

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Fifteenth Legislature**  
**41st Day**

**Friday, April 2nd, 1965**

The assembly met at 2:20 o'clock p.m.  
On the Orders of the Day.

**QUESTION RE LOST CAR, RETURN NO. 102**

**Mr. J. H. Brockelbank (Acting Leader of the Opposition, Kelsey):** — Mr. Speaker, before the Orders of the Day, I regret to see that the Minister of Labour, (Mr. Coderre) is not in his place, because I wanted to ask about the return no. 102, if he had found anything out about that car.

**Mr. D. V. Heald (Attorney General):** — Mr. Speaker, the return is in the process of being prepared. It is out of the Minister of Labour's hands, and it is in the hands of my department. The return about the lost car is not lost; it will be filed very shortly.

**An Hon. Member:** — They are really worried about it.

**Mr. Brockelbank (Kelsey):** — Good old Perry Mason.

**ADJOURNED DEBATES**

The assembly resumed the adjourned debate on the proposed motion of Hon. A. H. McDonald, (Minister of Agriculture) for second reading of Bill No. 54, **An Act to Amend The Liquor Act, 1960.**

**Mr. R. A. Walker (Hanley):** — Mr. Speaker, there are some principles contained in this bill which no one can object to, but I would like to refer to some features of the bill which I believe are objectionable. This is the bill to provide for additional forms of liquor outlets, for the sale of liquor in bottles to the public. The government says that it is proposing to license drug stores and other responsible people for the sale of liquor, because they say that particularly in smaller communities, they wish to provide better service.

Well, the government says that it is economically unsound from the point of view of the Liquor Board to serve these small communities and government stores. I am quoting from the Deputy Premier, (Mr. McDonald). The government seems to believe that the policy of determining whether or not a liquor store should be established in a given community should be governed by whether or not it is economically sound from the point of view of the Liquor Board, and I question whether that is the proper criterion to apply.

The question which I raise, and I raise it at this time, whether the point of view of the Liquor Board should be the governing point of view whether or not a store should be opened in a particular small community. Perhaps the government has become too dependent upon liquor profits, and too concerned about making a profit out of every store. Government liquor board stores were introduced into this province, not as a source of government revenue, Mr. Speaker, but as an alternative to the uncontrolled free enterprise system of selling alcoholic liquor. The primary objective of introducing these stores had nothing to do with revenue, but had only to do with the problem of enforcement and the controlled sale of liquor.

Ordinarily the government doesn't expect to make a profit or revenue out of law enforcement. It goes without saying, then, Mr. Speaker, that we should try to put aside commercial considerations, try to put them out of mind in deciding whether or not to maintain a government liquor board store in a particular community. If a high standard of law enforcement requires that a store be established in a particular community, then that should be the criterion which governs, regardless of whether a profit is expected from the operation of the store.

Now, how does it assist the interests of law enforcement, to allow private enterprise to re-enter the liquor retail trade. For it is now

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proposed by this government to set up a new class, a new group of people, selected by the Liberal government and give them the right to make a business out of pushing the retail sale of hard liquor in this province. This represents a new and radical departure from the principles which governed the setting up of liquor control board stores when prohibition came to an end in the early twenties.

This class of people is being set up by this government, with government blessing, having a pecuniary interest which conflicts with the traditional aim of taking the profit out of the liquor trade and thereby curtailing consumption. I wonder, Mr. Speaker, if the government expects that the private commercial interests that are to be licensed to sell liquor at retail, will, because they are private stores, because they are privately owned and because they are in business to make a profit — whether the government believes that this will result in an increase in the number of juveniles, the number of minors purchasing liquor. Because, Mr. Speaker, the proposed amendment proposes to change section 80 and make it more difficult to convict a vendor of selling liquor to minors.

This seems to suggest that the government expects and is anxious to protect these new commercial ventures from prosecution for selling to minors. At present in order to secure a conviction for selling liquor to minors, it is only necessary to prove one thing, that is that the vendor sold to a person who is, in fact, under twenty-one years of age, but with this change, this proposed change in the law, the issue then becomes whether the purchaser was apparently under the age of twenty-one. This introduces a purely subjective test. I predict that with the introduction of these words, it will be more difficult to secure convictions against vendors, who do, in fact, sell to minors.

I think, Mr. Speaker, many of us are concerned, and more concerned about the larger issue of allowing private interests to stake out a claim on a part of the retail liquor trade. Undoubtedly, the government will put forward, will be able to put forward the economic argument with respect to every community in Saskatchewan, for enlarging the private enterprise sector. The bill provides for only twenty more of these outlets, but I predict that the pressure will be on within a year or two. Communities that haven't a liquor store will say that they are just as much entitled to one as any other community, they have a drug store, or they have some other reliable person, according to the words of the act, who would be interested in securing a license and a franchise to sell.

I suggest, Mr. Speaker, that there are private interests not only in drug stores, but elsewhere, right in this city, who would be interested in handling the retail sale of liquor by the bottle. It is only a smaller step to extend the act to permit this, in say the city of Regina, or Saskatoon.

These private interests will be very glad to say, to assure the Treasurer that they will make a bigger revenue for the province of Saskatchewan, if they are allowed to sell, than if sales were restricted to government stores. If a question of the revenue of the province is the determining factor in these decisions, then there is no reason why the government should not then acquiesce to the request by all of the drug stores in Saskatchewan, not just in those twenty towns that are originally provided for. There is no reason why the government shouldn't acquiesce in the sale by all of the drug stores in Saskatchewan. That will be a less significant extension of the principle than the one we are being asked to approve of today. They will make more money for the government, by making up in volume the sale of liquor. That the government has in mind allowing the introduction of high pressure methods and high pressure techniques for the sale of liquor, is made clear from this amendment that is before us today.

The government says, and I quote from the minister who introduced the legislation;

Under our present legislation, a brewer or other manufacturer is not permitted to employ representatives to act in any capacity in connection with the marketing of a company's product in Saskatchewan.

And so the government proposes to remove this prohibition. The implication in the argument which the government makes is that it hasn't been possible to enforce the rule, they say . . .

