

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second SESSION —Twelfth Legislature**  
**27th Day**

**Friday, March 19, 1954**

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

**ORDERS OF THE DAY**

**IMPROPER QUESTIONS**

**Mr. Speaker:** — Before the Orders of the Day are called, I wish to make a statement to the members that, since yesterday's sitting, Notices were received of ten questions which, after due consideration by myself and the Clerk, were held off the Order Paper until I have had an opportunity of discussing their propriety with the members concerned. The questions relate to present or former members of this Assembly and are of a nature which must inevitably provoke a whole series of counter questions in reprisal. The information sought in several of the questions has been given previously in this Assembly and appears in 'Questions and Answers' in the Journals of very recent years. In other cases the information is readily available in the Public Accounts. In this connection I refer the members to Beauchesne's third edition, citation 294, page 119, the authority on which I am acting. That authority reads as follows:

A question, oral or written, must not: (gg) seek information set forth in documents already accessible to the questioner, such as statutes, published reports, etc.

I shall be pleased to discuss the propriety of these questions, or the necessity of these questions, with the members who have submitted them.

**FREIGHT RATE APPEAL DISALLOWED**

**Hon. Mr. McIntosh:** — Before the Order of the day are called, I wish to make an announcement which will, I feel, be of considerable interest to all citizens of Saskatchewan.

You will all recall that the railways of Canada made an application to the Board of Transport Commissioners for what they term their rate base, or rate of return, of some 6½ per cent of the investment in rail which, in granted, would have meant an increase of some \$48 million in the Canadian freight bill. The Board of Transport Commissioners at that time rejected the application of the railways. The Canadian Pacific Railway appealed the ruling to the Supreme Court of Canada, and the appeal was heard by the Supreme Court Judges on Friday last, commencing at 10 o'clock in the morning. The Supreme Court gave their decision this morning, disallowing the appeal of the Canadian Pacific Railway against the decision of the Board of Transport Commission.

I would like to take this opportunity of paying tribute to the Saskatchewan solicitor, Mr. M. A. MacPherson, Q. C. and his associates in law

**March 19, 1954**

from the other provinces of Canada, who took such an active part in the rate-base and rate-of-return case, making such an excellent job there and again before the Supreme Court last Friday.

So the Supreme Court has disallowed the application of the Canadian Pacific Railway for an appeal against the decision of the Board of Transport Commissioners on the question of law.

## **SECOND READING — M.L.A. SUPERANNUATION**

### **Second Reading of Bill No. 64 — An Act respecting the Superannuation of Persons who have served as Members of the Legislative Assembly.**

**Hon. Mr. Fines (Provincial Treasurer):** — I should explain first that, at the time I moved the first reading of this Bill, we did not then have the Crown recommendation, so today I would like to inform the Assembly that His Honour, the Lieutenant-Governor, having been informed of the subject matter of this Bill, recommends it to the consideration of the Assembly.

This, Mr. Speaker, is the Bill respecting the superannuation of persons who have served as members of the Legislative Assembly of Saskatchewan. I desire to move the second reading of this Bill.

This provides for the establishment of a superannuation plan after long service for members of the Legislative Assembly. Members will be required to contribute 5 per cent of their allowances, which amount will be matched by contributions from the Treasury. In this respect the plan is similar to various superannuation plans covering the Public Service, in various Crown Corporations and other government agencies. Such a superannuation plan will remove one of the factors which prevent many excellent men from entering public service who realize that, without such a plan, it is impossible to provide adequately for their later years, as long as they are in public service. In these days we must do everything we can to strengthen our parliamentary institutions. This can be done in no better way than by getting the best citizens of our province to enter public life and to remain as long as their constituents desire them to do so.

We cannot allow our Legislature to be made up of only the wealthy classes or of those who cannot make a success of anything else. To insure that every citizen, when called upon by his constituents to represent them, is able to do so, we must see that they are paid an adequate indemnity and are provided with some measure of security for the day when they are unable to return to their previous work. This is essential if we are to get and keep the kind of representatives necessary to maintain and strengthen our democratic parliamentary system.

It is not my intention today to outline the details of the Bill; this can best be done in Committee. In fact, it has been done quite well for us already by the press. I do want to say, however, that on the basis of past experience, the plan is actuarially sound and will not be a charge on the public funds beyond the matching of the contributions to be made by the members, or less than \$15,000 annually.

It should be pointed out that this is a co-operative undertaking from which many of the members will never benefit; but, at the same time, all will have the satisfaction of knowing that they will have the additional security if they are elected by their fellow citizens for a lengthy period of service. Up to the last election we have had in Saskatchewan a total of 352 members elected since the province was formed. Of these, 178, or over 50 per cent, were elected for only one term, and 85, or 23 per cent, for two terms. Thus you see, Mr. Speaker, there is a pretty heavy mortality rate among members of the Legislature insofar as selections are concerned. On this basis only 25 per cent of the members elected would ever be eligible to receive any allowance.

It might be of interest to point out that of the balance, 60 were elected for three terms, 13 for four terms, and only 16 in the last 50 years were elected for five or more terms.

Saskatchewan has pioneered many new ideas. This one, however, I must admit, has been borrowed from the Canadian Parliament which has a superannuation plan for its elected members, and from Nova Scotia which has a retiring allowance plan for members of the Executive Council, although a Committee has now been set up to extend the benefits to include the private members in that province.

I would like to correct a report in the newspaper this morning and last night, that it was the desire of the Cabinet Ministers to have superannuation plan for themselves. Such is not the case. On the contrary, the members of the Cabinet have, from the beginning, felt that such a plan should include the members of the Assembly. It should be pointed out that members of the Legislature cannot neglect their own business, trade, or farming operations for a long period of time without a very considerable loss of income and future earning power. Farms are neglected because of the service to the public over a long period of years. Private members, through neglecting their work, find themselves in the position where their future income is greatly reduced.

We have not endeavoured to provide a plan such as those now in existence, but rather a more modest, co-operative plan that will not be a burden on the public purse. As indicated earlier, it is not my intention today to outline the details of the Bill. This can best be done in the Committee of the Whole. I would like to point out that the Bill is being presented by the Government for consideration of the members, and I am authorized by the Government to state that we are prepared to consider any amendments which may be offered when the Bill is in Committee.

I feel confident that this plan will commend itself to all reasonable-minded people, who believe in the strengthening of our democratic institution of representative government, and who believe that, when men and women have served this province long and capably, they should have some measure of security, and not be forced to live their last years in a condition of poverty. And because I feel confident of this, Mr. Speaker, I move the second reading of this Bill.

