

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN  
SIXTH SESSION – FOURTEENTH LEGISLATURE  
23rd Day**

**Monday, March 9th, 1964.**

The Assembly met at 2:30 o'clock P.M.

On the Orders of the Day.

**MESSAGE FROM HIS HONOUR THE LIEUTENANT GOVERNOR**

**Mr. Speaker:** — Before we proceed with the Orders of the Day, I have a message from His Honour the Lieutenant Governor.

Robert E. Hanbidge, Lieutenant Governor, to the Members of the Legislative Assembly.

I have received with great pleasure the address which you have voted in reply to my speech at the opening of the present session of the legislature, and Signed by Mr. Hanbidge.

**WELCOME TO STUDENTS**

**Mrs. Gladys Strum (Saskatoon City):** — Before the Orders of the Day are called, I would like to draw the attention of the house to 70 students in the gallery from the John Bates School with their teachers, Miss Marshall and Mr. Robinson. I am sure you would all like to join with me in extending a very warm and hearty welcome to these students and our wish that they will have a very happy and profitable day and a safe journey home.

**Some Hon. Members:** — Hear! Hear!

**TRIBUTE TO TARAS SHEVCHENKO, UKRAINIAN POET**

**Hon. A.G. Kuziak (Minister of Mineral Resources):** — Mr. Speaker, before the Orders of the Day are proceeded with I would like you and the house to allow me a few seconds to pay tribute to a world famous poet, Taras Shevchenko, who was born this very day on March 9th, 150 years ago in the Ukraine. I want to point out, Mr. Speaker, that Canadians of Ukrainian descent during this day, and I believe during the coming week, are going to be holding appropriate cultural programs honoring the memory of the great Ukrainian artist and world famous poet. I want to inform the house that I had the opportunity of visiting the Ukraine just this last summer, I want to inform the house that I had the thrilling experience of visiting the actual home, where Taras Shevchenko lives in the Ukraine, and where he produced many of his great literary works. I spent some time, too, at the great Shevchenko museum, I had the opportunity of taking a 40 mile boat journey on the great Dnieper River, the river which he so immortalized in poem and song, and on whose banks he had requested and prayed that his friends would bury him and in fact he was buried on the banks of this great river.

I am sure, Mr. Speaker, that all hon. members of the house will go along with me in paying this humble tribute to the memory of this great poetry, great philosopher, and freedom fighter. Thank you.

**Some Hon. Members:** — Hear! Hear!

## STATEMENT RE TRAFFIC ACCIDENTS

**Hon. W.S. Lloyd (Premier):** — I would like to read to the legislature, Mr. Speaker, a copy of the press release which I have issued for publication later today:

The government has been deeply concerned by the increase in recent years in the number of motor vehicle traffic accidents occurring in the province. The total has increased from 13,583 in 1961, to 15,842 in 1963. This is an increase of 16.6 per cent in two years. There has been an increase in each of the three major categories of accidents. Comparing 1963 with 1961 there were 21 more persons killed; 501 more persons who suffered non-fatal injuries; 1,737 more accidents involving property damage.

The general problem has been under consideration by a committee comprised of representation from the Department of Highways, The Treasury Department, The Highway Traffic Board, The Saskatchewan Government Insurance Office and the Department of the Attorney General. Having received this major report the government has implemented certain of its recommendations, we have asked the Attorney General to take the steps necessary to increase the complement of the R.C.M.P. Highway Patrol, we have asked the Attorney General to convene a meeting of all chiefs of police in the province, and prosecuting attorneys, to discuss enforcement aspects of highway traffic and safety. In addition it is our intention to ask the Saskatchewan Government Insurance Office to consider increasing its present grants to student driver training, so as to include more students in that program. It is our further intention to consider the advisability of establishing a bursary or scholarship to assist studies on accidents and their causes.

The opinion of the government, as I have outlined, are such, as to offer some hope of immediate alleviation of traffic accident problems, but that an adequate solution may not be possible without some legislative action. It is, therefore, my intention at a later date to ask the legislature to establish a legislative committee of highway traffic and safety. This committee would review present traffic laws and the enforcement of such laws. Consider measures to reduce the number of accidents through increased driver training or driver examinations, and consider general recommendations made by the Saskatchewan Safety Council and by such organizations as may see fit.

## INQUIRIES RE RETURNS

**Mr. Allan Guy (Athabaska):** — Mr. Speaker, before the Orders of the Day I would like to ask the Provincial Secretary when I might expect tabling of return no. 14, dated February 13, 1964.

**Hon. R.A. Walker (Attorney General):** — I am advised that it is being processed right now and should be available immediately.

**Mr. David Boldt (Rosthern):** — Mr. Speaker, I would like to ask the Provincial Secretary when we would be able to table return no. 36?

**Mr. Speaker:** — Well, number 36, I cannot tell my friend just exactly when it will come through, but the motion was passed on the 20th of February and it calls for a return from all government agencies and crown corporations and this involves clerical work and I cannot really tell my friend when it will be tabled, but it will be tabled just as soon as possible. That is a fairly recent one, February 20th.

## SECOND READINGS

HON. I.C. NOLLET, (Minister of Agriculture) moved second reading of Bill No. 43, An Act to Provide for Assistance in Agricultural Development and Adjustment.