**Hon. A. H. McDonald (Minister of Agriculture):** — You didn't . . .

**Mr. Walker:** — The minister suggests that we have them in spite of the prohibition, and so it is proposed now to yield, to remove the prohibition and to allow salesmen into the field, and instead to try to control or restrain their aggressiveness by regulations passed by Order-in-Council. This retreat, I submit, does not offer any real hope of curbing the appetite of the liquor interests or restraining the activities of the salesmen. If, as the minister says, they are in the province, something should be done about it, and it is no answer to say that he knows that they were in the province a year ago, or ten years ago. I can say that if we had known they had been there, we wouldn't have repealed the legislation in order to make it lawful, we would have tried to enforce the legislation as it stands. Indeed, it will be more difficult now to prevent the hustlers, the pushers, the promoters, from increasing the sale of liquor because these people will be in the province lawfully. They will be engaged lawfully in the work of sales, and what kind of restrictions are you going to put on to slow down their activities, when they can operate above board and in the province without let or hindrance.

I suggest it will be more difficult in the future to curb or curtail the activities of these people, that the minister says are here, because they, the liquor interests, can look forward to an easier compliance by the licensed business friends of the Liberal party.

These people at the present time have to, if they want to promote the sales, have to encourage, and aid and abet the government employees, the operators of the government Liquor Board stores, who have no personal interest in encouraging the sales. How much easier and more compliant will they find the private enterprise sellers of liquor to their sales devices, and to their advertising and promotional techniques. These people in the private enterprise sale of liquor will be more vulnerable to the encouragement of the salesmen than the government liquor store proprietors were, because they have a personal interest in it, and furthermore, these people will be selected by the Liberal government. They will be selected by the agencies of the government opposite, and this may give further encouragement to these salesmen and promoters to think that these people can get away with a little bit of hanky-panky in the promotion of liquor sales.

The hon. minister says they are doing it now, he says they are doing it now . . .

**Mr. McDonald (Moosomin):** — They were doing it when you were Attorney General . .

**Mr. Walker:** — . . . and if they are doing it now, how much more easily they can do it, when they can do it lawfully.

Well, Mr. Speaker, I view those two amendments with great misgiving; the introduction of the sale of bottled spirits by the commercial trade, and the legislation of the sales representatives and distillers agents who will be going about the province. The introduction of the profit incentives at the retail level, aided and abetted by these distillers' agents, conflicts with our traditional system of liquor control in Saskatchewan. This private system of retailing liquor builds in a pressure, in my view, which will seek to expand its areas of profit, and this pressure will, I fear, not be resisted by the government judging by its present policy in this regard.

This government admits that it weighs the various alternative —the various alternative methods of selling liquor, on the basis of the profit to be made out of the sales in any particular store, on the basis of maximizing the revenue to the crown. We are taking, I believe, the first step here today upon the road taken by our southern neighbors, of virtually unrestricted promotion and sale of liquor.

Therefore, Mr. Speaker, I will feel constrained to vote against the bill.

**Mr. A. H. Nicholson (Saskatoon):** — Mr. Speaker, the member for Hanley, (Mr. Walker) has made an excellent case and I want to add my word in support of his views. I think many Saskatchewan people will feel that this is a backward step, I just secured from the library, the Royal Commission on Customs and Excise, I realize this goes back quite a number of years, but we had a CCF government in office for twenty years, and our immediate predecessors were pretty sensitive of this area, but I would like to draw the attention of the house, that when the legislation of this sort was in effect, you had the Prairie Drug Company, for example, which obtained a permit from the Saskatchewan

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government under the Saskatchewan liquor law to store liquor for the sale for medicinal, scientific, and other non-beverage purposes, but it appears they had the intent of using the bond for the storage of liquor to be sold for beverage purposes. Then there was the Regina Wine and Spirit Company. Canada Drugs was organized at Yorkton. This company was never engaged in the drug business, but confined its activities to the sale of alcohol in the western provinces, and to purchasers from the United States.

Also, the Yorkton Distributors, the Gainsborough Liquors Limited and the Gainsborough Liquor Company were all organized to benefit from tax liquor legislation. Most people living here at that time, felt this was a very unfortunate chapter in our history. Therefore it is very disturbing to have legislation brought before this chamber, to again move the sale of liquor to private individuals and private firms who might be able to make the sort of profits that Canada Drug and Gainsborough Liquors and the Prairie Drug Company and the Regina Wine and Spirit Company, have been able to accumulate, as revealed in this evidence given before this commission.

**Mr. I. MacDougall (Souris-Estevan):** — That was before prohibition.

**Mr. Nicholson:** — No, this was a period when there were fabulous profits made by establishing this sort of corporation, and I hope that some of the members on the side opposite, with strong views on this particular question will join us in voting against this particular measure.

**Mr. G.G. Leith (Elrose):** — I am rising to speak in particular on the matter of the principle of enlarging the number of outlets for sale of liquor in the province, and particularly of allowing druggists or other reputable people in business to sell these liquors in rural areas, some distance from an established government liquor store.

I think you are aware, Mr. Speaker, that the number of liquor stores is governed by the act of this assembly and this number has gone up consistently in the last ten years, from about forty, I believe, to ninety at the present time.

Now, I have before me, 1959 special report on the Practices and Principles of Liquor Control in some Canadian provinces. I want to take the liberty of reading part of the recommendations that were made by the Bracken Commission in Manitoba, in 1955. Here they are in part:

These are recommendations for the method of sale:

We recommend:

That the basic policy of government monopoly over the sale of all packaged liquors through government controlled and operated liquor stores for consumption off the premises be maintained.

and here is the fourth recommendation:

That in the interests of more equitable service to all parts of the province, the G.L.C. commission survey the present liquor store outlets with a view to determining the need for stores in these areas now inadequately served.

And the fifth recommendation:

That in any small rural centre which is a considerable distance from larger centres having government liquor stores, and in which it would not be economic or advisable to expend public monies on new liquor store outlets, the G.L.C. commission be given authority to designate one agent, preferably a drug store, as its representative for the off sale of packaged spirits and wines.