**Mr. G. H. Danielson (Arm River):** — Mr. Speaker, I am not going to take up very much time of the House with what I have to say. I would, of course, appreciate a little more extensive explanation of the principles of the Bill from the hon. Minister who just introduced it. I only want to say that if this Bill had come into the House a couple of

**March 19, 1954**

years ago, there is every possibility that I would have supported that Bill. Today, Mr. Speaker, we find ourselves with a change of economic condition; an increase of salaries or wages for that matter is bitterly resented by the people. We find that we are at a time now when things have started to go the other way, and the fellow who has got to pay the shot is not unmindful of that fact. And contact with my people, about the beginning of the week (I happened to be absent from this House last Monday), indicates to me that the public opinion in my district is absolutely and utterly opposed to this Bill. I am not for anybody else. I am speaking only for myself.

I must point out to you, Mr. Speaker, that in Ottawa the Cabinet Minister's salary is \$27,000 a year. He is going to get \$3,000 pension or superannuation, or whatever you like to call it, when he reaches a certain time when he can start to draw this benefit. In Saskatchewan, where the Cabinet Minister's salary is \$7,000 a year (except the Premier's, of course, which is a little more), they are going to draw \$3,000 a year under the proposal here. I think the discrepancy between these two things is too much.

There is a wide difference between the members in Ottawa and the members in Saskatchewan. We come down here for a couple of months in the year and generally in the wintertime. We can go back home and attend to our duties. I have been here for 21 years, and when I came into this House we cut the salary for the members to \$1800, and that's all we had for a number of years. It wasn't enough, Mr. Speaker, but we were getting just as much as the taxpayers who paid us that money, and more I submit to you that as conditions are, I am going to vote against this Bill on principle. It is not the time, and I don't think it is necessary in the province of Saskatchewan.

**Premier Douglas:** — Mr. Speaker, I don't want to prolong the debate on this point. Of course, I respect the views expressed by the member for Arm River. I think, however, that the members would want the people of this province to keep in mind that we are already doing this very thing for all the civil servants in the province, and for all the employees of Crown Corporations. We are matching their contributions to enable them to provide for some superannuation when they reach a certain age.

Mention has been made of the members of Parliament at Ottawa. Members of Parliament at Ottawa will draw a pension of \$3,000 a year after they have served 16 years (4 sessions) in Parliament, irrespective of their age. Under our proposal, of course, a man would not be eligible for a pension even though he had served a long period in the Legislature until he was 55; but at Ottawa if a man was elected, as one member who is there now was elected when he was 24 years of age, he could at 40 years of age draw a pension for the rest of his life. We are not proposing anything as ambitious as that. This pension will be a pension which the member himself will build up by virtue of his contributions. After 10-year's service, if a private member were to retire at 55 years of age, his pension would only be \$720 a year. If he had served 20 years, he could get up to a maximum of \$1440.

I notice the member for Arm River made a statement which I have also seen in the press, and that is the only reason why I rise to deal with it. The statement has been made repeatedly that there is some justification

for the Ministers of the Crown having a superannuation plan, because after all, Cabinet Ministers have to discontinue whatever their mode of livelihood is and devote their full time to portfolios for a number of years; and if they try to go back into business, or back into farming, or back into their particular profession or trade, they have lost all their continuity, and lost whatever superannuation they might have had in their employment, and therefore, they need some superannuation.

But, it is argued, that is not true of a private member. It is argued, just as the member for Arm River has, that a member only comes here for 2 or 2½ months of the year and consequently his avocation is not interfered with. That is not quite correct, Mr. Speaker. The fact is that members of the Legislature are here, it is true, for 8 or 10 weeks, but all the rest of the year they are at the beck and call of their constituencies. Every municipal council, every school board, every drainage district, every group of farmers who want to have a power plan put in for their area, come to see the member.

I am not deprecating the work done by the Federal members for one moment, but I was a Federal member for 9 years and I have been a member of this Legislature for 10 years, and I want to say that, in terms of the constant pressure, in the terms of meeting the people of your constituency from day to day and serving them from week to week, it is a much more onerous task in many ways to be a provincial member than to be a federal member who is in Ottawa a large part of the year and, therefore, deals with his constituents by correspondence. I cannot agree that the private members of the Legislature work here for only two months of the year and the rest of the year are back at their homes earning a living. I know members of the Legislature who, almost every week, have to leave their business or their farm to go and sit in with municipal councils, to come in here to Regina with delegations, to attend innumerable openings of different sorts, to sit in with hospital boards and so on. That means being absent from their business.

A railroad man was a member of this Legislature some years ago. He was defeated in a subsequent election; but when he left this Legislature he pointed out to me that every day he was in attendance here, every day that he had to leave his train to go with a delegation or to sit in with a municipal council, he lost \$21 a day. Well, that was fine because that \$21 a day that he lost was made up by the fact that the people of Saskatchewan gave him an indemnity. But what was not made up was that his pension as a railroad man will be computed by the salary paid him by the railroad, and that salary was reduced by \$21 a day for every day he was absent. Consequently, his superannuation, when he reaches superannuation age, will be reduced accordingly. He estimated that if he had stayed in this House for another term (he was only here one term) that he would be getting about 20 per cent less pension at retirement age than another railroad man who had not had to absent himself from his job to attend to public business. Private members are affected!

Then take the case of many farm members who, by virtue of the fact that they have to attend to the affairs of their constituency, must have a hired man. They often are called away from their farm just at the busy season when the crop is being put in, or the crop is being taken off. It is possible for them to lose very considerable sums of money which restricts their ability to make provision for their families.

**March 19, 1954**

I don't want to be too maudlin about this, or suggest to the people of the province that we think members of the Legislature should have special consideration. But in the past few years I have gone to the hospital to visit three former members of this Legislature who did not sit in the Legislature while I was here. I know that all three of them were in very straitened financial circumstances. They were men who had served many, many years. They did not belong to the political party which I support, but for many years had served this province and served their constituencies. I don't think it is proper to ask men who have served their day and generation faithfully to come to the end of their days and hardly have enough to keep body and soul together. I don't think it reflects too well on our sense of responsibility as citizens, and I don't think, frankly, that the people of this province want that sort of condition to continue.

This is not any munificent sum. This will mean that a member may retire after 10 years with \$720 a year, or a maximum of \$1440 after 20 years. The Minister who has paid in throughout the entire period, could have a maximum of \$3,000 pension. Pensions of that kind are available to civil servants who, in many cases, have had higher salaries and have had less onerous responsibilities than are carried by members of the Executive Council and members of the Legislature. I therefore feel that this is a proper step, and I think it will do much to encourage those who, because of the financial vagaries of public life, might stay out of public life, to take a stand for election to the Legislature when they are asked to do so by their constituents.

The question being put it was agreed to, and the Bill referred to a Committee of the Whole at the next sitting.

