

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Twelfth Legislature**  
**26th Day**

**Friday, March 20, 1953**

The House met at three o'clock p.m.

**SECOND READINGS**

**Bill No. 62 — An Act respecting the Superannuation of Teachers**

**Hon. W.S. Lloyd (Minister of Education):** — While this is a new bill, Mr. Speaker, it does not present any very considerable change in principle. The reason for having it as a new Bill is because of the need of consolidation of the old one. However, even though there are not too many changes in it, I thought a statement should be made, first of all because there are a number of new members in the House, this year, who have not had the opportunity of studying this Superannuation Bill, and we are going to ask them to vote on it, and secondly because many of the members, both new and old, have, I know, been approached by teachers who are friends and constituents. Those who have not already been approached will undoubtedly be approached in the near future, so perhaps it is worth while for me to take some time to explain the matter of superannuation in the province of Saskatchewan.

Before I do that, I would like to join with the Leader of the Opposition and you, Mr. Speaker, in welcoming the young people here, this afternoon. It is an encouraging sign that they and their parents and teachers go to as much difficulty to come and see the Legislature as they do, and we do welcome them. I would not like them to think that I am just talking about what we do with their teachers when we turn them out to pasture at the end of the road, Mr. Speaker.

What I would like to do, this afternoon, is to discuss for a while the history of teachers' superannuation in Saskatchewan, some of the principles which underly the present plan, and some of the costs of superannuation according to the experience we have had to date. The legislation with regard to teachers' superannuation in Saskatchewan was first passed in 1930. At that time all teachers were required to pay 4 per cent of their salaries into the superannuation fund. The service they had rendered previous to 1930 was recognized for purposes of superannuation but at a somewhat lower rate of compensation than the service since that time. There were no retroactive payments required. That means, of course, that once the Act was passed, teachers could immediately take advantage of it to get superannuation for the services they had rendered.

The amount of pension in the 1930 Bill was based on the length of service of the teacher in the province, and upon the salary which he or she had been getting, with the salary giving the greatest weight to the amount of pension. There was a maximum pension of \$2,000 established by legislation, and a minimum pension of \$360. The Government at that time

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passed the Legislation to the effect that it would make regular contributions to this superannuation fund. That section of the legislation, however, was repealed at the Session following, and so was never acted on.

The second period is the period from 1930-1942, which was the period during which that particular Act operated. There were a number of changes in the Act which I do not plan to discuss, this afternoon; they are not changes in principle. It is significant, however, that during that period there was no government money supplied whatsoever. The pensions that were paid were paid from the forfeitures. I should have mentioned previously that any teacher leaving the profession, left in the fund and still leaves in the fund, the first two years of contribution. So the Government had access to that amount of money from that source; also they used the contribution to teachers who were still teaching to pay part of the pension bill.

Because there was concern as to the cost of that Act, and because there was concern on the part of many teachers as to the properness of the principle of the Act, there was, in 1939, an actuarial investigation. The actuarial investigation plus the concern on the part of the teachers and the Government, too, I presume, resulted in the passing of a new Act in 1942, and the old Act was repealed, of course, at that time.

Now, the new legislation provided for a new arrangement with regard to pensions of people who were pensioned in the future, and also a new arrangement with regard to those people who were already on pension. There were at that time 196 persons in receipt of pension, and the Government of the day said: "We will remove the responsibility of the payment of the pensions of these persons from the superannuation fund." The Government assumed that as a responsibility entirely apart and aside from its responsibility for superannuation for teachers who might pension in the future. The pensions of this group, if the pension was in excess of \$360 were reduced according to a formula. If a person had a pension of \$400 under the 1930 Act, in 1942 that pension was reduced, and the greater the pension, of course, the greater the reduction.

Thirdly, the Government at that time took steps to restore to the fund the moneys, contributions of active teachers, that had been used to pay pensions prior to that date.

The important part of this discussion, Mr. Speaker, is, of course, to review the principles of the Act which are substantially the principles of the Act which I am introducing today. There was introduced at that time a new principle which is frequently called the "Service Annuity principle." Teachers, I should say, continued to pay into the fund 4% of their salary as a compulsory contribution. I should say, too, that the forfeitures were continued; that is, if a teacher leaves the profession, then they must leave in the fund the first two years' contributions, and these are turned over to what we call the Service Pension Fund. Those forfeitures are there to carry out some of the obligations which the Government assumes.

The pension itself, under this plan, is broken into three parts. First of all there is a part which we call "Annuity 'A'". This Annuity 'A' is the amount of the pension which is purchased by the accumulated contributions of each teacher when he retires; that is purchased entirely from his or her own money. These contributions accumulate interest at a rate set up by the Treasury Board, and that interest rate to date has been 4% compounded semi-annually.

Secondly, there is a portion which we call "Annuity 'B'". This was added in order to build up the pensions of teachers who had considerable service before 1930, and who consequently had not had an opportunity to build much of an annuity for themselves. Annuity "B" was calculated on this basis: the number of contributory service times Annuity 'A'. Let me illustrate in this way:

If a teacher had started teaching in 1920 and taught through until 1950 and then superannuated, Annuity 'B' would be calculated according to these factors. From 1920 to 1930 there was no contribution made because there was no superannuation plan in effect, so that the teacher had 10 years of non-contributory service. From 1930 to 1950, a period of 20 years, he did have contributory service, so Annuity 'B' was calculated by taking the 10 years of non-contributory service over the 20 years of contributory service times Annuity 'A' — in this case it works out to be one-half of Annuity 'A'.