He said:

Mr. Speaker, first of all a very brief outline of the provisions of Bill No. 43. It would authorize the Minister of Agriculture and the Minister of Natural Resources to enter into agreements with the federal government for conducting studies and undertaking projects under The Agricultural Rehabilitation and Development Act of Canada, and secondly, it would consolidate and modernize existing legislation under which the Department of Agriculture had constructed and operated required land for provincial pasture and other projects and for PFRA projects as well.

It is suggested that The Land Utilization Act, chapter 204, and the reclamation Act, chapter 318, be repealed. Powers that are necessary in these acts have been carried forward in the new act with reference to The Land Utilization Act. Many of the sweeping powers of The Land Utilization Act have been omitted for reasons I will present a bit later on. Thirdly, this legislation authorizes the establishment of a credit management service in the Department of Agriculture and granting of rehabilitation credit to small farmers in rural development areas, who cannot obtain credit for any other source.

And fourthly it formalizes the establishment of rural development areas as set up under the ARDA agreement. It makes some recognition of the training and needs of displaced farmers. In the latter regard there are indications that we may obtain assistance under the ARDA agreement for vocational training of farmers who wish to undertake vocational training rather than continuing in agriculture.

This legislation, Mr. Speaker, presents a progressive step towards further conservation and proper utilization of our soil and water resources. In this process the needs and requirements of people receive major attention, particularly in terms of rehabilitation of farmers who wish to undertake vocational training rather than continuing in agriculture.

This legislation, Mr. Speaker, presents a progressive step towards further conservation and proper utilization of our soil and water resources. In this process the needs and requirements of people receive major attention, particularly in terms of rehabilitation of farmers living on under-sized units or sub-marginal farm units.

This act, as I mentioned, repeals and brings up to date certain provisions in The Land Utilization Act; it repeals entirely the former Reclamation Act, which was an act administered by the federal government previous to the transfer of natural resources to the province. It has been unused since that time and has been replaced by The Conservation and Development Act.

In regard to The Land Utilization Act passed in 1935 this legislation was complementary to the federal PFRA act.

With respect to The Land Utilization Act a bit more information may be in order. This act provided for the alternative use of land and, of course, a program in this regard has been in effect in Saskatchewan since the 1930's. Since 1944, as I have mentioned in the throne speech address, the provincial government has also assumed increasing financial responsibility, and responsibility for providing technical services to farmers, engineering services, in association with land reclamation work generally, for irrigation development, for draining reclamation and for dry land development as well.

Since The Land Utilization Act was passed in 1935, authorizing agreements to be completed with the federal government for pasture development, the province has for the past 25 years or more, conducted an active program of acquiring land and making it available for community pastures, that are built and operated by PFRA. It is often overlooked that the province itself has given a tremendous contribution to PFRA pastures, by assuming its responsibility for land acquisition, and over the years a great deal of land was purchased by the province for PFRA pasture projects.

However, The Land Utilization Act was written in the depression years and contains some very drastic provisions, for example, authorizing the control of operations on private lands, the dissolution of municipalities, the closing of municipal roads, etc., some of which have never been used and many of which appear quite out of date and unacceptable at the present time.

These provisions have not been carried forward in the new legislation that is before you. Therefore, we have taken advantage of the opportunity to bring forward relevant sections of The Land Utilization Act that are still required under the new bill, and by repealing the old act, and getting rid of sections that appear irrelevant or obnoxious now.

I would like to give to the house some background to the development and the interest of government in the land use, and programs that have been developed over the years. To my knowledge the first indication of government interest in the possible problems of land use in Saskatchewan took place in 1922, when what was termed a good farming conference was called at Swift Current, and at that time the problems that were beginning to be apparent were discussed. However, very little was done on the provincial level with the exception of the emergence of one provincial pasture, the Matador pasture which was a large ranch and which was acquired by the province and operated as a provincial community pasture ever since.

Then came the 1930's and as a result of that experience which, over a period of years, created a tremendous problem in connection with land use, the federal government took some interest in alternate use of land at that time. The PFRA came into existence in recognition of the fact by the federal government that since the early settlement of this province took place, when the federal government had administration of crown lands, it was felt that the federal government because of this factor had some continuing responsibility in connection with rehabilitation of farmers who settled in areas on submarginal land and were unable to make a livelihood.

Then, too, Mr. Speaker, there has been a consistent demand to expand the application of the PFRA legislation to the entire province of Saskatchewan. As every one knows the legislation applied for many years below a line designated that indicated to the south of this line were the main problem areas. In recent years this line has been moved, and the application of PFRA for the past three or four years has applied to all of Saskatchewan. However, PFRA had some deficiencies then; the scope of its operations were not broad enough; and then, too, other provincial jurisdictions were very anxious to have similar assistance granted to them for the problems peculiar to their own provinces and their own agricultural areas. As a consequence over the years the provincial Ministers of Agriculture have requested the federal government to give us some type of policy under which earned assistance would be provided to provincial governments on a uniform basis right across Canada for all aspects of agricultural rehabilitation, land and water conservation and utilization. With the result that the ARDA legislation was passed about two and a half years ago. This represented another forward step by governments in accepting responsibility for proper land use.

I should like, Mr. Speaker, to indicate to the house some of the details contained in the ARDA legislation.

ARDA came into existence, as I mentioned, as a result of repeated requests of provincial Ministers of Agriculture for a national policy on soil and water. The act was passed and is now known as the ARDA legislation. The federal act contains three main sections, one section is called Alternative Use of Land, and authorizes the federal government to share costs of projects for the more efficient use and economic development of marginal or sub-marginal land. The second section of the act called Soil and Water Conservation Projects, authorizes joint undertakings and shared costs in projects for the development and conservation of water supplied for agricultural purposes, and projects for soil improvement and conservation as well.