## **SECOND READING — INDEMNITY BILL**

### **Second Reading of Bill No. 65 — An Act to amend The Legislative Assembly Act**

**Premier Douglas:** — This looks like 'Be Kind to Politicians Day'. This is an amendment to The Legislative Assembly Act to increase the sessional indemnity of the members by \$400 and the expense allowance by \$200.

As most people know, the members of the Legislature now receive an indemnity of \$2,000 a year plus an expense allowance of \$1,000 a year, making a total of \$3,000 a year. This amendment proposes to increase the total by \$600.

There may be, and there have been in some quarters, some criticism that such an increase is not justifiable. I want to say, Mr. Speaker, that this is always a ticklish question for members of the Legislature to deal with. Other people can negotiate about their wages with their employer and try to convince their employer that they are worth more. Their employer will try to convince them that they are not worth what they are getting now. But members of the Legislature are in the very awkward position that they have to decide themselves what they think they should be paid. That always

leads to a good deal of embarrassment.

I want to say, Mr. Speaker, that I am not at all embarrassed in rising to suggest, on behalf of the Government, that the indemnity for the members should be raised. To those who are critical I would suggest, first of all, that they recollect that 14 or 15 years ago the indemnity for members was \$2,000. Most people recognize that the purchasing power of money is about half, or less than, what it was 15 years ago. If we look, for instance, at what was paid to the federal members at the same time that the provincial members were receiving an indemnity of \$2,000 we find that those of us who were federal members (as I was in 1940) were getting \$4,000. Apparently, it was considered, in view of the larger responsibility of federal members, the longer time in session, the larger area to cover, that the indemnity should be exactly double that of the provincial member.

What has happened in the interim? In the interim, the provincial member's indemnity has gone up by 50 per cent. It has gone up from \$2,000 to \$3,000. But a federal member's indemnity has gone up from \$4,000 to \$10,000, or an increase of 150 per cent. If we were suggesting an increase for the provincial members on the same basis as the federal members, we would be suggesting an indemnity of \$5,000. We are not suggesting anything of that sort. I have had it suggested to me by people outside of the Government that the members' indemnity ought to be at least \$4,000, or exactly double what it was 15 years ago, because roughly salaries in many categories, particularly in executive positions, are about double what they were 15 years ago. Yes, secretaries and stenographers and deputy ministers are just about double what they were 15 years ago. Yes, secretaries and stenographers and deputy ministers are just about double what they were 15 years ago. But we are not suggesting that the indemnity of members should be doubled over what they were 15 years ago. We are suggesting an increase of only \$600 to bring them up to \$3600. Considering the purchasing power of money, that represents, really, \$1800 as compared to what it was in 1940.

Lest people get the impression that public men in this province are overpaid, it is rather interesting to look at what is being paid in other parts of Canada. For instance, Quebec pays an indemnity to its private members of \$6,000 a year; Ontario pays an indemnity of \$3,900; Manitoba pays \$3,000; Alberta pays \$3,600; British Columbia pays \$3,000 — but they have an amendment in their constitutional act by which they don't pay any income tax on their indemnity, or any part of it; consequently, that \$3,000 is income tax free. It will be seen that the amount we are suggesting, \$3600, will bring us into line with Alberta; will put us ahead of Manitoba; will put us less than Ontario and less than the province of Quebec.

Just so that we have some idea of the comparison for other positions, it is worth noting that the cabinet ministers in this province are paid less than those of any of the provinces west of the Maritimes. The only ministers who get less than the Cabinet Ministers in this province are in provinces where they are only part-time positions, such as New Brunswick and Prince Edward Island. Nova Scotia pays its cabinet ministers \$8,000 a year and that is being raised to \$10,000; Quebec pays its cabinet ministers \$11,000 a year; Ontario, \$10,000 a year; Manitoba, \$8,000 a year; Alberta, \$8,500 and British Columbia, \$7,500 (again of course, with the income-tax-free clause) Saskatchewan pays only \$7,000 per year.

**March 19, 1954**

I have the dubious distinction, Mr. Speaker, of being the lowest-paid Premier of any province in Canada outside of the Maritimes. Even in Nova Scotia they pay the Premier more than they pay me and, of course, there is probably a very obvious reason for that. He is probably worth more. I thought I would say that before the Leader of the Opposition said it for me. I do want to point out, however, that, insofar as Cabinet Ministers are concerned those in Saskatchewan are getting less in salaries than Cabinet Ministers in any other provinces except those two provinces I mentioned where a Cabinet Minister is on a part-time basis. Where portfolios are a full-time job, we have the lowest salaries both for the Cabinet Ministers and the Premier, and in terms of the members of the Legislative Assembly we are not out of line.

Compare the amount paid to the members in Ottawa. The private members receive \$10,000 a year. The Cabinet Ministers are paid a total of \$27,000; the Leader of the Opposition \$27,000, and the Prime Minister \$37,000. Even the Senators are paid \$10,000 a year! I think that, in suggesting an indemnity of \$3600 a year (that is, indemnity and expenses combined) we will not be getting out of line at all.

As I said, Mr. Speaker, it is always a delicate and somewhat embarrassing subject to deal with, because I know perfectly well that there are members who would very gladly serve their constituents and serve the people of this province without any indemnity at all. There are many men who have a devotion to public duty who, if there was no indemnity, or if the indemnity was only some nominal amount, would still feel the urge of public duty, and would come here and serve their day and generation to the best of their ability. But the interesting thing is that the battle over the years to have an indemnity came from poorer members. In the history of Great Britain it was the Liberal Party first of all, and later the Labour Party, which fought very hard to get indemnities. There was a time in Great Britain when a member of Parliament was not paid anything. Later on, he was only paid some nominal fee of a few guineas, because it was an honorary position. It was the landed gentry, the squires of the community, the lord or some important person in the community, who got elected. The House of Commons was a rich man's club at one time.

There was a growing body of public opinion in Great Britain and in the Mother of Parliaments that people should pay their members so that any John Doe, whether he was digging coal, or whether he was growing crops, or whether he worked on the docks, or whether he was a school teacher, or whatever he might be, could become a member of parliament. The people felt that anyone who had a contribution to make to the public life of the community, should be in a financial position to enter Parliament and to speak for the people he represented.

While I say it is true that there may be members here (and there are members in other places) to whom an indemnity is not important, I think we must never allow public life in this or any other province to get to the place where it becomes the sole prerogative of the comfortably well off to represent the people in the Legislatures. I think the people of the province, if they want public life to stay on a high level, if they want to keep public life open to every class of citizen, must be prepared to pay an indemnity to make it possible for every citizen whom his neighbours want to send to the Legislature to come here without putting himself in a financial position that



will make it impossible for him to continue as a representative of his constituency.

While I know the members, who being politicians, and very modest and shy creatures, may feel a bit embarrassed about this, I have no embarrassment at all on behalf of the Government in bringing this legislation before the House and recommending to the members that their indemnity be increased by \$600 in keeping with the increased costs that have come as a result of the increased cost of living and the very heavy commitments which they have in their constituencies. I move second reading of this Bill.