If that teacher, instead of pensioning in 1950, continued until 1960, the non-contributory years would remain, of course, at 10; the contributory years would then be from 1930 to 1960, or 30 years, so Annuity 'B' would in 1960 be 10 over 30 times Annuity 'A', or one-third of Annuity 'A'.

Hon. members will note that Annuity 'B' will reduce in relationship to Annuity 'A', that it will disappear entirely when all of the teachers superannuating have all of their service since 1930. I should add that the responsibility of paying for Annuity 'B' was assumed by the Government.

The third major portion of the pension was determined by the length of service of the teachers; that is, it is what we call a 'Service' pension and was determined by the number of years of service they had at the particular age they were when they were superannuated. Let us take the example of a teacher retiring at the age of 60 in year 1942, when this new plan first took effect. A female teacher retiring at age 60 in 1942 would receive \$10.40 for each year of service. A male teacher retiring at age 60 in 1942 would receive \$12.00 for each year of service. In other words, Mr. Speaker, a female teacher, age 60 (if I may be pardoned for using those words in connection with the ladies), who had 30 years of service, would have earned a service pension of  $30 \times \$10.40$ , or \$312 per year. That would have been her service pension. Now there were actuarial adjustments according to the age of retirement. If she retired at 65 instead of 60, then the rate was more than \$10.40.

The total pension which a teacher receives, then, is made up of Annuity 'A' (which is their own money) plus Annuity 'B' plus the service pension, with Annuity 'A' being purchased by their own accumulative contributions, Annuity 'B' and the service pension being paid for out of Government funds.

In 1942, a superannuation was available to a male teacher with 95 years of combined age and service — not 95 years of age, and not 95 years of service, Mr. Speaker, but 95 years of combined age and service.

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That is, a male teacher who was 60 years of age, and had 35 years of service could be superannuate; if he was 65 years of age and had 30 years of service he could superannuate; or some combination of the two which added up to 95. It was simpler for the female teachers, because they could superannuate if they had just 90 years of combined age and service.

The teacher had a choice of different plans under which he or she might take the superannuation; that is, they could choose the single life plan, or a joint life and last survivorship, or some other plan which seemed to fit best their particular situation. Provision was made, too, that if a teacher had 20 years or more service and became disabled either physically or mentally, then a pension was available for that person in that way.

The Government at that time assumed the financial responsibility for these three items: (1) the cost of administration of the plan, (2) the cost of Annuity 'B', as I have already mentioned, and (3) the cost of the service pension portion. In order to carry those costs it had available the proceeds of the forfeitures which I have already mentioned, and which, when a teacher leaves the profession, were transferred to what we call the service pension fund. The Government, in addition, guaranteed the necessary funds over and above the amount available from forfeitures necessary to meet the cost of pensions. No arrangements were made for annual payments to establish the fund on an actuarial basis.

That was the situation in 1942, and now I want to spend some time in describing the major changes which have taken place since 1942. Let us consider, first of all, the changes in the service pension rates. Let us use age 60 as our standard. You will recall that I mentioned that in 1942, it was \$10.40 for female teachers per year of service, and \$12.00 for male teachers per each year of service. In 1944, that was increased to the amount of 13.00 per year for female teachers and \$15.00 for male teachers. In 1945, both were increased to \$20.00 per year of service; that is, we wiped out the difference in the amount between male and female at that time, insofar as pensions are concerned. In 1950, the rate was further increased to \$25.00. In 1952, it was again increased to \$30 per year of service. All of these increases, I may say, apply to persons who had superannuated previously, but after 1942, as well as to persons who superannuated after the change in legislation.

We have mentioned the service pension of a female teacher at the age 60 before; that amount in 1942 with 30 years of service was \$312 per year. A female teacher, or a male teacher, superannuating this year at the age of 60 with 30 years of service, would have a service pension of \$900 per year. That gives some indication of the improvement there has been since 1942. Annuities 'B' and 'A' remain unchanged as far as the bases of calculation are concerned, of course.

Secondly, the conditions of superannuation have been made somewhat less stringent than they were. This is particularly true for male teachers who previously had to have a combination of age and service amounting to 95 years. They can now superannuate on the same basis as female teachers, namely if their age and service total 90 rather than 95.

Some members may ask why it has been thought right to make superannuation obtainable under easier conditions. The reason, of course, is that work of the teacher in the classroom is an onerous type of work. Frequently it is to the advantage of the person teaching, and to the advantage of the youngsters, to make it possible for that person to retire from classroom work. I want to mention that it is not compulsory at any age to superannuate; but we have thought that at age 60 it should be fair and proper. A person having given 30 years of classroom service may be allowed to superannuate under those conditions.

The third change with regard to amount of pension paid was when we introduced a cost-of-living bonus, and some changes in rates affecting those people who were pensioned before 1942. I am pleased to make this comment that except for a very few — just two or three, or maybe four — all of those people under the age of 70 now, who pensioned before 1942, receive an amount equal to, or greater than, they receive when they first superannuated. The minimum for this group is now \$600 per annum.