The third part of the ARDA legislation provides for shared costs for the development of income and employment opportunities in rural agricultural areas, for improving standards of living in these areas. You will note that the greater emphasis has now turned to the matter of providing some means of rehabilitation to people as such. This section requires the specification of these areas and also lays emphasis on research, investigation, and study required to determine the areas in which special programs are needed, and also the kind of projects or programs needed to improve the economic opportunities and levels of people living within these areas.

This legislation, therefore, represents another forward and progressive step in the matter of agricultural rehabilitation.

Now, Mr. Speaker, I would like to present to the house in greater detail some of the provisions of our own legislation that is presently before you, termed The Agricultural Adjustment and Development Act. This bill will give a broad definition to the word project, which should be kept in mind

especially when reviewing the rural development section of this bill. The first part of the bill authorizes the establishment of an agricultural development and advisory board. This board may be regarded as successor to The Land Utilization Board, but without the direct administrative function associated with that board.

The general agreement completed with the federal government requires that ten per cent of the funds earned under ARDA be dedicated to research projects. You will appreciate, of course, that in a broad sense the direction and pattern that the progress of research and study takes will have a strong influence in molding policy under this act. Some of the research projects and studies, projects underway now, include the preparation of a soil capability map, under direction of the soil department at the university, preparation of an inventory or resource map related to soil areas and population by the Department of Agriculture Economics, and preparation of an income study by rural municipalities of the province, by the economic advisory and planning board and also an overall study of rural development methodology and procedure by the centre for community studies.

Studies of this nature will need to go forward on an extended basis to provide basic information and to suggest desirable trends or direction of policy under the proposed act. The co-ordination of assessment allocation and initiation of this type of investigation would be one of the major functions of the board. It will, in addition, review and recommend regarding the establishment of rural development areas, and study programs in them and other matters that might be referred to them.

The second part of the bill, entitled Agriculture Adjustments and Projects, does essentially four things. First – to authorize co-operation with the federal government in studies of the general type that I have just mentioned and to provide authority for undertaking these studies, or to farm these studies out to other agencies; and second – to authorize the undertaking of projects in co-operation with the federal government, or in co-operation with local authorities authorized to develop and establish a variety of projects as contemplated in the act. Third – to bring forward certain sections and authorities in The Land Utilization Act, with respect to land acquisition, and the securing of land under tax liens with the co-operation of municipalities involved. Fourth – under section 15 of the act, to give the Minister of Natural Resources essentially the same powers as those given to the Minister of Agriculture with respect to lands and projects that fall within his area of responsibility.

This same type of authority is included in The Provincial Lands Act, this section would authorize the Minister of Natural Resources, to enter into agreements with the federal government and to undertake purchase of lands and arrangements for project development of a non-agricultural nature.

We believe that this is important so that increasing recognition may be given to opportunities for multi-purpose projects. Advantage must increasingly be taken of these opportunities in many types of projects, if we are to make the fullest use of our resources and meet the increasing requirements for recreation opportunities and wild life.

The third part of the bill is entitled Rural Development. We have secured some experience in rural development in three areas, now declared, namely, Meadow Lake, Torch River and the Broadview areas. This part of the bill provides for undertaking jointly with Canada, research and study projects and physical projects in rural development areas.

It is in this section that the broad definition of the projects has the most significance. Here we should try to think of quite a variety of projects that might be used in different areas to develop added sources of income. The federal act makes no restrictions regarding the nature of projects and we have not made restrictions in our bill.

Opportunities in rural development areas of this province may be somewhat less varied than those in other parts of Canada. Here, in contrast to other provinces, we will be placing the emphasis on rehabilitation in the industry of agriculture. Nevertheless, we can think of projects that are of a recreational nature and tourism perhaps, vegetable production in some areas, or farm, wood lot development, or I should say fur farming, wood lot development and or small industry development. This act is broad enough to authorize the researching and support of a very wide range of economic development projects. This part of the bill also contains an outline of procedures for the establishment of rural development councils.

This act is broad enough to authorize the researching and support of a very wide range of economic development projects. This part of the bill also contains an outline of procedures for establishment of rural development councils and provides for local government to request a formation of a rural development area and to decide on the composition of the rural development council. Provision is made to pay half the expenses of rural development council members, a key problem in purchasing sub-marginal land for community pastures or other purposes in cases where it means the movement of the farm family from land purchased. This problem and circumstances created is by no means limited to provincial purchases which in fact are a small part of it. This is shown by the census figures, indicating a decline from 113,000 farmers in 1951 to 93,000 in 1961, an average disappearance of nearly 2,000 per year. Each family moving from the land has its own problems and own solution; some retire, some take up work in cities or towns and many buy other lands and go on farming. It is felt where younger people are involved they should at least have the opportunity for further education and training, if they so desire. We have, therefore, included in this bill authority to undertake jointly with the federal government, retraining programs, as I mentioned the indications are that the federal government will share these costs with us. In addition to assistance now available, under the bill before you, it would provide an allowance of up to \$50 per month per person during a period of education or training where it has been necessary for a family to leave their farm home because of sale of their land.