**Mr. Loptson (Leader of the Opposition):** — Mr. Speaker, I wish to say that these two Bills, one in regard to the pension or superannuation of members and the other regarding the increase of the indemnity are naturally the responsibility of the Government, and I think they have to assume that responsibility. My opinion is somewhat the same as my seat-mate's here, the member for Arm River, and I think probably our position may be similar to that of some members on the other side of this House. The increase in indemnity and the superannuation do not mean much to us. We are fortunate that we have been able to save enough out of our hard work through life that we can get along even if we do not make anything on our indemnity. But I do remember the time when I had to lose an election deliberately because I could not afford to get elected, and I think possibly that some of the young men who are sitting in this House may find themselves in a similar position. For that reason I would feel rather reluctant, just simply because it doesn't mean much to me, to stand in the way of those who may be in a similar position as I was, some years ago.

I don't think that any member serves for his indemnity. I don't think that any ordinary member in this Legislature can say that he is making money on what he gets in the way of indemnity; that is, if he is getting around his constituency and serving the people as he should be serving them. I just wanted to say those few words in order that you may know my stand. It is not that I want it, but I don't want to stand in the way of those who are much younger than I am, knowing what they may be going through and what I have gone through in previous years. For that reason I am not going to oppose this Bill.

**Mr. Robert Kohaly (Souris-Estevan):** — Mr. Speaker, it may be very presumptuous of me to say anything either one way or the other in connection with either of the two bills that have been read, and especially the one presently being considered.

I do know, and Mr. Speaker is well aware, that as one of the younger ones in years and experience in the Legislature, other young ones would like to get into the Legislature. It is a great honour and distinction and a privilege to be able to serve any group of people in the province, and especially such a good group of people in the province, and especially such a good group of people as we have in our individual constituencies. However, it is almost impossible to even contemplate attending a nominating convention if you are a man of about 25 or 30 or so. You have a family; you have obligations. You are probably starting in a business; somehow or other trying to get started, and you, of course, need all the years which are necessary when you are young, when you have a little energy.

**March 19, 1954**

This Bill, I believe, and again speaking for myself alone, is a good one, and it tends to make it a little easier for us, as young people, to go into public service. How long we will stay here, after the Provincial Treasurer reading the casualty list, I don't know just how long we are going to last. Maybe as a young person, I could have saved myself some worries by staying out of it altogether; but the fact is that there are many young people who are interested in doing just this work, and I believe that it is a good step.

The Government should be commended for having the courage to bring it in the face of some of the opposition that there has been recently when other governments have done just this. Whether it is a good thing or not, as far as my personal career is concerned, I want to certainly say that I am definitely in favour of this step being taken, and I look at it from the point of view of the young person — not only myself, but many other young people who must come behind and attempt to run, attempt to get elected, attempt to serve in this Legislature, attempt to do all they can for the benefit of their constituents not only during the period of time which we sit here in Regina, but during the course of the entire year, the 12 months, when you are called upon to attend and to do the many things which the Premier so ably set forth. I think that this figure is not an undue figure. It is one which we can accept to help to defray the cost and to encourage other younger men to come on afterwards and to continue to build this province the way it has been in the years gone by. I certainly intend to support this Bill.

The question being put, it was agreed to, and the Bill referred to a Committee of the Whole at the next sitting.

## **SECOND READING — SCHOOL UNITS BILL**

### **Second Reading of Bill No. 70 — An Act to Amend the Larger School Units Act**

**Hon. Mr. Lloyd (Minister of Education):** — Mr. Speaker, this is the Bill to provide amendments to The Larger School Units Act. There are a number of provisions in it which are provisions of detail and which, I think, can be most adequately discussed in Committee.

The main change in the Bill is the change which proposes to alter the basis upon which equalization grants are paid to Larger School Units. I did have the opportunity to speak generally in this regard during the budget debate, but maybe at this time I can provide some additional information as to the effect of these changes and as to the situation with regard to financing education in this particular part of our school administrations.

I would like to begin by referring briefly to some of the statements made by Dr. Lazerte in speaking to the School Trustees' Association convention yesterday. Dr. Lazerte, as some hon. members will know, was for a number of years Dean of the College of Education at the University of Alberta. Since his retirement he has continued his research work, and one of his research projects has been undertaken at the request, and under the

guidance, of the Canadian School Trustees' Association. It is a project in which he is studying the financial support of education right across Canada.

I think that Dr. Lazerte's summary of his study going up to about the end of 1952 (I think the figures do), would be of interest to the members of the Legislature. He is reported in this morning's paper as having said that Saskatchewan is relatively fortunate in its equalization grants for schools. He bases this on his information gathered in an 18-month study.

He goes on to say that when the Saskatchewan equalization grants are plotted on a graph, the scheme presents a symmetrical curve less erratic than that of the other four western provinces. This he takes to indicate that the grants taper off according to the decreasing needs in a uniform pattern. And that is, of course, the aim of the equalization grants.

He comments that Saskatchewan has the second highest ratio of provincial grants to operating costs, being led only by British Columbia. He comments also that the actual expenditure on an operating basis on a classroom was the highest in Alberta, and was actually the least of the four in the province of Saskatchewan. When he referred to the percentage of the operational budget spent on teachers' salaries ...

**Mr. Loptson:** — Mr. Speaker, on a point of order. I don't think that my hon. friend is sticking to the subject of the Bill. He is making a political speech and not explaining the Bill. I think your remarks are entirely out of order.

**Hon. Mr. Lloyd:** — Mr. Speaker, if I may speak to the point of order. I am about to discuss the effect of equalization grant changes insofar as they affect our Saskatchewan schools and I am now reading the point of view of a very well-known research person in Canada with regard to the position of our present grants, and I would submit to your Honour that that is quite in order.

**Mr. Loptson:** — No, that's not in order.

**Mr. Speaker:** — I think the hon. Minister of Education is quite in order in simply reading and quoting authorities on what he is proposing in the Bill.

**Mr. Loptson:** — It is very unusual, Mr. Speaker, for a Minister, when he is explaining clauses in a Bill, to recite opinions of various men all over the world.

**Hon. Mr. Lloyd:** — Mr. Speaker, it seems to me only obvious that if a person is going to jump he has got to have something to jump from. Maybe the Leader of the Opposition does not believe that one should know where you are going from and where you are going to, but I happen to believe that. The information which I am giving might be of some use to him in assessing the effectiveness or otherwise of our grant structure. That's why I am reading it.