About three or four years ago we introduced a provision by means of which it would be possible for a teacher to ensure that his dependants receive some protection in case of his death. Previous to that amendment all that a wife of a teacher who died received was the amount of that teacher's contribution. The legislation at the moment is to the effect that a teacher who has 20 years of service may, by paying an additional \$25 per year, provide for his dependants in case of his or her death. The benefits are roughly these: an allowance equivalent to the allowance on the grounds of age and service which he would have received had he superannuated at that time. This is calculated on a joint life and last-survivor plan. If the husband or wife dies, then the benefits are continued to the children until they reach the age of 18.

Change has been made, too, in that teachers in recent years can contribute more than the compulsory amount. Some teachers have been contributing five, six, seven or eight per cent in order to build up their annuity. It is encouraging to note that more and more teachers are taking advantage of this plan. Members will remember, too, that one year ago, we increased the compulsory contribution upon request of the teacher, from 4% to 5% of their salary. It should be mentioned that, while we increased the contribution, the forfeiture still remained at 4% of the first two years' salary.

A significant amendment, too, was one of last year whereby teachers can take a greater amount of their pension before they reach the age of 70. That is, if his pension worked out to be \$1,000 on a single life calculation, a teacher could earn a greater pension than \$1,000 for the years until he reaches the age of 70, and at that time he will be in receipt of the universal old-age pension, his teacher's pension can drop down, and it makes it possible for her or him to level out his or her income in that particular way.

I want now to mention some of the costs of these various plans. They are important figures, Mr. Speaker, and, unfortunately, I have to use a lot of figures in order to describe them to the House. Let us consider first of all, the group pensioning before April 1, 1942; that is, the group the responsibility for whose pension has been removed from the pension fund as such. In 1942 there were 196 persons in this group. I see that on March 1, 1953, there are 113 of this group still living. For the first full year (that is,

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from July 1, 1942, to June 30, 1943) the cost of paying the pensions of the 191 persons was \$130,050. Our Teachers' Superannuation financial year is from July 1 to June 30. By the year 1946-47 there were 158 persons in this group, and the cost was \$98,362. It was the year following that that we introduced some change in rates and some cost-of-living bonus, and the cost for that year increased to \$103,131. The cost for this group for the last year for which we have a complete record — July 1, 1951, to June 30, 1952 — was \$91,817 with 115 persons participating. The total cost for this group from April 1, 1942, to March 1, 1953, has been \$1,176,615 and that, of course, has been paid out of Government revenue. The cost for this group will, of course, decrease for each year, as some of the members in it pass away.

Secondly, let us look at the cost of the group which has superannuated since 1942. Let us look, first of all, at the cost of Annuity 'B' and of the service pensions, because these are the two parts of the pension for which the Government is responsible. In the year July 1, 1942, to June 30, 1943, the first complete year of the new plan, the total cost was \$3,345, all of which was paid by forfeitures. As a matter of fact, forfeitures continued to pay the entire pension bill of this group until July 1, 1945, and it was at that time that the Government decided to put into the superannuation fund each year, or make available for superannuation purposes each year, rather, \$150,000. The first charge on this \$150,000 was to be the cost of the pensions of the group who had pensioned before 1942. Any amount left over was to go into the service pension fund. From July 1, 1945 to June 30, 1946, the total cost of Annuity 'B' and the service pension was \$57,062. Of that amount the forfeitures paid \$20,655, the Government contribution covered \$36,407 last year (1951-52), the reports for which were laid on the Table not many weeks ago, the total cost of these two parts of the pension was \$278,943 and there was available to pay that, out of Government revenue, \$81,430; out of the forfeiture fund \$197,513.

Now the total cost of Annuity 'B' and service pensions from April 1, 1942 to March 1, 1953, is \$1,386,153.51. I wish to make it plain, Mr. Speaker, that that is exclusive of Annuity 'A' which is purchased by the teacher's own contribution. Of this amount of money, \$962,275.22 was provided from forfeitures — that is, the money of teachers who had left the profession; \$423,878.29 was provided from Government revenue. If members have the opportunity of looking at the Estimates for the next fiscal year, they will note that, to take care of pensions of the 113 persons still living who pensioned before 1942, and to take care of the cost of service pensions and Annuity 'B' of those who pensioned since 1942, Government expenditures will be \$382,000. In addition to that, they will find in the Estimates an amount of \$3,600 for the cost-of-living bonus for some teachers, and \$23,780 for administration. May I make it plain, too, Mr. Speaker, that that amount of money, \$382,000, does not include any money for forfeitures. In addition to this amount there will be probably in the neighbourhood of \$80,000 to \$90,000 available.

Perhaps we should look, just for a moment, at the total amount of money paid to teachers on superannuation since April 1, 1942. Take the first year — July 1, 1942 to June 30, 1943; there were 13 superannuates in that year. Annuity 'A' for these superannuates amounted to \$445; Annuity 'B' amounted to \$329; the service pension amounted to \$3,015, the total amount being \$3,790. Now, I want to take a year about halfway between then and now

the year 1947-48. During that year there were 171 persons in receipt of superannuation. Annuity 'A' amounted to \$12,442; Annuity 'B' to \$16,804; the service pension \$109,031, making a total of \$138,277. Now the last year, 1951-52, Annuity 'A' amounted to \$31,156; Annuity 'B' to \$32,032; service pension to \$246,911, making a total of \$310,100.