Mr. Speaker, I want to say that the Liquor Control Commission Annual Report of Manitoba, year ending March 31st, 1958, had this to say in part:

That the system of selling liquor in smaller communities through liquor agencies, usually the local druggist was proving successful.

And I think that Manitoba's experience may be used as a useful model for the experience that we expect in Saskatchewan.

The act clearly states the prohibitions on the number of proposed outlets. It prohibits them within quite a distance of any other liquor store. The people in that area will be protected from what my friend from Hanley, (Mr. Walker) likes to call the liquor interests by the use of the local option vote. The vendor will be governed by the same hours of sale and the same conditions that any other government vendor would be. I think that it is clearly in the interests of these smaller areas and the people of Saskatchewan to introduce this measure.

I also have a report from the Liquor Sales Outlet Inquiry Committee, 1958, a Saskatchewan Legislative Committee, on page 34, the recommendation no 18 says;

That the committee unanimously recommends that the present ceiling on the number of government liquor stores in the province be eliminated.

Now this report was presented to the previous government and it is true that they raised the number of outlets; but it is not true that they eliminated the ceiling on their number. Our feeling in this matter is that we are not going to control alcoholism, and we are not going to control crimes that are aggravated by alcohol by restricting the number of outlets. I believe that the more healthy position is to make liquor available to people over 21 so that they don't have to drive forty or fifty miles for it.

I remember years ago, when our only liquor store was at Biggar, which is fifty miles from our community, and several had accidents and several breakings of the law happened because these people were travelling up there to buy a little bit of liquor.

**An Hon. Member:** — Sampling on the way home.

**Mr. Leith:** — Sampling on the way home too.

**Mr. E. I. Wood (Swift Current):** — May I ask the member a question? When you had these accidents was it only the law that was broken:

**Mr. Leith:** — Well, probably at that time several laws were broken. Speeding and also opening this bottle before they got home. But these were the dangers, Mr. Speaker, and I think we should recognize that when we make a commodity like liquor hard to get, then we accentuate the problems of abuse that we are likely to face.

The hours of sale are important. I believe that the bootlegging problem is the one that we are really trying to eliminate; by making liquor available, in drug stores, and from qualified people by keeping the hours of sale, the same as ordinary liquor stores, we are going to attack the bootlegging problem right where it hurts us the worst. People don't have to drive fifty miles, or a hundred miles for a bottle of liquor. I was very pleased to see the cities of Regina and Saskatoon had extended store hours for buying liquor. I, personally, don't want to see the consumption of liquor go up any more and I don't think that this will cause the consumption of liquor to go up any more. I think that it is a good measure for our rural areas, and for the people of Saskatchewan.

**Mr. G. T. Snyder (Moose Jaw City):** — Mr. Speaker, my only purpose in rising briefly is to place on record my opposition to the proposal of extending liquor outlets in the manner that is suggested in this legislation which is before us today.

Like other members, I have received countless letters from both individuals and organizations, petitions, which indicate the protest to the suggestion which is made in the legislation to extend the sale of spirits through the retail drug merchants and their establishments. The letters and petitions which I received come from all parts of the province, and I believe the biggest problem which is indicated by the letters which I

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received is the fact that people consider that this is a move towards increased consumption, but I think even more important yet, Mr. Speaker, is the fact that there is a definite danger of the indiscriminate sale of this commodity to under-age groups, in the event that liquor outlets are extended in the manner which is set forth in the legislation.

I believe, Mr. Speaker, this kind of legislation which permits the sale of spirits from outlets other than government owned and operated liquor stores, is less necessary than it has been in years gone by. Some time ago, the amount of liquor which an individual could purchase at any one time was somewhat more restricted than it is today. Today, Mr. Speaker, an individual can lay in a stock of liquor if he so desires. I know the suggestion has been made that this stuff has a tendency to evaporate, but nevertheless, a person can lay in a stock of liquor if they so desire. They can also travel on good roads at almost any place in the province in order to reach a point where a government liquor store is in operation.

I personally, Mr. Speaker, am rather dismayed; I am unable to comprehend the reason why drug stores were singled out for this rather dubious honor. Ideally, Mr. Speaker, I suggest then that the sale of spirits should be retained by government-owned and government-operated liquor stores. By this process and by this process only, can the sale of this commodity be properly administered and properly policed.

I suggest, to you that the government has a real and a very distinct responsibility in this respect.

The Premier and the Provincial Treasurer, during his budget address had something to say about the amount of revenue expected out of liquor sales in the coming year, which we are involved in at the present moment. He indicated that the profit from the sale of liquor would approach \$16,800,000 - I believe that was the figure that was given. Surely, Mr. Speaker, this indicates to us that there is a real area of responsibility here on the part of government to provide sufficient outlets under the auspices of government

I just suggest that the move towards outlets in the hands of retail merchants, to me, smacks of the Babcock influence. I understand, Mr. Speaker, that gentleman has gone on record as being in favor of the sale of alcohol through free enterprise outlets.

I think, Mr. Speaker, generally that Canadian provinces have agreed to assume the responsibility for some of the inherent problems that are connected with the consumption of alcohol. Saskatchewan's Bureau on Alcoholism has recognized a very real problem here. An international school on alcoholic studies was also begun recently with Saskatchewan and North Dakota co-operating in this venture.

Recently, Mr. Speaker, if I may be out of order for a moment, I would like to refer to remarks made by the Attorney General (Mr. Heald) speaking in a debate which was before this house in connection with highway safety and at that time he expressed concern for the increasing part that alcohol was playing in respect to the fatality figures which are experienced on our highways.

So this indicates to me simply, Mr. Speaker, that government, if it is to properly discharge its responsibilities to the travelling public and to Saskatchewan people generally, must retain complete and absolute control over the sale of alcohol.

I suggest to do anything less than this, Mr. Speaker, is to abrogate a responsibility which properly belongs within the sphere of government activity. I feel that I am duty bound, Mr. Speaker, to vote against the legislation.