Finally, the second last section of this bill is entitled "Loans and Rural Development Areas". In our pasture construction program in northern Saskatchewan we have become more and more aware of the fact that many smaller farmers living close to a new pasture were unable to take advantage of it because they did not have the livestock and could not afford to buy them. We have undertaken a very detailed survey in the three rural development areas that I have mentioned, which indicated very clearly that a very large per cent if not the larger per cent of farmers in those areas had no credit standing from the usual sources of credit. And it is to assist these farmers that provisions are made in this bill, in the hope that we will thus enable them to purchase livestock and to clear and develop additional land on their own units.

Now, these in general, Mr. Speaker, are the provisions of the act. I would like to say something now in connection with credit generally to indicate to the house the changes in attitude that have taken place on the part of the government to this problem of providing farmers with an adequate source of credit.

The federal government entered the long-term credit field in 1927, with the passing of The Canadian Farm Loan Act. Previous to that time, in the 1920's a number of provinces got into the farm credit field, including Saskatchewan under what was known as The Saskatchewan Farm Loans Act. At that early stage, mistakes were made, this is certainly true, the type of advisory service that is now available was not given at that time, the productivity and the productive rate of the soil and its economic value was not determined with the results that loans were often made on very poor land, far in excess of the actual productivity of the land and the resulting experience was not too good. Without any criticism at this time, but just indicating that at the particular period, mistakes were made and certainly they were made in the case of the Saskatchewan Farm Loan Board. Many of those mistakes have been corrected over the years.

The federal government as I mentioned entered the credit field in 1927 by the passing of The Canadian Farm Loan Act. This act, too, after a number of years in operation was greatly modified. I should mention that the general expansion of credit for agriculture continued into the 1930's. Previous to then a good deal of financing was done by the mortgage companies and other private credit agencies for the purchase of land and machinery. However, with the coming of the drought and the great depression of the 1930's, most all of the private loaning agencies withdrew from the agricultural credit field entirely, and this withdrawal was permanent. It is presently estimated that less than three per cent of the farm credit extended in Canada in 1961 came from mortgage loan and insurance companies. Statements have been made in this house and outside the house that because of certain legislation in this province, mortgage companies were reluctant to loan money in this province. This is completely incorrect. Private lending institutions have not been in the farm credit field to any extent over the past years right across Canada; as I mentioned some three per cent of the credit extended in 1961, only three per cent came from private loaning institutions.

The very rapid change in agriculture brought about by World War II and subsequently, created conditions and circumstances that finally compelled a broadening of the credit made available under previous legislation. The new legislation was represented for example in 1942 by the passage of The VLA Act, which was an act to assist rehabilitation of veterans. This was at that time the most modern legislation on the statute books and still remains as an example of good farm credit legislation for the purpose of purchasing land and machinery. This legislation was followed in 1944, as everyone knows, by the passage of The Federal Farm Improvement Loan Act. This, too, was a great assistance to farmers and the hon. members know it consisted of a guarantee by the federal government to banking institutions who would advance credit primarily for the purchase of machinery but it could be used also for the purchase of livestock or general farmstead improvement.

Several provincial acts were passed in the 1950's too, along with our own Family Farm Act of 1959. Our legislation was passed here before appropriate amendments were made to the Federal Credit Corporation. Since then the provisions of the federal act have been enlarged and expanded to the point where actually I must say, that credit can probably be obtained to better advantage from the Federal Credit Corporation than from any other provincial agency with the exception of Quebec, for the purpose of purchasing land.

We expect and anticipate that with the pressure of need, federal credit legislation will be greatly improved. In this bill before you, we envision a new area where credit is greatly needed and we like to term this rehabilitation credit, and it will be utilized in association with our community pastures and fodder project developments. We hope to provide this credit with the objective of retaining on the land, people who are now living on the land by providing them with additional land resources, in terms of pastures and fodder projects and to enable them to utilize these additional resources. Credit will also be provided to clear and develop additional land on their own farmsteads. Thus such farmers can, in addition to improving their income positions, also improve their own credit standing to the point where they say take advantage of other credit agencies now not available to them.

I am very hopeful that the credit being established under this legislation will be supplemented by changes in the ARDA program to make it a co-operative endeavour or that, the federal government itself will make available rehabilitation credit as part of the ARDA program, but this again is an example where we cannot wait forever, and where we must take a first step, and we hope that the first step that we take in this direction will be followed by the national government making credit available in association with the ARDA program.

I think everyone will appreciate the fact that this bill before you is timely legislation and that the circumstances of the changed conditions in agriculture make it necessary to bring in a bill of this kind which includes something a bit unique because to my knowledge this is the first time that a credit agency is being established within the Department of Agriculture. We do this because we want to associate this credit with our overall extension program including our farm management program, it will indeed be supervised credit and we hope that by associating this credit with our other programs, we can more effectively assist the small farmer and the farmer who lives on sub-marginal land, to become firmly established in agriculture.

This is one way of arresting any further trend out of agriculture. These people represent the most needy people in the province who require this type of assistance. With this explanation, Mr. Speaker, I move second reading of the bill.

**Mr. D.T. McFarlane (Qu'Appelle-Wolseley):** — Mr. Speaker, I do not want to deal to any great length with the remarks made by the Minister of Agriculture in introducing this bill. Most of what I had wanted to point out, I dealt with in my budget speech some few days ago. But I have still not been convinced that the minister has solved the situation that farm credit should be set out to do in an act of this kind. I was pleased in a sense to see that now he is taking the credit structure of this enterprise under the Department of Agriculture, because I am sure that he must be convinced himself by now, that the former credit facilities that were setup this by government supposedly to help to alleviate the situation in respect to younger farmers has been for all intents and purposes a failure, and, of course, I refer to The Family Farm Credit Act, which was under the administration of the Co-operative Trust Company Limited, and I would hope that because of the very sad experience we have had since 1959 with that type of legislation, that now that it has been taken under the Department of Agriculture, it will be much more beneficial.