Members will note that Annuity 'B' and Annuity 'A' during this last year were almost equal. It is likely that Annuity 'B' will in the future be less than Annuity 'A'. As at March 1, 1953, there were 347 persons receiving superannuation, and the total amounts paid from April 1, 1942 to March 1, 1953 (that is a period of 10 years plus about 11 months, I believe), were as follows: Annuity 'A', \$147,816.84; Annuity 'B', \$169,048.90; service pension, \$1,217,104.61, making a total of \$1,533,970.35.

I am sorry to burden the Assembly with all these figures, Mr. Speaker, but I think it is desirable that members have some indication as to the cost of the plan, and how these costs are made up. It will be noted from the last set of figures which I have given that the portion of the individual pension purchased by a teacher's own contribution is less than one-tenth. This portion will increase in the future for several reasons. It will increase because of the fact that teachers are now contributing 5% instead of 4%; it will increase because gradually there is a longer period of contributory service; it will increase because many teachers are taking advantage of the provision to build up their annuity and put in more than the required 5%, and, of course, it will increase because of the effect of better salaries. Four per cent of the teacher's salaries during the 1930's, Mr. Speaker, did not buy much of an annuity.

I am not going to take the time of the House to report again as to the comparison of superannuation obtained by teachers in Saskatchewan and in other provinces; I did that during the Throne Speech debate. I could refer, so that the members could have more accurate information as to the amounts that are being produced, to the Annual Report of which, I believe, they have copies. I do just want to say this about those comparison, though, Mr. Speaker, as I think it is worth repeating. The members may recall that our minimum pension was better than in the other provinces; and certainly it is correct to say that a teacher in Saskatchewan can look forward to in general, a better superannuation under our plan than if he had superannuated in Manitoba certainly, or in Alberta, or in British Columbia.

There were some recent press statements with regard to changes in the British Columbia plan, and I would like to just comment on the changes there. They have the same general type of plan — that is, the service annuity type that we have. They increased recently their service pension rates so that the actual amount of service pension earned by a teacher in British Columbia will be more than a teacher superannuating in comparable conditions would earn in Saskatchewan. However, they do not have any Annuity 'B' in their pension plan, and that will more than make up any disadvantage which our teachers may suffer because of a higher rate of service pension out there.

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Secondly, it should be noticed that the teachers in that province pay a contribution not of 5% but of 6%, but only 5% of their contribution goes into the purchase of an annuity. One per cent is a payment into the service pension fund, and if a teacher leaves the profession there, that 1% which has gone into the service pension fund is forfeited. He gets no refund whatsoever of that 1%. He forfeits, in addition, his first year's contribution. If he withdraws from the profession, he gets the rest of his contribution back, but without interest; so actually their forfeiture provision is a tougher one than ours.

I do not want to take up any more time, Mr. Speaker. I do want again to make this general statement. While we have a good superannuation plan and while we have effected many improvements in it, I hope that we have not done with improvement to the teachers' superannuation plan. I say that because it is one of the most effective ways, it seems to me, of retaining in the profession our men and women with training and experience, who are extremely worthwhile retaining; secondly, it is one way in which the public can recognize the many years of valued service by these very important people, our teachers.

Mr. Speaker, I move second reading of Bill No. 62.

(Motion agreed to.)

### **Bill No. 72 — An Act to Amend The Liquor Act.**

**Hon. C.M. Fines (Provincial Treasurer):** — Mr. Speaker, in moving the second reading of this Bill, I would like to say something about The Liquor Act in general, as a background for the proposals that are being made by the amendments before the House at this time.

I am afraid that our Liquor Act has not set out very clearly just what its purpose is. Throughout the world today, the sale of alcoholic beverages is a subject which is constantly under review. Last year, for example, in the province of British Columbia, a commission headed by the Hon. Mr. Stevens, was appointed to bring in recommendations which would meet the needs of the people in British Columbia. Similarly too, during this past few months, the Province of Alberta has had a Committee giving some study to this question. But there is one thing I should like to emphasize here today, and that is that what may be good for one province is not necessarily acceptable in another province. It seems to me that it is our function to do what we can to promote temperance in the use and in the consumption of alcoholic beverages. If all our citizens would exercise self-control, and if those who drank would do so moderately, then it would be a fair and easy matter to draft legislation.

Unfortunately, however, we have, in addition to the moderate user, those who advocate a wide-open system — cocktail bars, mixed beer parlours, everything you can think of. And then, on the other hand we have those who would completely prohibit the use of alcohol altogether. So what we must strive to do is to reach a happy medium between these two points of view.

Now, Mr. Speaker, our Liquor Act has not had a real good going-over since it was drafted a great many years ago, and all the way through in



it there are references to numbered districts. There is a schedule on the back that sets out the districts running up to 113. Most of these districts consisted of about three municipalities, and when the Act was originally drafted, the people were given an opportunity in each of the districts to vote to see whether liquor could be served within those numbered districts. We have not had, for a great many years, any district in the province where liquor and beer could not be sold. In other words, we have left it to the people in a local community, rather than a larger district, and in the amendments which I am proposing today, I am suggesting that we strengthen still further this principle of local option.