**Mr. Eiling Kramer (The Battlefords):** — Mr. Speaker, I too have a rather brief contribution to make to this debate.

I think that under other circumstances, one might say the text today should be "Lead us not into temptation." This is the very thing that this proposal is doing, leading more people into greater temptations, and the very fact that they are putting Liquor in the way of businessmen who already, quite often, have difficulties in making ends meet. People who are in a precarious position usually from a business stand point. This is not going to be in the public interest. The fact that these people are marginal businessmen is going to be bad business we know that certain things will happen. We know that they are already happening when pressures are

being placed on local vendors who have licensed premises in the small country hotels, where customers will come along after hours and browbeat them into trying to get after hour sales . . . These people, these businessmen who are going to be given this questionable privilege, will be faced from time to time with customers who probably do \$50 or \$60 worth of business in drug prescriptions and one thing and another during anyone particular month or longer period, and they will be faced with the decision as to whether or not they are going to deny their customer's wishes or become a bit illegal when someone comes along and says, "I want a crock" when its after hours.

Now, this is the position that this kind of legislation places these people in and I suggest that it is the wrong kind of a position to have citizens in business placed in. It's just creating more difficulties. Quite often these people have their residence right in the drug store or the drug store is part of the building they live in and they are going to be subjected to disturbances at all hours of the night. I think that there is another factor here too. They are going to further increase the temptation to some of the younger people who are always adventurous to further engage in break-ins when the spirit moves them, or when they are moved to spirits.

The profit motive here is far too obvious and what the former Attorney General, (Mr. Walker) has said and that other speakers have said about this legislation, is all too obvious. It is bad legislation, Mr. Speaker, I suggest that if you must do this, for heaven's sake be practical. For heaven's sake be practical about it. The hotels are already licensed. You have to send inspectors around to the hotels. They already have the storage facilities an\_ the vaults for storing liquor. Why don't you do as the Hotelkeepers Association have suggested, if you have new outlets, and at least leave it in one place instead of creating further outlets and further new temptations for bait.

Mr. Speaker, I believe that this is one of the worst bills that has come before this house during this session and there have been a good many of them that were pretty bad. I certainly am opposed to this and I want to at this time, register my disapproval.

**Mrs. Marjorie Cooper (Regina West):** — Mr. Speaker, I think very few people in the assembly will be surprised that I am opposing this bill.

I think that every action of this government since it has taken office, has or will have, the effect of increasing liquor consumption. Perhaps increasing what you call liquor profits rather than decreasing them. I think no government should want to increase the sale of liquor and increase liquor consumption, because I think we have plenty of evidence and I know everyone will agree with me, that there is too much liquor consumption in the province now. As the Attorney General pointed out, in eighty per cent of the car accidents, liquor is involved. And when it comes to poverty and dependency and family breakup in all of these things, liquor plays a major part.

Now, what has been the record of this government in connection with liquor since it came into office? First of all, it permits advertising. Now, I agree it is institutional advertising but nevertheless, it's advertising and there is only one' purpose that I know of for advertising and that is to sell more of the product. People don't advertise unless they expect to gain from the advertising. If the government had felt that the weekly newspapers needed this extra revenue and consequently they permitted advertising there ",ere much more constructive ways they could have done it than that. They could have put ads in the paper giving education about alcoholism, the same types of advertisements that were put in Manitoba, warning against excessive drinking. Instead of that, they allow liquor advertising.

Then the next thing they do, they cut the appropriation for the Alcohol Education Committee. I have a letter on my desk. I happen to be a member of the Alcohol Education Council. These people have teachers in the schools and they do a wonderful job. They are well trained. They are mostly graduates of the Yale Alcohol Studies and certainly if there is any place where you need alcohol education if it is going to do any good, it is in the schools. And here I have this letter saying that on the so-called economy drive the Department of Education, I believe is, have cut their grants by \$8,000. And I think that is a real shame. They are going to have one less on their staff in the schools. Anyone who has watched the work of these people in the schools knows that they are doing a tremendously good job. So at the same time, they allow advertising then they cut down on temperance education for our children in the schools. This is a disgrace to my way of thinking.

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The next thing they do is lengthen hours. Now, I know it is only in two stores but certainly this is an encouragement to compulsive drinkers. People can get their liquor if they need it before six o'clock and I would imagine that after ten o'clock, if they are partying and want liquor, they are just as apt to go to a bootleggers if they are around after ten o'clock, but you have increased the length of the hours.

Now, you are going to open liquor outlets in drug stores. There was a time when liquor was handled by drug stores and it wasn't a very satisfactory experience, was it? And the members on the other side of the house know that. You are only saying twenty now but there will be more asked for. If one town has it, the next town will ask for it, and I am quite sure that the government will succumb.

Easy availability increases consumption every time, rather than decreasing it. I don't agree with the member who spoke previously. There is no doubt that if liquor is right at hand, you are going to use more of it.

**An Hon. Member:** — There's better medicine than that, Marj.

**Mrs. Cooper:** — Well, I just have one more thing to say but I can't let it go even if I have to cough doing it.

You are going to permit- salesmen to go around and try to encourage more sales. Now, I think this is retrograde step. The argument that you use is that people know, that they are doing it all the time any way so we might as well legalize it. I think that is the most weak-kneed argument I ever listened to. If you know they are doing it, there can't be score and hundreds of them, why didn't you prosecute them? If you know that they are doing it, you know where they are and here again you are doing something to encourage the sales of liquor and I think that the record of government is most unsatisfactory and I will oppose the bill.

**Mr. D. V. Heald (Attorney General):** — Mr. Speaker, on a point of order, the lady member for Regina West, (Mrs. Cooper) who just finished speaking was quoting, I believe from a document or paper or circular. I wonder if she would be good enough to table it.

**Mrs. Cooper (Regina West):** — I would be very glad to. Yes, I would be very glad to table it.

**Mr. R. H. Wooff (Turtleford):** — I personally can't help but view with alarm this broadening of liquor outlets beyond the scope of the provincial liquor store. As some of the speakers have already pointed out, I believe that once outlets are allowed into private business establishments and what have you, there will be a multitude of pressures exerted upon the business people.