But, I am indeed sorry that the minister has not seen fit to clear up one of the most important issues in the loaning of money to so-called young farmers. I know that one of the pitfalls of The Family Farm Credit Act was the fact that farmers around the age of 40, and this should be the time when a farmer or any other businessman is in the prime of their life, when they went to try and acquire credit, they had been turned down because there were too old.

Now this has led I think more than anything else in the last five years especially to the lack of demand for services under The Family Farm Credit Act. I would have hoped that this point would have been cleared up in this act, but I do not see any provision in the act for that. The only provision I see in the act with regards to age, is that if a farmer sells out after the age of 60 he can apply for some educational assistance, but I am going to say here again this afternoon, Mr. Minister, as I have said in this house before, that after the age of 60, a farmer if he has not been able to make it on the farm by that time, certainly is not interested in taking any educational courses. To younger farmers that are forced off, at the age of about 40, I would say maybe yes, but you still have not solved the situation in respect to the older farmer.

I want to point out that a great deal more will have to be done with this act before it will be more acceptable than provincial legislation in the past. You have your record of your Industrial Development Office where since this government came into power in 1944 you have only been able to lend some \$11,000,000 under I.D.O. You have the experience that since this government came into power in 1944, all you have been able to lend to the farmers is \$6,000,000. So for all the development both industrial and agricultural in this province, all you have been able to lend since 1944, is \$17,000,000, and after scrutinizing this act very carefully, Mr. Speaker, I do not see any provisions in the act at the present time where it is going to help agriculture or sustain the farmer on the land in view of past experience.

I have pointed out and I am of the firm conviction that if we are going to keep the younger farmer on the land, then the government should have gone into a system whereby the younger farmer could have listed land within his own holdings at the present time, that he would like to have brought into production, either on a grain producing basis or on a basis of producing fodder for livestock. If there was ever a time in the history of Saskatchewan for a sound loan program, that time is now, because it is one of the greatest demands for the production of cereal grains at the highest price in history, the biggest market in history available to the farmers at the present time. And certainly all land that is fit to produce grain should be brought under cultivation and now is the time to do it because if we had a proper government scheme whereby the government would even guarantee the loans to banks or credit unions to see that these younger farmers got every acre of their holdings under cultivation got into production immediately, then I feel sure that this project and these loans could be paid off. It is very important at the present time to see that sub-marginal land is put into the production of fodder for livestock, because the demand for livestock not only in Canada, but in North American itself, will be tremendous over the years ahead, and if the right type of legislation was put into effect now, it could be a big boom to these younger farmers.

I would suggest to the minister that possibly he has been too timid, because all the studying of this bill, all that I can see available at any one time is the total of \$2,000,000. He will not lend out anymore than \$2,000,000 at one time. He will not lend out any more than \$8,000 to any one farmer at one time and in view of this, I think that you are going to still see that the major source of farm credit in this province is still going to be the federal government and federal legislation. If this legislation is to succeed at all, then I think that you are going to have to raise the limit.

I think the other suggestion I want to make here is that something be done, some guarantee be given to a farmer that he will be able to acquire an assistance of this type if he is not over 40 years of age, because as I pointed out to you, Mr. Minister, a few minutes ago, that too many farmers who applied for loans under the Family Improvement Loan, were turned down because of age, and I do not see any reason why if you are not going to allow a farmer anymore than \$2,000 at one time or a maximum of \$8,000 per farmer, why this age clause at least should not be increased substantially.



I do think the farmer at the present time should be turned down if circumstances are half way favourable just because he may be in his early fifties or late fifties or going on to 60 years of age.

The minister has mentioned the lack of availability of community pastures. I would like to indicate to the minister that something is going to have to be done in regard to setting up community pastures in the southern parts of the province. I know that a lot of work has been done in the north, and the people of the north appreciate that. A lot of work has been done in the south, in previous years through PFRA and in conjunction with the provincial government, but there is a pressing need for more community pasture facilities here in the southern part of the province, and I think that under a program of this type, you can start with some of your own crown land because at the present time, you have a quarter section or sections of land in the southern part of the province that are pretty well grown over with poplars and shrubs and other vegetation. I think that you are going to have to do something with that type of land; get out there and get it cleared and get it into the proper type of vegetation so you can sustain cattle on the crown lands in the south. The Department of Agriculture has been instructing the farmers of this province to increase their livestock holdings, but if they are to increase their livestock holdings, there must be facilities provided to sustain that increase in the holdings.

Another problem that you are going to have to deal with, is that fact that much of the sub-marginal land that was available up until a year ago, may not be available at the moment and the reason it may not be available is because in the last two years the farmers on that sub-marginal land have had a fairly substantial yield in grain, and now that wheat prices have gone up 12¢ within the last few months, and there is a guaranteed market for wheat and promise of a guaranteed market for barley, these farmers are reluctant to sell is because they are not guaranteed a future. Most of these farmers on the sub-marginal land have spent 60-65 years of their life on that type of land, now if they had some other alternative to go to, if they were assured of a job in industry or in our urban centres, then I think you could acquire that land, but this is one thing that you are going to have to look into, is some concrete way of looking after these people if you acquire that sub-marginal land. Now there is in the south at the present time, large tracts of that type of land that could be available for pasture development.