**Mr. Loptson:** — We know it.

**Hon. Mr. Lloyd:** — He pointed out, Mr. Speaker, continuing, that the percentage

**March 19, 1954**

of the operating budget spent on teachers' salaries in Saskatchewan represented 56 per cent of the expenditures for operational purposes and that he found to be the second lowest percentage of the total budget in Canada. The highest was in Newfoundland with 85 per cent; that is, 85 per cent of their total expenditures went to teachers. The lowest was in the province of Manitoba where 53 per cent went to the teachers. That should give us some guidance as to just how fair or otherwise, both when looked at with regard to the situation internally and when looked at with regard to comparisons with some other provinces.

The provisions of the Bill which affect the equalization grant structure, I have referred to previously. They are, as I pointed out before, somewhat complicated, and I would just like to refresh the memory of the House in that regard. The equalization grant in school units in the year 1953 was simply determined by finding the amount of money which, when added to the basic per diem grants and to the income from taxation at the rate of 12 mills on rural assessment and 16 on urban assessment, would provide an income for that unit of \$2450 for each elementary classroom, \$2500 for each high school classroom. The change which we are proposing is that our grants will be such, considering again the income from per diem grants and considering the income from taxation at a rate of 14 mills on rural property and 18 mills on urban property, as to provide an operating programme at the rate of \$2750 for an elementary classroom and \$2950 for a high school classroom.

I should like to point out, Mr. Speaker, that the reason for changing the mill-rate figure used for calculating the equalization grant purposes is to give a better distribution of the increased grants when you consider the needs of the districts. Let me put it this way. If we had kept the same mill-rate figures in the new formula as in the old, but changed only the programme costs which we wanted to provide, then the effect would have been to distribute the grants on an equal basis. That is, if one unit got \$250 more, the other unit would also have got \$250 more, regardless of the ability of that unit to finance. By increasing the mill-rate figures used, we do tend, as we have in the previous changes, to put additional amounts of money into those areas least able to carry the load for themselves.

There are two other provisions which might be mentioned. One again has to do with those units, or will have an effect upon those units, who have been arranging for numbers of their students to receive education in schools outside of the unit organization. This applies particularly to those units which have in their centre a city, or which have in their centre a large town. The practice is (and, of course, it is a desirable practice) that for many students arrangements have been made to get their education in these cities or in these towns. That is particularly desirable of course in those areas where the city or the town can offer composite high school facilities which could not be offered in the smaller centres in the unit.

As a result, some of the units have been paying fees, and paying fees in addition to the maximum amount in the Act, by negotiation, at a rate considerably above that maximum. The maximum was previously, you will recall, \$50 per student; we have just within the last week or so passed legislation increasing it to \$70. But many of the units have been paying an amount in excess of that. Some of them have been paying \$100 for each student; some of them have been paying more than that. They have not, up to the present, received any grant credit for that kind of an operation.

The hon. members will understand that if, instead of having those students educated in the city of Yorkton, or the city of Weyburn, or the town of Melfort or the town of Melville or some other town or city, the unit had been operating classrooms to provide this education, then for those classrooms the unit would have been receiving a grant. The situation could have been that, if they were paying a fee sufficiently high, particularly if the unit was one receiving an equalization grant, they might have been money ahead to have operated a small school of their own and receive the grant, not have had to pay the fee, and, of course, would have had less favourable educational facilities. So, we have felt it well to recognize that kind of a situation in our grant structure. For purposes then of calculating the equalization grant, we will include a figure of \$25 per year for each of the students so taken care of and being provided with assistance — that is, with fees and so on being paid for by the unit. That applies to the calculation of the equalization grant.

Another change which we propose is to increase the rate at which we recognize the cost of a conveying classroom. By conveying classroom I simply mean a classroom or a district from which the students are being conveyed to some neighbouring district for purposes of education. It is most difficult, as I mentioned before, to know what is a fair and equitable fee. It depends so much upon the conditions which govern the conveyance. If the youngsters are spread all over a group of districts, the cost is one thing. If they happen to be neatly clustered along a road as is true in some cases, the cost is quite different. If one bus can accommodate three rural school districts previously operating classrooms and take them into another centre without opening up any classrooms in that centre, that's one situation. If it can only accommodate two, and perhaps you have to open another classroom when you get them into the urban centre, that is still another.

We have not what you would call a complete set of statistics on these costs, Mr. Speaker, but it does seem to us that the average cost of conveying is probably something in excess of one-half the cost of operating the classroom; that is, when you consider that frequently the unit saves the cost of operating an actual classroom. It may be able to accommodate those youngsters in one classroom, one extra classroom instead of three, or two instead of three, as the case may be. So we have proposed to increase the rate given to that type of arrangement.

I should like to take just a moment to emphasize the importance of that kind of an arrangement in the province of Saskatchewan if we are going to adequately service our school population. I mention that now, and in case the Leader of the Opposition thinks I am again out of order, to illustrate why we propose this particular type of change. The hon. members will all know the problems of providing services in a province of Saskatchewan in which the population is distributed over such a large area. It is a problem which affects the building of roads, the extension of power, the provision of health services, the provision of educational services and half a dozen other services at least.

May I illustrate our relative position again by reference to these statistics. At the most recent year for which I have comparative statistics, Saskatchewan had 167,000 students being serviced by 7,300 teachers. Alberta at that time had 174,000 students and employed 6,800 teachers. British Columbia had 173,000 students and employed only 6,300 teachers. In other

**March 19, 1954**

words, when Saskatchewan had some 7,000 fewer students than Alberta, we had 500 more teachers required to staff the schools for those students. At the same time we had a total population 100,000 less than Alberta which had to provide those extra teachers.

The comparison is still more far-reaching when you look at British Columbia, because we had 6,000 fewer students than British Columbia, but we needed 1,000 more teachers, and British Columbia had 200,000 more total people to provide that teaching staff. I think we must not forget in this province that we have a situation there, due to our geography and the type of our economic difficulty, which must be recognized and which has very far-reaching effects insofar as our school population is concerned.

For example, in the year 1952, we had 77 schools in the province with an enrolment of less than 6 pupils. We had 554 with an enrolment of from 6 to 9 pupils. We had 934 schools with an enrolment of from 10 to 14 pupils. In that whole group, if you add those up, there are over 1500 classrooms. Now then, if those students — and I realize, Mr. Speaker, the bigness of that ‘if’ in many cases; but if those students could have been taught in groups of 20 instead of groups of 6 or 9 or 14, we would have required 700 fewer teachers. If they could have been taught in groups of 25, we would have required 900 fewer teachers to adequately serve our school population. Those figures, I think, should indicate to anybody the importance of a planned and intelligent type of centralization of school population.