There are many types of outlets that have been used down across the line, south of us, and these are the sources that give the revenue officers the most trouble. I would suggest that if we have to have more outlets, that they be the regular liquor store outlets that are properly controlled, even if they do not make a profit.

I was amazed at the arguments of the member from Elrose, (Mr. Leith) suggesting that even though we had more outlets, it wouldn't necessarily up the consumption. I challenge him to go back over the history of the liquor business as far as he likes, in any country he likes, and every time that the outlets have been increased consumption has gone up. I don't think he can find any history in the liquor traffic that doesn't prove this. Some of the arguments that he used were to the effect that they are going to do it anyway so let's give them more which absolutely throws has other argument into a cocked hat.

But I don't want to waste the time of the house, Mr. Speaker, I do have some figures, they are from across the line but I think they can be used as a guide and I am suggesting that the kind of outlets that the government is proposing now, do correspond very closely to what has become known as the speakeasies in the United States.

Colliers magazine of 1952, and I'm going back that far because in . . .

**Hon. D. Steuart (Minister of Health):** — 1932?

**Mr. Robert Wooff (Turtleford):** — 1952, this gives the buildup. The Colliers Magazine of June 13th, 1952, John B. Starr makes this statement that there are 100,000 outlaw stills operating.

Mr. Starr personally went with the revenue men to investigate them when they were raiding them and that the government at that time was losing \$150,000,000 in taxes. One of the largest was a still that had cost \$75,000 to build. It operated for nine months and made the operators \$4,000,000. It was prophesied at this time that by 1958, the illegal, (and the member for Elrose, (Mr. Leith) used that naughty word of 'bootlegging') the bootlegging group had increased their business until it reached astronomical figures. In 1958, Saturday Evening Post, John Cobbler makes this statement;

Last year in the states revenue men dynamited 9,511 illicit stills and dumped 209,058 gallons of liquor down the drain and they arrested 10,175 moon-shiners.

This is not the prohibition days that the members opposite like to talk about. This is right at the present time.

**Mr. Steuart:** — I don't know about this.

**An Hon. Member:** — That's the hillbillies.

**Mr. Wooff (Turtleford):** — The outlets, Mr. Speaker, the outlets for this illicit liquor are the very type of thing that the government is now suggesting to put in in Saskatchewan. They are not the government-controlled liquor premises such as our liquor stores, but they are these premises operated by private businesses and private individuals and they provide the legal front for illicit liquor and Mr. Chairman, I am opposed to this kind of outlets.

**Mr. Leith:** — On a point of privilege, Mr. Speaker, I . . .

**Mr. Wooff:** — You can have the floor.

**Mr. Leith:** — I must correct something that the hon. member, (Mr. Wooff) has just said. He said that these will not be government-controlled outlets. He is absolutely wrong because they will be government-controlled outlets. Controlled as to hours of sale and every other control that is exercised over a government liquor store.

**Mr. Wooff:** — Mr. Speaker, I am sorry, but I didn't say that. I said the type of outlet in the States was not government controlled in the sense that our provincial liquor stores are controlled, and this type of outlet that you are now proposing even though there is supposed to be these controlling hours, is not the same type of safeguard that you have in the liquor store that is now the outlet.

**Mr. I. H. MacDougall (Souris-Estevan):** — Mr. Speaker, I only want to make a few brief observations but as for all those members that spoke against these new outlets, I would recommend to the minister in charge that any of the towns in those particular areas, I recommend that he doesn't put any new outlets in there. I have three towns in my constituency that have already asked for some liquor outlets in their town, because these people feel that they shouldn't have to drive thirty or forty miles to get what people in the cities/such as Regina and some of the other cities can get by driving a few blocks. I think that the constituents of some of these members that have spoken so much against the bill will certainly register their disapproval of the thoughts expressed by these members and I would say to the minister who is bringing in this bill, that they should have had thirty or forty outlets let alone twenty because there aren't going to be enough to go around.

There are many, many towns in this province that are going to need these types of outlets, particularly the border towns, because people are driving into Manitoba and Alberta to purchase their liquor when they should be purchasing our own liquor here in Saskatchewan. If we are going to control

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this sort of thing in our province, then we should make it available to these people without all the rigmarole that they have to go through to get liquor., They are going to get it anyway and so we might as well make it available to them.

**Mr. M. Breker (Humboldt):** — Mr. Speaker, on behalf of my seat mate, I think I should come to his defence. I am not petitioning on behalf of the druggists. In my constituency, if any of these special outlets are going to be given, I would prefer the hotels and furniture stores in P.A. that is.

Now in answer to the member from North Battleford, (Mr. Kramer) he said much pressure would be put on druggists etc. for buying of liquor. Now, it is true, people are continually asking for something that they can't have. And especially this is quite true for the druggist. The druggist is continually asked by the public for drugs which he cannot legally and morally have. There is the phenobarb. This is a terrific problem which the druggist deals with day in and day out. There are the many derivatives of benzedrine, there are the new type of pill, the birth control pill which we are continually saying 'no' to. There are the narcotics . . .

**An Hon. Member:** — Who is he talking about?

**Mr. M. Breker:** — . . . and there are the many other antibiotic drugs. You wouldn't know. But I believe the druggist now is conditioned to the public's reaction to the term 'no' which he so often has to use nowadays.

Now I have a little green booklet. This is really why I have come to the defence of the member for Elrose, (Mr. Leith)

Liquor sales outlets inquiring committee 1958.

The effects of outlets on consumption. The committee itself had pursued the question of increased consumption during its visits to neighboring provinces and States.

It has been informed that in the nine month period following the introduction of new outlets, liquor sales in Manitoba had risen by some ten per cent. It was surprised to learn that the sales had also risen by ten per cent in Ontario, British Columbia, Alberta, and North Dakota and (more surprising still in the province of Saskatchewan).

This ten per cent increase seemed to be general indicating that the consumption had moved responsive to other factors, since neither Saskatchewan nor Alberta had any new outlets in operation.

Furthermore, the committee was informed that only three per cent of total sales of alcoholic beverages in Manitoba was made through the new outlets, and only between five and six per cent in Ontario and British Columbia where new type outlets have been operating for some years.