With those few brief remarks, Mr. Speaker, there is a great many sections of this act that I would like to go into in greater detail, but I think we will have to reserve that until we get into committee. The few suggestions that I have made, I hoped the minister will take into account, and see that these things are clarified and amendments are brought in to this act, so this will make it a better piece of legislation, and I would point out that I think the most important thing you have to deal with is the lack of specific details as to who will qualify, and as I have pointed out there is not going to be a substantial amount of money being available to any one particular farmer at any particular time to make the act too attractive, and when you realize that only \$2,000,000 will be allocated at one specific time, that means that no more than 1,000 farmers could qualify in this province for this type of legislation at one particular time. Mr. Speaker, I will end with those few remarks and reserve the right to make other suggestions when this bill comes into committee as a whole.

**Some Hon. Members:** — Hear! Hear!

**Mr. R.A. McCarthy (Cannington):** — Mr. Speaker, I would just like to make one or two comments on some of the remarks that the Minister of Agriculture made. I do not know if he intentionally did it, but as far as I am concerned, he left the wrong impression.

One thing he said was that the provincial government gave the land to the federal government for these community pastures. Well that is probably true, but before that, what happened was that the municipalities in a lot of those cases had a big tax load and they had been paying relief to these people so they took it over, cancelled their taxes and gave it to the provincial government. So actually in the southern part of the province, I am familiar with, the great bulk of that land came from municipalities. They the people who made the sacrifice, not the provincial government because they very

simply took it over and turned it over to the dominion government for pasture purposes. I do not know, I think the minister knows that, but anyone listening to his speech would have thought that it originated with the provincial government. It did not. That land came from the municipalities and they took quite a beating out of it because every quarter turned over had quite large arrears of taxes and they simply wrote them off. So the municipalities really took the beating and gave it to the provincial government free of charge and they in turn turned it over to the federal government.

Now the other thing I wanted to mention was in connection with the Farm Loan Board. I remember that very well. Just as soon as this government came in, they wrote it right off, and they have always had some very unkind remarks about it. Well, I am going to tell you that when that came in, it was a real help. At that time, interest on farm loans was nine and ten per cent. They came out with a six per cent loan and it is really a help to the farmers. The Minister of Agriculture said that there were some mistakes made. Well I do not suppose there are any loan companies that do not make mistakes, but there were not any more mistakes there than there were in any other loaning. What beat them was that in the 30's, in my district at least, the people got off the farms and left them and when they came to see them, it was returned to the Farm Loan Board and when it came to selling, they could not sell them for what was against it. But that does not say that that land was not worth what was against it. It certainly was. I know some of the land down there had come back to the Farm Loan Board — it was sold for quite a bit less than what was against it, but since that time that land has proved that it can grow 40 bushels an acre, year after year. It was not the fault of the land, not so much the fault of the Farm Loan Board. No doubt they made an odd bad loan, but by and large, they have not made any worse loans than the banks or any one else in the lending business. What beat them was the thirties, and the depreciation in the price of farm lands, and I still think that this government was in an awful hurry to wind up the Farm Loan Board and they gave it a lot of criticism that it was not entitled to, and, of course, that is back history, but I object to anybody criticizing the Farm Loan Board. You can pick out a few cases, certainly, where they loaned more than it was worth, but by and large there was only a small percentage of these people. After they got in they made a great hue and cry about how poor the Farm Loan Board was run, and it was not, it was the conditions they ran into, certainly it was bankrupt, so was I, you would have been too if you were a farmer, but if they had carried on that Farm Loan Board they would have done this province a great favour, and it certainly helped, even if they did lose something, they did not lose anywhere near the amount that the farmers gained by having this six per cent. They got all the lending institutions down to that six per cent. I was paying nine per cent myself until the Farm Loan Board came in, and immediately they brought that in, it reduced the overall price of farm loans, the interest on farm loans, and if they did lose a few thousand dollars the farmers in Saskatchewan made far more out of it. It was not because of poor management it was because of things over which they had no control.

I just wanted to make this clear.

**Some Hon. Members:** — Hear! Hear!

Motion agreed to and bill read a second time.

HON. W.G. DAVIES, (Minister of Public Works) moved second reading of Bill No. 50, An Act to Amend The Public Service Superannuation Act.

He said:

Mr. Speaker, there are four main matters in the amendments that are dealt with in this bill and I will try and describe them briefly.

Now the first subject pertains to an allowance which is now paid to superannuates on low pensions, up to the time that they reach the age of 70 years when they received the old age pension. The government presently makes a payment for superannuates in this category so that in general terms a payment of up to \$85 a month in entirety is arrived at. This is inclusive of the actual pension that is determined at the time of superannuation. The practice of paying this bonus has been effective for a number of years but it has been suggested that the authority to continue to make these

payments should be made explicit in the Public Service Superannuation Act, and therefore the amendment in question seeks to do just this.

The second question to be dealt with in this bill concerns the proposed changes that will be instituted when the existing teachers colleges are integrated with the College of Education at the University of Saskatchewan. The amendment that we have in this bill would give to the staff of the teachers colleges the right to continue contributions and to maintain pension rights so far as The Public Services Superannuation Act is concerned. It may be that such staff members who are transferred to the College of Education will wish to become part of the pension arrangements under the University of Saskatchewan, and, of course, if they wish to do this, they will be free to do so. But some of the staff members may well feel that it is more to their advantage if they continue under The Public Service Superannuation Act.