At the present time, the Government can open a liquor store any place they want in the province, without any reference whatsoever to the wishes of the people of the community. We don't think that is right. We think that if the people of the community object to a liquor store being placed in that community, that we should not do it. So today that is one of the principal amendments which we are introducing. The present Act, it is true, does allow a petition signed by 15% of the electors to petition against the establishment of beer stores, but there is absolutely no provision whatever for the people to petition against a liquor store from being established.

It also requires, in the case of a hotel opening up, that a community may, if they wish, present a petition with 35% of the names of the eligible voters on that petition. Now, we feel that this is placing altogether too much responsibility on the people who would oppose the opening of additional outlets for the sale of beer, whether it be through a store or licensed premises.

Another feature, too, in the present Act that is not good is that it only allows a period of 30 days to get the petition ready. We are recommending in this that the period be to 60 days instead of 30 days.

We are also proposing another change, and that is in any district where the people do not today have a licensed premise for the sale of beer, that before that application will be considered by the Liquor Board, it must be accompanied by a petition signed by at least 25% of the electors of the town. In other words, the onus will not be upon the people, after they have read the notice of application to apply for licence, to go in and get a petition; the onus will be on the hotelkeeper who wants to have a licensed premise in his town. Where there is none today, he will have to get a petition signed by at least 25% of the people in the district.

Now, what about the existing licences, Mr. Speaker? Under the Act, there is provision whereby the people may petition against the extension of that licence after a certain number of years, whether it be three or five years — it depends upon whether it is the first time, or subsequently. At the end of the period of (let us say) five years, if the people of the community do not wish to have a licensed premises, then they must get a petition signed by 35% of the electors. We are proposing that this, too, be changed, and instead of requiring 35% we are proposing that this be reduced to 25% of the electors; and then, of course, a vote is taken, and whatever the result of that vote is, that will be the result in that community for the next five years. If the people indicate that they do not wish to have a licensed premise, then that will settle the matter for that period of time. On the other

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hand, if the people vote favourable towards allowing a licensed premises to be established or to be continued, then it will continue for at least five years.

There are a number of other amendments in the Act. A few years ago we gave the Board the right to purchase property with the consent of the Lieutenant-Governor in Council and now we are asking that that be extended to give the Board the right, with the consent of the Lieutenant-Governor in Council, to construct and repair property which they no longer need, or to sell this property.

The amendments before you today give the Board the authority to establish stores in the northern area of this province without the usual voting. The reason for that is that the Act only makes provision for stores being established in villages, towns and cities; but we have in the northern area of the province, particularly in Uranium City, an area which is not incorporated as a village, as a town, or as a city, and yet there may be thousands of people there. Now obviously, we cannot carry out the intent of The Liquor Act to provide liquor at the same price in all parts of the province and ship it away up to those far northern areas; so what we are proposing here is to give the Board the right to establish a store north of Township 64 without the necessary 'notice of intention', and without the vote being taken; and also, if it is found necessary, to charge a greater price in such a store. At the present time we have a store established in Uranium City, but it is a store that is established there as a branch of the Prince Albert store, simply because we have not the authority to open a store which could be operated independently.

Mr. Speaker, we have other proposals. At the present time it is impossible at a licensed premise to order a glass of water or anything except beer. If a man drinks a glass of water in a beer parlour, he is violating the law. I have here, Mr. Speaker, a report of the British Columbia Liquor Inquiry Commission. They propose that light food, such as sandwiches, potato chips, peanuts, soft drinks and juices such as ginger-ale, root beer, tomato, orange and grapefruit juice, shall be available for purchase in such public houses, and then, in their recommendation they say that these public houses ought to be allowed to provide musical entertainment such as radio, gramophone — but no floor shows.

Notice this: "They ought to be compelled to supply light food requirements, such as sandwiches, pickles, pretzels, soft drinks, fruit juices, etc."

Well, Mr. Speaker, I think we are all interested in the cause of temperance. I think we realize that by forcing people to sit down in a beer parlour and do nothing but 'guzzle' beer, that is doing anything but encouraging temperance; that is encouraging drunkenness. I was very interested, for example, in a statement that was made by the Rev. John Linton, the General Secretary of the Canadian Temperance Federation, recently in Regina. He is, naturally, against people drinking beer at all; but I was very interested in this one statement: "Beer with food is better than beer alone, but it does not get rid of the problem."

I agree with him that it does not get rid of the problem; but certainly beer with food is better than beer without food, and instead of people getting up and going out of a beer parlour, and driving their cars

in a drunken condition, we hope that this will do something towards establishing more temperate habits.

Now, Mr. Speaker, there are a few other changes. At the present time the licence year ends December 31. We propose to change that to March 31. We have two reasons for it. First of all, our supervisory staff is very busy in December. It is the time of year when they are their busiest. Our inspectors, our chief inspectors, the supervisor of stocks, all the officials are their very busiest at that time. That is one reason. There is another reason and that is that, under the Act today, we are allowed to issue interim licences to hotels. For example, we want to get a certain improvement made to a hotel; we put a little pressure on the hotel proprietor, and he has not done it. So what we say to him today is that "we are going to give you an interim licence for three months in order to give you a chance to fix this up." Well, three months goes by and he has not done it. We can give him another three-months' interim licence, but then, after that, we must either give him a permanent licence or no licence at all. So we feel that by March 31, the summer months will be on, and we will be able to get these jobs done, and he won't have an excuse that the weather has been too cold to do the job. We feel that it will give us better enforcement.