Now it is interesting to note that people on this report or on this committee, were Messrs. Fines, Walker, McDonald, Berry, Neidbrandt, Wood, Webber, and Mrs. Batten and Mrs. Cooper.

This is all I have to say.

**Mr. Steuart:** — Good point, Matt.

**Mr. S. K. Asbell (Bengough):** — Mr. Speaker, on behalf of vendor outlets, I represent one of the constituencies that we all note was notably in the news, that concerned the hamlet of Crane Valley. My interest in this bears something very close. I notice the people across the way, have had continuous speakers but there has been only one of the members from a rural seat. It would seem very indicative that those taking most interest are from city seats and this to me is rather irrelevant. It is a fact that they can phone up the liquor commission in the cities and get delivered to their homes, a quantity of liquor for thirty-five cents per bottle.

If you would recall the contingent that came from Crane Valley into Regina here to visit the government, (there are only 100 people in the hamlet) but yet the community at large were so aroused that a seventy-car

delegation came in in defence of their liquor stores. I might say that this is an isolated area somewhat. The member from North Battleford (Mr. Kramer) mentioned that these outlets be in the hotels but I must add, Sir, that these particular communities do not have hotels. They are too small for hotels and also too small for drug stores. That is the reason that a reputable service areas be allocated for the supply of liquor in bottles.

I would add, Sir, that some of verbiage that come from across the way recalls the old-day rum runners. For a couple of the members over there, it makes very historic listening but today we live in an enlightened view and I say, one of broadened attitudes. For the rural people, this is a definite need and for one of the areas definitely involved, I speak in support of the motion, for vendor licensed liquor outlets.

**Mr. Broten (Watrous):** Mr. Speaker, I rise to oppose these amendments to the liquor etc. I think that we have gone through a period where people were quite satisfied with complete government control over liquor, mainly through their own stores. This has been quite satisfactory. Based upon a good argument that one of our members from this side of the house mentioned that the personal interest wasn't there in after hours or during the day. I think that this is an important factor in this. A very important factor. We all like to promote things which we can make milk money out of, extra money for extra effort. This seems to be an inherent human factor.

I think that the government control is absolutely necessary to this degree unless you want to go to a different state in our society, and I think that we would rather not see this too greatly. I have two towns that I'm sure would like these new outlets, but I also realize that these two towns could have a government liquor store if the necessity really seemed to be there. They are towns that are nearly 1,000 population a piece. I think that we should be very careful on this in that it does open up all area where the temptation, I think, repetition is emphasis in this area, where people will be selling after hours by reason of local pressure, by reason of opportunity, selling in the same building and probably the same room as they dispense other products.

For these reasons, Mr. Speaker, I will oppose this and I think other means can be found to satisfy. Certain areas probably have legitimate reasons for outlets, but in these areas, the liquor board could subsidize a few of these areas where distances are a great factor. Therefore, I oppose the amendment.

**Mr. I. C. Nollet (Cutknife):** — Just a very few remarks. Now, the arguments put forward by the hon. members opposite are that distances are great and .it will be more convenient to meet this particular problem by having drug store outlets. This argument is completely invalid. We can still have additional outlets without, of necessity, making liquor available to drug stores under a system in which the druggist will buy the liquor from the liquor board and then resell it again in bottle form.

The act says it is to be confined to twenty. Well, heavens, this doesn't mean a thing, Mr. Speaker, in terms of meeting the kind of situation that has been held up as being a problem to the general public by the hon. members opposite. I anticipate, Mr. Speaker, it won't be twenty; it might be twenty in the act now; next year it will be forty; the next year after that, probably sixty. Is it going to effectively meet the kind of situation described by the hon. members opposite? Like my colleagues here, I think liquor, the sale of liquor in bottle form, should remain exclusively in the hands of the government as it has in the past, and surely we could open additional outlets under which the person selling the liquor would actually be a representative of the Liquor Board. This could be done without channelling this to the drug stores in the manner that is proposed on the bill.

For that reason, Mr. Speaker, I am opposed to this legislation.

**Mr. Speaker:** — I would draw the attention of the house, that the mover is about to close the debate, if anyone wishes to speak, they must do so now.

**Hon. A. H. McDonald (Minister of Agriculture):** — Mr. Speaker, some of the arguments that have been put forward by some of my friends opposite are, I think, logical arguments, and arguments that bear some weight. But again, most of the statements that have been made are totally unrelated to the bill at hand. They have no connection. Some of my hon. friends have wandered from Mississippi to the

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North Pole and talked about situations that have no bearing or no fact as far as the province of Saskatchewan is concerned under its present legislation or as far as this province will be affected under the amendments that I have proposed:

One of the main criticisms of my friends opposite has been that the government take as the main consideration, when considering outlets in Saskatchewan, whether they are profitable or not. Nothing could be further from the truth. What my friends opposite fail to see and fail to recognize is that citizens of this province are equally citizens whether they live in Regina or down in the small communities that my friend from Assiniboia referred to, and this government intends to treat people in Saskatchewan the same way whether they live in the large cities or in the smallest hamlet in Saskatchewan.

Now it is true . . .

**Mr. Wood:** — Open liquor stores.

**Mr. McDonald (Moosomin):** — Now you have had your say, if you will just be quiet, you will know more about this bill when it goes into committee than you know on second reading.

Now, my friends opposite have said that opening twenty outlets isn't going to solve this problem. The government know that, I know, and personally I hope that as time goes by outlets may be made available to our citizens whether they live in Regina, Moose Jaw, Saskatoon, or in one of the smaller towns in my constituency.

Now, I can assure my hon. friends opposite that if they don't want any of these outlets in their constituencies, we are not going to force them. The member from Moose Jaw, (Mr. Snyder) said he had received letters and petitions. Well, I happen to be the minister who introduced this bill and I have yet to receive one letter in opposition, or one name on a petition but I have received hundreds of letters from people throughout the whole of the province of Saskatchewan asking for an outlet to be established in their community.