I should inform you that this aspect has been discussed with the university authorities, and it is agreed that the option of staff continuing under The Superannuation Act should be accorded the present employees of the teachers colleges, so that the university government is well aware of what we are intending to do here.

In connection with the third matter, section 33 of the act, provides for a refund that is made forthwith on employees' contributions with interest, upon resignation or upon dismissal. Many employees have had more than ten years of service at the time of resignation or dismissal, and are, therefore, eligible for a deferred superannuation allowance under the act. Some of the employees are not aware of their eligibility, not being too familiar with the act and consequently do not elect to take it. A refund is processed in the usual fashion; they may pay income tax on that refund, and the deferred pension is then not possible.

The amendment provides here, that in cases where a deferred allowance could be secured, that no refund will be paid until the employee elects in writing not to take a deferred allowance. Substantially the section is not changed except to protect the employee who could elect to take a deferred pension. It also touches, incidentally, on the contributions of an employee if he elects to have his contributions transferred to a public service employer of Canada, or of another province.

Now the fourth matter dealt with in the bill has to do with reciprocal agreements on pensions, as between the government of Saskatchewan, the government of Canada, or the government of a province of Canada. At the present time there is a considerable movement of employees between the various senior governments and I am sure this is appreciated by all members. The principle of portability, or if you will, convertibility of pensions, as between government employees is, therefore, very much of the essence. It is quite desirable that the government of Saskatchewan is able to secure the services of employees that are in this orbit, and that there should be no hindrance in this because of superannuation considerations.

The subject, I should add, Mr. Speaker, is one that, generally speaking, is receiving a great deal of attention across Canada. Ultimately it would be my hope that it would be possible to have a freer movement of employees at all levels of government, and I here include the municipal level of government, although, of course, we are not at this stage yet.

The fact that pension arrangements cannot be made advantageously by employees deters them from changing their employment and I submit, in the long run that this does not work to the good and welfare of any of the governments of this country, including the government of the province of Saskatchewan. I should also say that interest in mobility between the civil services of Canada has been growing. This was highlighted at the premiers' conference last year when there was endorsed in principle the proposal for the interchange of employees as between senior government jurisdictions. I should also say in this connection that for a number of years there has been considerable discussion between the government of Canada and the government of Saskatchewan on reciprocal pension arrangements.

Now the amendment proposed in the bill would authorize the Superannuation Board to enter into these reciprocal agreements with the dominion government, or with the government of a province, on pensions, and such an agreement would mean that pension portability would be effected so as to create this freer movement of government employees in the public services across the country.

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Mr. Speaker, these then are the four changes proposed in the bill to amend The Public Service Superannuation Act, and I would think that all other aspects can be more closely examined in committee. I, therefore, move that Bill No. 50 be now read the second time.

Motion agreed to and bill read a second time.

HON. O.A. TURNBULL, (Minister of Education) moved second reading of Bill No. 54 – An Act to amend The School Grants Act, 1960.

He said:

Mr. Speaker, bill 54 refers to school grants, and it is divided into two parts.

The first part deals with the changes in school administration so that those boards who are ready to move on the divisional system, can do so, and that is why you see reference made to the specific grades and refers to the intermediate section which refers to the grouping together of seven, eight and nine to be the intermediate division. This and the other amendments in The School Act, provide for the fact that where such an administrative change is taken by agreements of school boards that the intermediate division shall qualify for high school grants.

The next part on page 2, deals with specific numbers, and this can be broken down into two main parts. One is the non-unit equalization grants, which as members will recall is payable to those non-unit centres which are not of sufficient size to come within the general equalization grant formula, and we are here making those changes which will increase the total amount of money to these areas. The number 19 refers to the factor which is used to multiply the result of the equation, which formerly stood at 19, will now stand at 20, which will yield a net increase.

The other part of this formula is related to applying it to a district that has 20 rooms or more, and we have dropped this ceiling so that this equalization formula will apply to areas that have 15 or more. This would mean that smaller jurisdictions would qualify for equalization grants.

Then from “B” on we are referring specifically to the equalization formulas that apply to units and urban centres which have a total of more than 15 rooms, (If this amendment is passed, formerly it was 20 rooms) and here we are waiting a change which will result in more grants being paid to urban jurisdictions than would have been paid under the old formula. This factor stood at 135 in the old formula and will now stand at 125.

The other individual factors are related to assigned costs which are arbitrary factors, that bear relationship to a certification of teachers, and we are changing these in such a way so that those jurisdictions which have high load factors in the high school area, and who are making a special effort to hire the best qualified teachers earn a grant that is representative of the total increase in costs to them, by virtue of higher salaries, and at the same time we are spinning out the lowest factor which is related to people on standard certificates.

We are not weighing the thing entirely towards those jurisdictions that are able to hire the highest percentage of professional certificated teachers only. We are giving emphasis in that, and at the same time where we are increasing the factors so that other jurisdictions can share in the increase in grants as well.

With those remarks, Mr. Speaker, I will now have the responsibility of reading a message, because this is a money bill, which was not read in first reading, (I must apologize to the house on this) and I would say that I beg to inform the assembly, that His Honour the Lieutenant Governor having given form to the subject matter of this bill, recommended it to the consideration of the assembly, and I now move second reading.

Motion agreed to and bill read the second time.

HON. O.A. TURNBULL, (Minister of Education) moved second reading of Bill No. 56 – An Act to amend The Teachers' Superannuation Act.