Some question is raised from time to time with regard to grants and mill rates in larger school units as to the relationship between the mill rate in the urban areas of the district and the mill rate in the rural areas, or on the rural assessment of the district. The units Act, as hon. members who are familiar with it will know, leaves the differential to the discretion of the Unit Board. It does make further provision that there may be an appeal against that differential. The point I want to stress is that while in the calculation of our grants, we have used a mill rate of 12 on rural and 16 on urban (now use 14 on rural and 18 on urban), that does not mean that the Unit Boards have to use that same differential when they are deciding their own mill rate. In 1953 I find that some 23 of the Units had a spread of more than 4 mills, as between the rate of taxation on rural and urban assessment. Some of them went up as high as 8 or 9. In some cases where towns have come in as a result of a special agreement, the difference between the rural and urban rate is even more than that. There were 30 of the units in which the differential was 4 mills or less. The point I want to emphasize is that that differential is in the hands of the Unit Boards, but is subject to appeal if any particular town and district feels aggrieved.

May I have reference again, Mr. Speaker, to some of the effects which this change and other changes made in previous years have had on school finance. When speaking in the budget debate, I did indicate, I think, that this change, this year, would provide for some units an additional 3/10ths of a mill, that it would provide for some other units an amount of money equal to an additional 5 mills of taxation. Somebody suggested that I was not being honest because I gave only what it would do to the high assessed and only what it would do to the low assessed and that there was something ‘fishy’ about the middle. Well, perhaps I can at this time give some bit of additional information with regard to the effect

on some units which have a more or less medium — not less than average, but medium — assessment. I may be pardoned, Mr. Speaker, for example if I should refer to the school unit of Biggar. In 1944, going back 10 years, if that unit had been operating the number of classrooms which it now operates, the grants would have been in the neighbourhood of \$44,000; but in 1954, the grants will be in the neighbourhood of \$132,000, or roughly \$3 for \$1 — that is, their rate will be roughly three times the rate of 1944.

It is rather interesting to note that the increase in those 10 years has been about twice the total amount which would have been received in 1944. The increase this year to a unit with that kind of condition will be worth approximately 1½ mills of taxation. I should have mentioned that the assessment per classroom, counting each conveying classroom as one-half a classroom, is in the neighbourhood of \$100,000, slightly over \$100,000, and the effect on other units of that type is similar. The Saskatoon West unit, which happens to be a neighbouring unit, has an assessment per classroom, again counting the conveying classroom as one-half an operating classroom, of \$110,000. Had they operated in 1944 the same number of school districts that they operate in 1953, they would have collected in total grants some \$45,000. In 1954 they will collect in the neighbourhood of \$130,000, or again approximately that relationship of \$3 for \$1; the rate is three times as much. The increase to them is worth about 1¼ mills.

I would like to mention again the problem of equalization grants which is raised by virtue of the fact that we use the assessment per classroom as a basis. I am not in any position to quarrel with the validity of that assessment, Mr. Speaker, but I do wonder whether or not it does give an entirely adequate and vital picture of the relative ability to finance school purposes. I know, for example, that if you examine the relationship between the actual assessment of farm property and the estimated sale value of that farm property in the south-western part of the province, you get a different relationship than if you take the relationship between the present assessment and the supposed market value of property in the north-eastern part of the province. Those are problems which are under study. The method of using, however, the assessment per classroom is one which is commonly accepted in educational financial circles throughout western Canada at least, and, as I said before, until we find something better, then we will have to continue, I think, to lean heavily on that as a means of measuring our equalization grant support.

I would like to point out one or two other items, Mr. Speaker. All of us are aware of the fact that in some of our units, the tax rate is getting high, and that is a point of concern to those people and to us also. But again I should like to point out that, if it is high, we are certainly not alone in that kind of company, because one finds the same things in neighbouring provinces. For example, in 1953, the maximum rural mill rate imposed by any unit in the province of Saskatchewan was 35, which was in the Meadow Lake Larger Unit. And all of us would agree that that is a high mill rate for school purposes. I may add that was the only unit

**March 19, 1954**

with a mill rate of over 30 on rural land. But when I look at the neighbouring province of Alberta, which sometimes the members of the Opposition talk about as being quite a place to go and to live in, I find that the rate of taxation for school purposes on rural property there is up to as high as 50 mills. And I have in mind the figures quoted by the Minister of Municipal Affairs recently, in which he said that taking the school taxation and the municipal taxation, the average school plus municipal taxation on a quarter-section of land in Alberta, it turned out to be more than \$90; in Manitoba it turned out to be more than \$100; and in that same year in Saskatchewan it was not quite \$60.

This, Mr. Speaker, is the second time in just two years that I have had the privilege of announcing an increase in school grants to the Legislature and to the people of the province of Saskatchewan. In 1952, the hon. members will remember that provision was introduced which increased school grants by the extent of \$1,600,000. They will also remember that, in that particular year, the proceeds of the Public Revenue Tax were directed to the educational fund for that one particular year. When, however, 1953 rolled around, the Public Revenue Tax was, of course, removed, thereby making available to the municipalities a taxation field worth \$1,800,000 which prior to that time, for a quarter of a century, had been the field of the provincial government to tax and to spend as the provincial government saw fit. In 1953, our grants increased by \$300,000. This year, in 1954, the estimates indicate that we will be providing an additional one million dollars for school grant purposes.

If you add the increases of 1952, 1953 and 1954 together, Mr. Speaker, they add up to \$2,900,000. When you consider — and I suggest it is fair to consider — the effect of the removal of the Public Revenue Tax along with that, you get a total of \$4,700,000. In other words, as a result of increases in school grants beginning in 1952 and the removal of the Public Revenue Tax in 1953, the addition of school grants this year, the people of the province have improved ability to carry educational and other municipal costs, as a result of those two actions, to the extent of \$4,700,000. Mr. Speaker, I move second reading of this Bill.

**Mr. Danielson:** — On a point of privilege. I want to say to you that I never listened to such a gross violation of the rules of this House as I have, this afternoon. There has been one of his political speeches delivered, and there is reference to 13 or 14 sections of this Act, and I never heard one word of where they are or what they amounted to. Purely a political speech.

**Premier Douglas:** — This is a Bill to amend The Larger School Units Act. This is to provide the basis upon which increased grants will be paid. The Minister has explained, first of all, what the present situation is, what the situation will be after the new grants are put into effect, and the basis upon which the increase will be paid out throughout the larger school units. Mr. Speaker, he is not supposed to discuss the sections on second reading. He is supposed to discuss the principle of the Bill. He has discussed the principle of the Bill. He has discussed the principle of the Bill as it stands and how the principle will be affected by these amendments which the House is being asked to approve. The fact is, of course, that the Opposition have so long tried to tell people that these improved grants have not helped education, that now they are faced with the actual grants themselves and the legislation, they don't like it—and I don't blame them.