**Mr. Walker:** — How many thousands.

**Mr. McDonald (Moosomin):** — Pardon.

**Mr. Walker:** — How many thousand?

**Mr. McDonald (Moosomin):** — We can table them if you like. Would you like them tabled?

**Mr. Walker:** — Sure.

**Mr. McDonald (Moosomin):** — When they settle down, Mr. Speaker, I will go on. Are you ready? Well, then we talked about the government being responsible for law enforcement. Mr. Speaker, no government can enforce a bad law, and we have had some bad laws in this province; laws that have permitted bootlegging, that have permitted the manufacture of alcohol, when my hon. friends opposite were in power. These conditions existed in Saskatchewan. One of my hon. friends said we were going to create conditions similar to speak-easies. I could have taken my hon. friend to a speak-easy in this city, when he sat on this side of the house.

**Mr. Wooff:** — How do you know?

**Mr. McDonald (Moosomin):** — I know, because I have been there, and you probably have too.

**Mr. Walker:** — Didn't see you.

**Mr. McDonald (Moosomin):** — No, I didn't see you there, Bob, they threw you out just before I arrived. Then my hon. friends say that the Liberal government will be appointing people throughout Saskatchewan to dispense liquor through outlets rather than government liquor stores. A good government won't appoint any of these people. These people will be appointed by the Liquor Board under the exact same conditions and control as government liquor stores. They are not going to have one set of rules and regulations for

government liquor stores and another set of regulations and rules for private outlets. Why, the province of Manitoba moved in this direction a few years ago and today more than fifty per cent of the outlets in the province of Manitoba are through business outlets rather than government liquor stores and their experience has been excellent, and as a matter of fact they are moving in this direction where they will have no government stores other than in the larger communities.

I expect the commission—that will be paid to these liquor vendors will be ten per cent, the same as in the province of Manitoba. My friends opposite said, "Why this is going to increase the sales to minors". Do my friends opposite have no more regard for reputable businessmen across the province of Saskatchewan than to make this kind of a statement? Do you mean to tell me that the senior businessmen in Saskatchewan are not as reputable as far as their character is concerned as the people who work in the government liquor stores? Is this what you think of private businessmen? It is a shame and a disgrace that this thought should have been permitted to pass the lips of my friends opposite.

Then they are complaining because we endeavor to protect the liquor business. But I want to refer my friends to some of their own legislation. Let us take a look at what the provisions are under the Liquor Outlet Act with regard to an individual who has sold or dispensed liquor to a minor. I am going to read it to this house, section 138

No person shall in an outlet, sell, give or otherwise supply liquor to a person who is apparently under the age of twenty-one.

Apparently under the age of twenty-one. Your act. But what does the Liquor Licensing, or the Liquor Act say. There is no mention of the word "apparently" and this is what we are asking to amend this act. So that it will be the same as this act. But you people opposite would put one interpretation on one act and the exact opposite in the other act.

Why on earth shouldn't a person who has dispensed liquor unknowingly to an individual who is under twenty-one have the right to defend himself, Now you say under your act that he is guilty. He cannot defend himself. What sort of British justice is this? We have said that this individual ought to be given the opportunity to go into court and to defend himself. Look at the position you are placing these people in. If a young person under the age of twenty-one, comes in, and puts down an official document that states he is twenty-one, and the liquor vendor provides him with liquor, and he finds out afterwards that he isn't twenty-one, the liquor vendor is guilty. Why shouldn't the individual who presented a false document, be guilty? I suggest to you that he is equally guilty.

Then they go on and they talk about private interests in the liquor business. When you were in the government didn't you have any private interests in the liquor business? Did you? What about all the people who run your beer parlours? Aren't they private business people? What about the people who run our beverage rooms?

**Mr. Walker:** — They don't sell hard liquor.

**Mr. McDonald (Moosomin):** — Well, then what about the people who run the cocktail lounges? Do they sell hard liquor? You walked into that one with your mouth open.

**Mr. Walker:** — They don't sell it by the case, or by the bottle.

**Mr. McDonald (Moosomin):** — Well, some of the people that come out of them, have bought it by the case, but they didn't have it in the case or in the bottle, they have it in their stomach, and I will refer to that a little later on.

I want to refer to one or two other statements that have been made. The statement with regard to advertising. This government has allowed institutional advertising, and I have one of the ads in my hand. I think any fair-minded person who has taken the trouble to look at these ads couldn't complain about them. What about this ad? This is one of the ads that have been placed by one of the breweries in our province. It is a picture of an old river steamer going down the Saskatchewan River, and a story on Saskatchewan's heritage. Part of Saskatchewan's history, that I, as a citizen of Saskatchewan am proud to read and to learn about. The only reference

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to liquor is down at the, bottom, it says, "A public service message from Sick's Bohemian Breweries Limited". I suggest that this is much better advertising than the type of advertising my friends opposite have sponsored. I have in my ' and one of your ads. This is in the Commonwealth. It has nothing to do with Saskatchewan heritage, nothing to do with people who have made a great contribution in one field or another to the province of Saskatchewan. But this is the type of advertising my CCF friends do, in the Commonwealth.

**Mr. Walker:** — Picture of you.

**Mr. McDonald (Moosomin):** — Yes, it is, and it is a disgrace to you and the party that you belong to.

**Mr. Heald:** — Yes, and it is a disgrace to the province

**Mr. McDonald (Moosomin):** — Yes, it is a disgrace to the province of Saskatchewan; it is indecent, immoral, and a trick of a group of people just like the ex Attorney General, (Mr. Walker). That does it show? We will read you the facts and you are not going to like them by the time I am finished. What does it show? Progress under Saskatchewan's Liberals? Then they have a big bottle of booze that has blown its cork, and there is a cartoon of the Premier and myself hugging this bottle of whiskey. Well, you know the same day . . .

**Some Hon. Members:** — Hear! Hear!

**Mr. McDonald (Moosomin):** — Well, you know, don't laugh yet, because I am not finished. The same day an ex-minister that served in the previous government was involved in a certain accident here in the city, and left the scene of the accident, and the account appears in the same dated newspaper, October 24th last. Now he was fined \$150 . . .