There are other things, Mr. Speaker, such as our definition of a hotel. In this province, we have not had too many motels constructed as yet, but we are changing the definition of 'hotel' to make sure that it does not include rooming houses, boarding houses, or motels. It must be a genuine hotel in which a licence can be granted.

Then, too, at the present time there is provision for the establishment of 84 stores in the province. I have applications here in my hand for over 30 additional stores. These are applications that have either come in to me, or come in to the Chairman of the Board. We have consolidated them and have over 30. Well, we feel that we do not need that many outlets in Saskatchewan. At the present time, we have 71 places where stores are in operation. The Act allows us to go to 84 stores. We feel that 75 is sufficient, so I am asking the House to allow it to be reduced from 84 to 75. That will enable us to open four additional stores in this province, and I think if we do that, get them spread out throughout the province, that will give sufficient coverage.

Those, Mr. Speaker, are the principal amendments. They are amendments that I can say will meet with the general approval of the majority of the population. I know there will be some people who will say we have gone too far; there will be others who will say we have not gone far enough. Well, to me that is always a pretty good indication that we have gone just about right. These have been discussed with the temperance people, and they have given their approval, in general. I will not say they agreed with everything, but they are greatly appreciative of the legislation in general, and I feel confident they will meet with overwhelming support of the people of Saskatchewan, so I move the second reading of Bill No. 72.

**Mr. Ripley:** — May I ask the hon. Minister a question? You said something about putting in stores north of 64. Would you be thinking of putting in stores in some of the settlements in which there is a large population of Metis?

**Hon. Mr. Fines:** — No, Uranium City is the only one we are thinking of.

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**Mr. Harry Gibbs (Swift Current):** — Mr. Speaker, there is just one item there that I would like to know a little more about, and that is the interim licence. Now, I know there are hotels in our province that have been there for some years. It is true, sometimes they change hands; but after all is said and done, when we get out into some of our larger towns or cities, we haven't got establishments that are in the million-dollar class like we have probably in larger places like Saskatoon and Regina. You have big, palatial hotels, well constructed and all that goes with it, but in lots of the smaller places in the province we have not got hotels like that. You might find one or two very good ones, but the rest of them are more or less mediocre. They cater to a certain clientele. I don't need to go into details, because most of the people in our province, farmers and the ordinary worker, and some of these hotels could not possibly make the changes that I think; the idea is that if they did not renovate these hotels up-to-date as first-class premises, they would only get an interim licence which carried on, we'll say, from month to month.

Now, I know for a fact that will put some concern on some of the proprietors of what we term "second-class" or "third-class" hotels in the province of Saskatchewan, and I do not think at this time they would have the money to carry out these renovations which probably the Act would call for, and I do think we should give some consideration to this class of hotel. It is quite true that we have a standard now throughout the province pretty well, where the hotels are clean; we have sanitary conditions in our hotels, and there has been a great, great improvement over the past few years, which is all to the good, and I quite agree with that. But I do think we really ought to give some consideration to a case where a person has an old hotel, and it doesn't quite come up to the standard of what this Act would possibly like it to, and they are more or less intimidated from month to month that the hotel will have to be closed. I do not think that is very conducive to good business; but I do think we ought to get consideration for that class of hotel, and I for one would not like to think that we have good people, good citizens in hotels in our province that come under that classification, that if they could not come up to what was required in the Act, well there is nothing to do but that they would have to be closed up. I would not like to see that come about because we have people who have been in the hotel game for quite a number of years. Some of these people are getting up in years; they have nothing else as a means of livelihood, and we have all that kind of thing to look forward to, and look at from a rational viewpoint. So I would like the Minister to take regard to consideration of that class of hotel.

**Mr. A.T. Stone (Saskatoon City):** — I do not know whether I have a great deal to add to the debate, but it seems to me the question is whether our restricted measures make for more consumption or restrict consumption, and as the Minister has pointed out, there are arguments on both sides and it could go on well into the night if we argued those points.

I am inclined to believe sometimes, that our restrictions do tend to promote more consumption. I am sometimes concerned, when I go to a dance — I do not think that most people go to these places to dance. There is quite a considerable preparation made before they go to the dance. A visit to the liquor store is usually made, and everybody goes with a bottle 'on their hip', and the ordinary 'Joe' that goes to a dance to get amusement usually finds himself involved in a brawl and his name is smeared all over

the front page.

I am just speaking at random now, Mr. Speaker; but if we can agree that bootleggers are an evil — and I am ready to agree on that score — then I think possibly we could do something along that line if we lengthen the hours of our liquor stores. I am just interjecting these few remarks. I think we have, on the whole, a fairly good Liquor Act. I would not say that it cannot be improved, but I just wanted to bring those few remarks in.

**Mr. G.H. Danielson (Arm River):** — I just wanted to ask the Minister a question, Mr. Speaker. The Minister spoke about temporary licences, and he did not explain just who decided to whom those temporary licences will be given. Will it be the Minister himself? If that is the case, of course, it looks to me as though a great deal of power is being placed in his hands. I would like him to answer that question.