**Mr. Danielson:** — On a point of order. It is a violation of the rules of this House.

**Mr. Speaker:** — Order, order.

**Mr. Danielson:** — It is a gross violation of the rules of this House.

**Hon. Mr. Fines:** — Mr. Speaker, oh — are you ...

**Mr. Speaker:** — Wait a minute.

**Hon. Mr. Fines:** — I just want to speak on a point of order before you give your ruling.

**Mr. Speaker:** — Are you rising to a point of order?

**Mr. Danielson:** — I certainly did!

**Hon. Mr. Fines:** — Mr. Speaker, on a point of order I would say that the hon. member for Arm River is not in a very good position to judge what is a point of order in this House. Earlier this afternoon, I spoke on the principle of a bill for the superannuation of members. The hon. gentleman got up and complained that I hadn't gone over it and given the details of the different sections of the Bill. In other words, he doesn't know the difference in what is supposed to be discussed on second reading and what is supposed to be considered in Committee of the Whole. The hon. gentleman has sat in this House, on his own admission this afternoon, for 21 years. You wouldn't think he had been in here for 21 minutes, the way he acts.

**Mr. Danielson:** — Another violation of the rules.

**Mr. Speaker:** — Order! Will the hon. member sit down? I have recognized the Minister of Education.

**Hon. Mr. Lloyd:** — Mr. Speaker, further on the point of order. The suggestion is that I have not discussed the proposals of the Bill. I stated when I began, and I think stated fairly clearly, that the majority of the space occupied by the printing on the Bill had reference to relatively minor amendments which could best be discussed in Committee, but that the Bill also did provide — and I did not mention the section because then I would have been out of order, I think — did provide for a change in the basis of paying equalization grants for schools, and I felt the House might appreciate (though the member doesn't) — some additional explanation of the relative position of our present equalization grants and the effect of the changes. That, I submit, was entirely in order.

**Mr. Loftson:** — Just another budget speech.

**Mr. Speaker:** — My ruling is that the hon. Minister was entirely in order because he was ...

**Mr. Danielson:** — Mr. Speaker, I absolutely disagree with you.

**Mr. Speaker:** — All right, if you want to challenge my ruling, you know how to do it. Do you wish to appeal from the ruling of the Chair?

**March 19, 1954**

**Mr. Loptson:** — Well, there is no point in challenging the ruling. It is all over now.

**Mr. Speaker:** — No, but you won't accept my ruling. My ruling was that the Minister was completely in order in explaining the principles of the Bill.

The question being put, it was agreed to and the Bill referred to a Committee of the Whole at the next sitting.

## **SECOND READING — SCHOOL GRANTS**

### **Bill No. 70 — An Act to amend The School Grants Act**

**Hon. Mr. Lloyd:** — Mr. Speaker, this is a Bill which will complete the picture with regard to changes in school grants proposed at this session.

The other Bill to which I had reference affected the equalization grants in Larger School Units; this Bill affects the grants as paid to districts which are not in larger school units.

The way in which this change is brought about is, first of all, by providing for all elementary schools an increase at the rate of 50 cents a day or \$100 a year. That is, it will bring the basic, operational, per diem — or whatever you want to call it — in some places in the province as low as 90 cents a day, or \$180 a year. It is now \$500 a year — the minimum grant which we pay for an elementary school classroom.

It provides also for the change in equalization grants for these particular districts; and for this discussion I want, again, to break the schools down into two or three groups. I want to have reference, first of all (the member for Arm River might find out something about the principle of the Bill, if he wanted to listen) to the rural and village schools which are not included in larger school units. In 1953, in determining equalization grants you took the difference in the assessment per classroom and \$125,000 and multiplied that by 12 mills. The amendment changes that basis in this way: we will take the difference between the assessment per classroom and \$130,000 and multiply that difference by 13 mills.

There is one other change with regard to this type of schools. Previously we included all school districts down to a floor of \$25,000. If there were districts with less than an assessment of \$25,000 up to \$60,000, so that any district then, with an assessment of less than \$60,000, would be calculated as if its assessment were \$60,000.

In so doing that, I want to state that we realize there are possibly 30 districts (or something like that number) with an assessment of less than \$50,000. We realize that these districts would have gained

more under the equalization grant had we left the floor at \$25,000, and we realize that they may need some special assistance over and above what is provided by the formula. We do have the authority, under Section 5 of *The School Grants Act*, an authority which has been used for many years in giving help to those districts which you can hardly build a formula to adequately care for. If you do try to build a formula to take care of those extremes, there is a danger of distorting the formula so that it doesn't do the job for the rest of the districts. So, it has been recommended to move the floor up to \$60,000 and those other districts will have to be considered as special cases.

The second group of schools I refer to is the group of town and city schools operated in municipalities in which there are less than 50 operating classrooms. Previously this group received an equalization grant on the basis of 12 mills-times the difference between the average assessment per classroom and \$120,000. The proposal is to change that basis to 13 mills-times the difference between the average assessment per classroom and \$125,000.

May I refer again to the fact that there is a difference in the ceiling which we recognize as between rural and village schools and town and city schools. In effect it means that we will pay, under the new formula, on \$5,000, of assessment more in rurals and villages than in towns and cities. In other words, the rural district will get the advantage of 13 mills time \$5,000, or \$65 a year which the town or city doesn't get. And the reason for that, as I mentioned before, is that in the rural areas and village areas they have the cost of bringing the students together in a group, and so we feel that some differential is warranted.

The third group of schools to which I have reference is that group of schools located in city municipalities (they could be in towns but it applies only to cities) which operate more than 50 classrooms. This includes all of the cities, it so happens, except the city of Weyburn. This group of schools will have their equalization grants calculated on the same basis as if they were larger school units.

Just one or two examples as to what this change does mean, again. For a rural elementary room with an assessment of \$60,000, this change is worth \$230 or an amount just less than that produced by 4 mills of taxation. If one wants to go back to ten years ago, with regard to that particular school we find that, in that year, they would have received in grants \$460, or an amount of money equal to something less than 8 mills of taxation. The amount that they will receive, this year, will be worth something more than 23 mills of taxation, and the increases in grants over that period have been worth, to that district, something more than 15 mills of taxation. If you look at an example like this — I have just taken, for example, a town which happens to have seven elementary classrooms and three high school classrooms, which has a total assessment of \$740,000 — we find that the situation as compared to the situation ten years ago is worth something like 10 mills to them. The improvement over that period had been worth approximately 10 mills.

I want to say just a word with regard again to our position relative to that of some other provinces in connection with our larger urban centres, because there are some people who commonly suppose that the rate of support is much less in Saskatchewan than it is in our neighbouring provinces. So I will

**March 19, 1954**

give these figures as they apply to the major cities in our neighbouring provinces and in Saskatchewan. In the year 1952, which is the last year for which we have complete statistics, the grant to the combined districts in the city of Regina (that is, the public schools, the separate schools and the collegiates) amounted to 11.8 (roughly) per cent of the total expenditures of those three districts. In the city of Saskatoon, the percentage of our support was about the same; about 11.7 per cent. In the city of Winnipeg, in that same year, their government grants accounted for approximately 8 per cent of the costs of operating their schools in that particular year. The province of Manitoba, however, in the following year did increase their basic school grants so that, in 1953, their percentage of support in the city of Winnipeg has moved up to something over 13 per cent.