He said:

Mr. Speaker, bill no. 56, refers to teachers' superannuation. This refers in main to three general parts, one is, you could say, that as a result of the major changes last year, there are certain clarifications that have to be written into the amendments this year. It has been found over the year that there have been certain results brought about by the amendment that were never intended, and there was no thought of having those results, and there are certain sections in there that are rather cryptic that refer to these corrections.

There are some extensions, in terms of superannuation that are slight, but welcome, I am sure. One deals with the point of counting a year at university as a year that will qualify for service, and this will be welcome I believe; another part refers to the fact that teachers can, if they wish, have an increase in their superannuation until such time as they qualify for old age pension, and then have their superannuation decreased after they receive the old age pension, without, at any time, having a reduction in the amount of money. This is done by calculating the amount of increase of the old age pension and making the necessary actuarial calculations which will add monies in the one time and reduce monies at the other point in time, also that the teacher as they move from one part of their life to the other, will not have a reduction in their total amount of pension. this change is necessitated because of the old age pensions increase last year.

Another point is that we are increasing the cost-of-living bonus to teachers and the effect of this will be that there will be a slight increase to a certain group of superannuates, who are now getting \$1050.00, I think it is, or \$1020.00, I am not sure of that figure, but this will be adjusted upwards to that no one of them will get less than \$1,200.00.

Those are the main items, Mr. Speaker, the other items refer to the request of audit, or methods by which monies are calculated, or clearing up different points in drafting, and I would move second reading.

**Mr. Karl F. Klein (Notukeu-Willowbunch):** — Mr. Speaker, I would like to say at the outset that we do welcome the change that the minister has made in providing for those people who are attending university, to count that as a year of service.

However, I am disappointed because there are two other items, one in particular, that should be included in this bill, in my opinion, that is with regard to war services. Now, it won't affect too many teachers perhaps but it will affect a few.

First of all I would like to see those teachers that were in the teacher training institute, at any time, during the Korean war period, or entered the profession afterwards, that they also be permitted to count Korean war service as well as service in World War I and World War II. It is only a slight change, perhaps the minister could bring in the amendment at third reading.

The other one is that the war service clause now is slightly discriminatory in that some people did not enter the teaching profession immediately after the war, within the two year period that is set aside. I do not know who ever decided this, why they decided on a two year period, but I know a lot of service men that did go back to university, not necessarily in a teacher training institute, but they took courses in agriculture and what have you, and then entered the teaching profession five years after the war was over and they are now not permitted to count war service. So I think the easiest way would be to say count all war service, regardless of when you get into the profession. Again, it is a slight change that would affect very few, it certainly won't bankrupt the plan.

The other thing I am hoping the minister will answer before he sits down, is, we brought to the attention of this house the plight of some teachers that retired before 1957, and the headlines in the last bulletin were that the teachers are seriously considering levelling a tax to bring them up to a minimum of \$2,700 single life plan, or \$1,500 disability plan. Now, is there any reason why the minister is unable to entertain this request and make those adjustments because certainly the plan at that time, they have found it pretty good? I know, if in 1930 I could have looked forward to a time of \$2,700 a year I would have been extremely wealthy; today that

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figure is no longer realistic, and is admittedly causing grave hardship for quite a few teachers. However, if it does cost a little more now, it will be a diminishing type of cost, because they are all getting older, up in years, and won't be with us any too long.

**Mr. Turnbull:** — The only point I would touch on is the minimum. The hon. member is quite right when he says the S.T.F. is considering making an additional type of levy on themselves which would go some direction towards meeting the active costs involved in raising minimum upwards beyond the minimum I have stated of \$1,200. The reason that the department and the commission, and the government, is not thinking of going beyond the \$1,200 is that we have gone a considerable way last year to bring in a public service superannuation and the teachers' superannuation bill; it is a rather close alignment. The main reason this was done was to provide for the day when we have portability.

Now we recognize that there is a particular complaint if the government moves on the one and it does not give fair consideration to all the others. We are this year, in the public superannuation and in the teachers superannuation, thinking of raising the minimum of those, of a certain group, up to \$1,200, so that no person gets less than \$1,200, which is an increase over what does exist now. We are not thinking of going to \$1,500.

This matter has been discussed with the S.T.F., they understand the reasons for the reluctance of the government to go beyond that point, but they are prepared to create a little different situation and go some distance on their own, to meeting what they think ought to be a required minimum, and we have given them to understand that if they were willing to go a little farther and make a little different situation, that we would give it some further consideration.

Motion agreed to and bill read a second time.

HON. I.C. NOLLET, (Minister of Agriculture) moved second reading of Bill No. 57, – An Act to amend The Water Rights Act.

He said:

The purpose, Mr. Speaker, of this amendment is merely to transfer the administration of The Water Rights Act to the minister in charge of the central water authority.

With this explanation I move second reading.

Motion agreed to and bill read a second time.

HON. I.C. NOLLET, (Minister of Agriculture) moved second reading of Bill No. 58 – An Act to amend The Ground Water Conservation Act, 1957.

He said:

The explanation here is the same as for The Water Rights Act, it is merely to transfer the administration of the Ground Water Conservation Act, 1959, to the new Central Water Authority.

I would now move second reading of this bill.

Motion agreed to and bill read a second time.

HON. I.C. NOLLET, (Minister of Agriculture) moved second reading of Bill No. 59 – An Act to amend The Water Power Act.

He said:

The changes in this act are the same as in the other act, to transfer administration of The Water Power Act to the new Central Water Authority.

With this explanation, Mr. Speaker, I move second reading.

Motion agreed to and bill read the second time.

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