**Mr. Speaker:** — Any further debate?

**Mr. M.J. Willis (Elrose):** — Mr. Speaker, there are just two or three points that I would like to bring up  
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**Mr. Danielson:** — Mr. Speaker, will the Minister answer my question?

**Mr. Speaker:** — He will probably answer it in his reply in closing the debate.

**Mr. Willis:** — In regard to the amending of this Liquor Act, there used to be a day when the management of hotels, in most places, was looked upon as a profession in a way, and this is the thing that bothers a number of people in my constituency — the turning over of hotels, and each one coming in to make a 'stake' and then getting out, and very little being put in. I make this one suggestion because I have complaints from travellers when they come to our town, or other towns in my constituency, that they cannot get any rest. I know whereof I speak, because I lived in hotels for several years while I was teaching and, at a certain time, with some of the hotel-keepers, there was no noise allowed in any of the rooms after eleven o'clock. Today when you travel, whether it is this province or other provinces, and you take a room, you do not know whether you are going to get any rest or not, and I think it is a duty to the public that when you pay for a room at night, you are entitled to some rest, and not a party next door that is carried on until three or four o'clock in the morning.

There is one suggestion that I would like to make in the amending of this Liquor Act and it is that with many of the licences that have been issued there should be greater supervision than there is at the present time. This is, to my mind, getting out of hand entirely in this province, and it does not apply only to small towns, it applies to the cities too. Parties are going on all night, and I think the travelling public are entitled to some rest at night, when they take a room, and I suggest to the Minister that if we have to have more inspectors in this branch we should have them to check these complaints as they come in. I know a few men, I have talked to some of them, have had complaints, and these inspectors have come, but they come in the off-season when there are not many people staying, that is in the winter months, in small towns. But I think the day has come in this province to ensure that when the general public pay for a room they

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are entitled to have some rest there, and that is not going on, generally speaking, in many of the hotels. I know it is a hard subject to control, but I believe the time has arrived — I make the prediction that if it is not controlled by those who are running hotels, there will be a movement in this province, within a number of years, and we will come back to the bootlegger whether we like it or not. The general public will want a plebiscite on it, and I think now is the time that some of these matters should be attended to by closer supervision, and where it is found that this is going on, I think those licences should be rescinded for a certain period.

**Mr. W.A. Tucker (Leader of the Opposition):** — I would like to say a word on that. There may be hotels throughout the province such as described by the hon. member who has just spoken, but I have travelled the province a great deal in the last five or six years, and I must say in all fairness that my impression of the hotels of this province is altogether different than that of the hon. member. From one side of the province to the other, and from the south to the north, almost invariably where I have stopped at hotels, they have been clean. They may not have been fully modern perhaps but they have been clean, and certainly the ones that I have been in have been well run, and I had no difficulty in getting a good night's sleep. I feel that when I have received such hospitality at the hands of hotel-keepers of this province, from all over Saskatchewan, and have had such comfort as I have received in their hotels, I would not want the hon. member's words to go out as an indication that that is the condition of our hotels throughout the province, because certainly that has not been my experience, Mr. Speaker.

**Mr. R.H. Wooff (Turtleford):** — I would just like to associate myself with the member for Elrose to this extent, Mr. Speaker, that my experience is that it is the hotels in the larger centres which are noisy. They are the ones that I find it the hardest to get a night's sleep in. It is not the country hotel, or the small town hotel that is so bad. I found it worse in the city of Regina, for instance, than anywhere else that I have been. I cannot give you the reason for that altogether but, nevertheless, that has been my experience. I would take issue with the member for Saskatoon that we might lengthen the hours and overcome some of the difficulties. That does not seem to be borne out by the experience of Ontario, for instance, as regards bootlegging. The Act has been widened in Ontario to include cocktail bars, and they have a greater number of convictions for bootlegging since that time. I saw the figures, not long ago, for Florida, and with all that has been said against the days of prohibition and bootlegging rackets, bootlegging in Florida has never before reached the pitch it has since prohibition was lifted.

I am not speaking, this afternoon, on behalf of prohibition; I am merely pointing out that there is a lot of pretty shallow thinking done with regard to the liquor traffic, and bootlegging and prohibition. The only reason that bootlegging showed up during the days of prohibition was because it was like the moon on a clear night — it was the only thing you could see. We knew as soon as we saw anyone intoxicated that it could only be by use of illicit liquor — that if it was not one kind of moonshine it was another. Today you have a tremendous amount of bootlegging of what we like to call 'legal stuff' or 'good stuff'. I know we have various ideas as to what is good liquor and what is not, but I would like to associate myself with the remarks of the member for Elrose with regard to the conditions which prevail in some of our hotels at night.

**Mrs. Cooper (Regina City):** — I would like to ask the hon. Minister — regarding the matter of minors in beer parlours — what is being done? Do you think the restriction is strict enough? Every so often I get complaints that there are minors in beer parlours, and it worries me. Perhaps you would like to make a statement on that.