In the city of Calgary, again in 1952, government grants amounted to between 9 and 10 per cent of the expenditure by the school districts. In the city of Edmonton, they amounted to 11.03 per cent. Again, there is this difference that, in Alberta, in the cities, if they had a building programme, they would qualify for some 25 per cent grant on the cost of that building programme.

May I point out, Mr. Speaker, that even had our building assistance in Saskatchewan been applicable to school districts with an assessment such as has Regina or Saskatoon, and if the city of Saskatoon, for example, had had a building programme of \$1 million, then the carrying costs of our grant, the amount they would have been relieved of carrying if we had made a grant on the basis of the Alberta system to them, would only increase our percentage contribution by approximately 1 per cent. Therefore, I think it is fair to say that our larger urban centres received, in 1952, as good support and, in general, better support than did the major cities in our neighbouring provinces; and I have pointed out that Manitoba has improved the situation as far as the city of Winnipeg is concerned, since that particular time.

I do want to emphasize that in this grants structure with the one exception that I mentioned when we do make a differential as between rural and urban in the ceiling which we consider, we consider not whether a community is a rural community or an urban community, we do consider their ability to pay as measured by the average assessment per classroom.

There is a lot of discussion again about the relative value of urban assessment as compared to rural assessment when it comes to supporting school costs. Is the \$1,000 assessment in a rural district as much value as we have assumed that the urban districts should be handicapped somewhat. Some people will tell us that it should be handicapped more, and some people will tell us that it should be handicapped less. It still remains one of the large unexplored areas in which, unfortunately, we have not too good information which can be considered as entirely scientific and correct. But we are continuing to study it.

Mr. Speaker, I would move the second reading of Bill no. 72 — An Act to amend The School Grants Act.

**Mr. Robert Kohaly (Souris-Estevan):** — Before you put the question, Mr. Speaker, Will the Minister compare the situation as it will exist in the province of Saskatchewan as to rural schools, with the situation in our neighbouring provinces?

**Hon. Mr. Lloyd:** — Mr. Speaker, I think I did that, in some measure at least, when I was making my “political” speech previously. I can say that, insofar as our basic grant is concerned, it is a bit difficult for this reason. Alberta is all organized as larger school units, and we are almost all organized, whereas Manitoba has one. But so far as our basic grants are concerned, we will now pay \$500 a year for each elementary classroom and \$700 a year for each high school classroom. If my information is correct that is the same basis which is used in the province of Alberta.

I think — and again, one finds it difficult to get comparable statistics; but my opinion is that our equalization pattern is better than that of Alberta; and I refer again to what Dean Lazerte said as to the better sort of shape to our curve. I could refer to the fact I mentioned before, that we had at least one unit (perhaps more) in Alberta with a rural taxation rate of 50 mills as compared to our maximum of 35. It is difficult to know just how they compare.

With regard to Manitoba, the basic grant in Manitoba is higher than ours; ours is \$500 and their, I believe at the moment, is \$700, with perhaps some alteration to that if there happens to be a small enrolment; but I am not too sure on that particular point. Again it is difficult to compare because they have no larger unit organization and we have a larger unit organization. In an overall way, I think it would be right to say that the percentage of the costs carried by each of the three governments is probably fairly close to being the same. I do not think there would be too much difference.

Now that is not too definite. You can understand it is easier to compare two cities here and two cities there than to take your whole rural situation and try to make a comparison.

The question being put, it was agreed to, and the Bill referred to a Committee of the Whole at next sitting.

## **SECOND READING — HOUSING BILL**

### **Bill No. 73 — An Act to amend The Housing Act**

**Hon. J.H. Sturdy (Minister of Social Welfare):** — Mr. Speaker, this amendment has been occasioned, in part, by changes which have been made in the National Housing Act.

Also on page two, part 2 (a), it deals with general housing, outlining the steps that are necessary or that are required to be taken by the municipality to enter into agreements and to proceed with housing under section 35 or section 9.

It is noted that one of the major amendments is the “municipality may enter into an agreement with the consent of the Local Government Board”. They may enter into agreement with the senior Government with the approval of the Local Government Board who will, of course, examine carefully the financial position of the municipality to see if it is in a position to do so.

Now part 2 (b) has to do with housing for aged persons, and it

**March 19, 1954**

outlines the method by which this may be done. It provides, as an example, for groups of municipalities to go together to form a company for the provision of a housing project to meet the requirements of what constitutes a housing area.

I think the other amendments which are of a minor nature can best be discussed in Committee.

I would move Second Reading of this Bill — An Act to Amend the Housing Act.

The question being put, it was agreed to, and the Bill referred to a Committee of the Whole at the next sitting.

## **SECOND READING**

### **Bill No. 68 — An Act to amend The Limitation of Civil Rights Act.**

**Hon. J.W. Corman, Q.C. (Attorney General):** — This is an Act curtailing the enforcement of certain civil rights. It sounds like our legislation, but it was passed in 1943.

**Mr. Loptson (Leader of the Opposition):** — I suppose it is one of those that doesn't mean anything.

**Hon. Mr. Corman:** — Well, I don't know whether that means anything or not, but in any event, it was considered good Liberal legislation. I am not making a political speech; I am in agreement with it.

Among other things it does provide that where an article is sold under a lien note or a conditional sales agreement, the remedy of the vendor shall be only the right of repossession. He cannot sue for the purchase price.

**Mr. Loptson:** — We passed that in 1938.

**Hon. Mr. Corman:** — Well, I think probably it is pretty good legislation.

**Mr. Loptson:** — Even before that — in 1934 I think it was. You couldn't sue if you had seized the article.

**Hon. Mr. Corman:** — That's right. You cannot sue either before or after you repossess, in the ordinary case. There is no suggestion that we change that; but an exception was made, in 1943, when the Act was passed, and I believe it was copied from Acts passed before that, possibly from 1934 or 1935, in the case of mining machinery, mining equipment or mining material. In respect of those goods the vendor had the right of repossession and the right to sue for the purchase price.

The oil industry have made representations that in regard to equipment required in connection with the exploration and production of petroleum and natural gas, the same provision should be made. We agree that if mining equipment should be exempted from the exemption, then machinery and equipment used in the exploration for oil and gas should also

be exempted. And, after a long speech about very little, I would move Second Reading of this Bill.

The question being put, it was agreed to, and the Bill referred to a Committee of the Whole at the next sitting.

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