secret corners and negotiated by the Premier and his right hand Minister, the Provincial Treasurer, sitting with the establishment for the primary purpose of protecting the financial interests, the insurance companies.

Mr. Speaker, we've heard about high costs. I cannot talk about the high costs for the Province because the Minister has not given us the information to date. But I do have some information being a member of the board of the Prince Albert Victoria Union Hospital, I have some figures here that will be of interest to this House. This is a statement for the period of January 1 to November 30, 1967. I only wish that I had previous years' statements because they are very comparable. We find this. There has been no increase in costs as he has suggested, at least not in that hospital, because the budget of the hospital as it was approved was \$1,351,262. Do you know what we actually spent, only \$1,346,818. In other words we had a surplus of \$4,444. If anything, the cost of hospital insurance should have gone down on the basis of these figures here. As a matter of fact I could show you the number of residents and non-residents. It was estimated it would be 15,706.24 residents that were approved. We only had 11,832.99. We find that there was a drop all along and there has been a drop for the last two or three years. Now just where the costs are I don't know, but certainly they are not in Prince Albert. I can only conclude that one of the reasons why we have such low costs of hospitalization in Prince Albert is the fact that we have a community clinic for people who are sick. They don't have to go to the hospital for all sickness. I can only remind the former Minister of Public Health that one of the biggest mistakes he made was when he refused to pay for the minor surgery in community clinics. By forcing people to go to the hospital he forced them to stay a day or two or three days there and he imposed on the Hospital Plan \$25 or \$50 or \$75 for staying in that hospital. So if anybody is responsible for increased hospital costs it is the Government opposite, Mr. Speaker. I find for example the analysis of the supposed-to-be deficit instead of being a deficit was a surplus for that period in the amount of \$40,811 in the Victoria Union Hospital. And you can look it up. We have had a series of injustices in Prince Albert concerning hospital costs on top of that, and we have complained. For example hospital guests at Prince Albert are now being penalized by autocratic hospital administrators by being required to pay \$2 a day for a public ward. It is supposed to be free, Mr. Speaker. They call it preferred accommodation. Through the public wards or preferred accommodation they have been extracting for some years now \$2 a day, the Government gets a \$1 out of that, out of these poor sick people.

Now in addition I would like to point out another area of abuse and that is that our taxpayers were guaranteed, when we joined the Victoria Union Hospital, that the mill rate would not go up over two mills. Mr. Speaker, it has jumped in the last two years, since the Liberals took office, to nearly four mills. So there again is a tremendous injustice. We are paying fees now of \$2 a day if you are sick; we are paying a mill rate of just about 4 mills; on top of that the Government is going to impose this extra tax.

How much do you think the people of this province can bear! I am not satisfied, Mr. Speaker, at all, that the Government has done what it should have done in economies. These costs didn't just jump in one year. They have gone up slowly. We could understand if the Government had told us, well, everything has gone up and therefore we must have another 2 or 3 per cent to cover the cost of medical care and hospital insurance, but to ask us for millions of dollars deterrents all in one year is just a little bit too much and our people are just not able to pay it.

Mr. Speaker, this is a time when at least in my part of the country we have undoubted rural poverty. I referred to ARDA in another debate, indicating 60 per cent of the farmers live below poverty. Yes, living below poverty. So I ask: how can they pay more taxes? Yet this Government is intent on imposing more taxes on them. The cost of living for working men has gone up; there have been low earnings by independent business people. They are all complaining, all across the country, about hardships and yet this so-called Liberal Government brings in this uncalled for and vicious legislation.

The Minister has said that there has been abuse. I can assure you Mr. Minister that in my community, in the city of Prince Albert there is no abuse. I know of not one single person that is abusing these privileges. I don't see any people that aren't sick in the community clinic, I don't see them in the private clinics and I don't see them in the hospitals. I have been in the hospitals, there are sick people there. And when you talk about abuse there may be a fraction of a per cent across the province, but this is no justification to use that kind of argument to try to load up the people with all these taxes. I can only say, apparently the Minister has had bad advisors, because I can prove to him without a shadow of a doubt, I have proven it already as a matter of fact, that his reasons are wrong and given to this House without research and assembling of facts. I don't deny that hospital costs are up, Mr. Speaker, and people who have written me have said, if the Government needs money so badly, why don't they raise the tax a little bit instead of imposing this kind of deterrent on those who cannot afford to pay. I don't say taxes haven't gone up because we know we are providing more services today in our hospitals. We have got pathology, X rays and other services that weren't there before. These have been necessary and it is a good thing for the people of the province that we are providing these extra services, but imposing deterrent fees again I say is not the answer.

The Minister may argue, as he has, that people should be able to pay, and he may say that if a person is poor that it is his fault. He may say he is not a person of affluence as some of the Hon. Members are in this House. The Member from Regina South West (Mr. McPherson), has said leave the poor to us, leave the hospitals to us, the Government should not get involved, leave it to charity, we don't need Governments to build or finance hospitals, the private sector will do everything necessary for the poor man to survive. Blessed are the poor, may they continue to be ignorant, sick, live in slums, in the garbage dumps, be ignorant and sick, we will let them die. That's what they would say, we will not let them die, we will look after them. This is the kind of interpretation we are getting from the Liberals opposite and we can see, Mr. Speaker, how humanitarian values are being ignored today. Are these the values of

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Dr. Uhrich of the 1930s and Dr. Dragan who were Liberals who fought for medical care and for free hospitals, and who brought in the original cancer plan? Are these the kind of philosophies that you Liberals hold today? Mr. Speaker, this Government has forgotten everything in their desire to get money. They have been wasteful, they have wasted the money that the people have paid and now they have to get the money from somewhere. They have forgotten even this simple fact, that a happy labor force ensures a longer and greater productivity in a province. Even this truth did not stop this Government from legislating this Bill. Only prospects of immediate tax savings to corporations and industries, the need to smear and blacken the health plans so to discourage its spread across Canada and the United States are the purpose of this reactionary, backward Government.

Mr. Speaker, there is a current debate in Canada. It seems to me that this legislation here in Saskatchewan is a pay-off to the Establishment that has been supplying campaign funds for the services of the Premier and for the Liberals in their last election.

Some Hon. Members: — Hear, hear!

Mr. Berezowsky: — Mr. Speaker, I have still considerable to bring to the attention of this House. I have had numbers of letters and some arguments and, therefore, I would like to move to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 10:00 o'clock p.m.