**Hon. Mr. Fines:** — (Closing) Mr. Speaker, I am very glad that some of the other members took part in the discussions. First of all I shall just run down, I think, in the order in which they spoke. The member for Swift Current wants us to take care of these poorer hotels and not insist on bringing them up to the standard that we have endeavoured to set. Well, I can answer the hon. member for Arm River here. The standard that has been set is set by the Chairman of the Board in discussion with myself and in conferences with the inspectors. We as the Government must lay down the policy. I will accept the responsibility for that policy; but once the policy has been laid down, then it is entirely up to the Board to enforce it. There is no use of anybody bringing a case to the Minister — a hotel-keeper, for instance, coming to me and trying to get me to persuade the Board not to insist upon certain renovations, because, insofar as I am concerned, when the Chairman of the Board asks a hotel-keeper to do something, I have sufficient confidence in him that I know he is not going to ask for anything unreasonable. I know, too, that if there is any hotel that is an old decrepit place, as my hon. friend from Swift Current described, that needs to be fixed up, the Chairman of the Board knows how much money is being made in that hotel. We know exactly how much money is being made, for instance, in the beer parlour, and hotels are not being operated today merely for the purpose of serving beer in their licensed premises. The primary function of a hotel is to provide good service for the travelling public. The right to serve beer, by licence granted by the province, is a privilege which I think the hotel-keepers realize and do appreciate that they have a great privilege there. Another thing that I regret is that there are so many of our hotel-keepers that are, today, simply trafficking in these licences — hotels that are not worth \$10,000 being sold for forty, fifty, sixty thousand will probably sell it for seventy or eight thousand, and so the price keeps going up. That is the unfortunate part of the whole system.

Now, Mr. Speaker, the matter of greater supervision in hotels is something that is very difficult. We have in this province 450 licensed hotels. To get an army of inspectors large enough to stand guard over each one of them would be most impractical. After all, the enforcement of law is left to the Attorney-General's Department. He, in turn, has a contract with the Mounted Police, and in the large centres, the Police Commission have their own police force that do the work of administration of the Act. If there are minors in the beer parlours, then that is something that we want to get to know about. I do not think our inspectors could find that out. It is true they may see some one in, when they happen to be in the beer parlour; but remember, I do not want our inspectors to spend all their time just supervising the beer parlour; I am much more concerned with the supervision of the rest of the hotel, to see that people have proper accommodations, to see that the travelling public is going to be well looked after. That is the job of the inspectors as well as supervising, in a general way, the conduct in the beer parlour.

It is a thing that worries us. We have had cases brought to our attention and may I say, here today, that every single instance where

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there has been a conviction of any employee or any operator of a hotel for serving beer to minors, they have not only been punished by the court but, in addition, have had their licence suspended by the Board, so that we have inflicted a double penalty on them, and we shall continue to do that. If any hotel operator is going to be so slack in the supervision of his hotel that he allows one of his employees to serve beer to minors, then we certainly will take action against him, and if it is repeated, then he will find that he will not have a licence, and he will have no alternative but to sell his hotel.

Now, Mr. Speaker, I want to say that I must agree that, for the most part, our hotel-keepers today are operating their hotels in a manner that is very satisfactory to the travelling public. I have meetings with the travellers' association, from time to time, to discuss the problems as they see it, and they have assured me that there is constant improvement in the service being provided in the hotels. It may be that my hon. friends from Turtleford and from Elrose have been staying in hotels where there has been a party going on and where it has become noisy, but may I say that we amended The Hotel-keeper's Act just about three years ago, to give hotel-keepers power to deal with that very subject. We amended The Hotel-keeper's Act to give the hotel-keeper the authority to tell anybody that was creating a disturbance or making a noise to cease, and if they did not, and the hotel-keeper had been warned about it, then the hotel-keeper would be personally responsible, and may I say that we have had very few complaints along that line.

Now I have travelled around enough not only in this province but in other provinces, to know that you can get into a hotel that is very, very noisy at certain times of the year. Certainly when you get a convention, with three or four guests in each room, and people up and down the corridors — going on until one or two o'clock, I realize that one's rest can be disturbed. But for the most part, I would say that 98 per cent of the time, the hotels of this province do provide good accommodation — provide accommodation so that anybody who wants to rest can rest.

I think those are all the points that have been raised, except for one, and that is the lengthening of the hours. That has been tried in this province. We had it even during the war. The first years that I was administering the Act, I felt like the hon. member for Saskatoon that we might be able to do something to cut down the illegal selling of liquor in the evenings. Well, we found it did not make any difference. We found that nobody came to the stores — the employees were all there in the stores, without any customers. The business we did after six o'clock did not pay for the electricity that we used to keep the stores let up, to say nothing of the salaries of the employees. No one came. So it does not answer this question of dealing with the bootleggers, and I am free to admit that I suspect there are some people who are in the bootlegging business in our larger centres. I suppose you will always have them as long as people want to have some convenient, easy way to pay a few dollars extra to get their liquor just when they want it. The people that would pay a bootlegger to purchase their liquor would not take the trouble to go to a liquor store. So I do not think that is the solution. I think the solution lies in the proper enforcement of the law in the communities to the best of the ability of the police force to do it, and to make the penalty so severe that it does not pay. Then, I think, bootlegging will stop.

(The motion for second reading was agreed to.)

The Assembly adjourned at 6.00 o'clock p.m.