**Mr. Thatcher:** — Drunk as a skunk.

**Mr. McDonald (Moosomin):** — Drunk as a skunk.

**Some Hon. Members:** — Hear! Hear!

**Mr. McDonald (Moosomin):** — And I object, Mr. Speaker, to any political party, to any opposition in this house, peddling this kind of Garbage about the province of Saskatchewan. And what are they condemning? Down in the bottom, they make reference to 8. new winery in the city of Moose Jaw. Are you opposed to a winery in the city of Moose Jaw? Are you opposed to a winery in the city? Are you? If you are, speak up and say so. No, you are not. But you would like to have certain people who oppose liquor in the province, think that you people are opposed to that winery. But you haven't got the courage or the audacity to stand in your place and say so today.

Then they refer to liquor advertising. I ask you, Mr. Speaker, is this liquor advertising? Is it? Does anybody in this house object to This type of advertising?

**An Hon. Member:** — Yes.

**Mr. McDonald (Moosomin):** — If they do, Mr. Speaker, then I have lost all confidence in those people . . .

**Mr. Robert Wooff (Turtleford):** — Do you . . .

**Mr. McDonald (Moosomin):** — Now I want to refer to my friend who just got on his feet from Turtleford, (Mr. Wooff) and he talks about conditions where they have speak-easies, moonshiners, and probably the need for Elliott Ness to clean up the mess. What. brought about these conditions? What brought about these conditions was prohibition, the thing that you are preaching for.

**Mr. Robert Wooff (Turtleford):** — No.

**Mr. McDonald (Moosomin):** — And these conditions only exist . . . sit down. Have you got a question you want to ask?

**Mr. Wooff:** — Yes, I'm just prepared to say . . .

**Mr. McDonald (Moosomin):** — Sit down if you haven't got a question.

**Mr. MacDougall:** — . . . whiskey in the Turtleford Hills.

**Mr. McDonald (Moosomin):** — My friend opposite doesn't realize that every place on the North American continent where these conditions that he referred to exist today, is a state that is dry under prohibition. Is this what you want? Are you promoting prohibition? Are you in favor of the conditions that existed in Saskatchewan thirty years ago? Then he went on to talk and to leave the impression that if legitimate business places in Saskatchewan are allowed to dispense liquor under rigid government control, then we are going to have similar conditions in Saskatchewan that exist in states of the Union where prohibition is in effect today.

Mr. Speaker, this is utter garbage, utter nonsense. This government intends to make similar services available to our people, irrespective of what area of the province they live in. That is exactly what this bill is designed to do. Some reference was made to brewery representatives. My friends opposite when they were in the government, allowed by agreement, two of these people to operate in Saskatchewan, illegally . . .

**An Hon. Member:** — Hear! Hear!

**Mr. McDonald (Moosomin):** — . . . by agreement . . .

**An Hon. Member:** — Sure, just looked the other way.

**Mr. McDonald (Moosomin):** — But, Mr. Speaker, we intend to make this practice legal and to police it and if you are going to close your eyes to an illegal act how can anybody police it, but if you bring these people under the law, and set down rules and regulations under which they can operate, then you police it. I think that is about all I wanted to say, Mr. Speaker, but I suppose next week there will be another cartoon in this rag, predicting myself as a drunken alcoholic. I object to this nonsense. It is hypocritical, it is dirty, Mr. Speaker, and I would hate to be associated with a political party that had to stoop to such levels.

**Some Hon. Members:** — Hear! Hear!

**Mr. McDonald (Moosomin):** — Surely, surely my friends opposite at least some of them, have a little bit of decency in their souls, but sometimes I wonder. This isn't the first one. Signs have appeared on telephone posts, placed there by my friends opposite, I would be ashamed to be associated with such a group of filthy, niggardly, dirty, and then you oppose a decent ad such as this one, and yet you sponsor and pay for this. What kind of people are you?

**Mr. Walker:** — Point of order . . .

**Mr. McDonald (Moosomin):** — I am . . .

**Mr. Walker:** — Point of order, is "filthy" and "dirty" a proper word to use against members of this house, Mr. Speaker?

**Mr. Speaker:** — As I understood the hon. member correctly he was using it in connection with the advertisement, not against the members.

**Mr. Walker:** — He said we would be ashamed to be associated with members on the other side of the house who would do this sort of thing . . .

**An Hon. Member:** — Send for the Hansard record.

**Mr. Speaker:** — Yes, I will send for the record, I do think, I haven't seen the advertisement, but if it is as the member states, I suggest that it comes very close to an infringement on the privileges of the house.

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**Mr. Walker:** — That has nothing to do with it. Every member of this house is required to abide by the rules of parliamentary language, irrespective of his provocation, or irrespective of his feelings.

**Mr. Speaker:** — Order, now, I have taken this matter in hand in exactly the same way that I have done in the past, and I propose to continue to do so in the future. Now I wouldn't create an injustice to anybody. The record has been sent for; the record has been got; I shall consider the matter and I shall raise it at the correct time. The debate continues.

**Mr. McDonald (Moosomin):** — Mr. Speaker, if anyone would think this was a personal attack on them, I would be very surprised, and if they take it as a personal attack I hope they will accept my apologies if they took it that way. I am complaining about an organization to which my hon. friends opposite belong, printing this filth, malicious literature, and when I said I would be ashamed to be associated with such an organization, and so I would, and I ask them to examine their morals, and if after having examined their morals, I am confident that no such garbage is going to appear in this kind of a document.

**Mr. Nollet:** — Mr. Speaker, on a point of order, whose morals is the hon. member referring to, whose morals? There you are, Liberal thinker, on a point of order, I ask the hon. member to withdraw that statement.

**Mr. McDonald (Moosomin):** — Mr. Speaker, all I ask was that he examines his morals.

**Mr. Nollet:** — I'll have the hon. member know that the morals on this side are probably on par and much better than his.

**Some Hon. Members:** — Hear! Hear!

Motion agreed to on the following recorded division and bill read the second time.

#### YEAS — 31

Thatcher	Gardiner	Romuld
Howes	Coderre	Weatherald
McFarlane	McIsaac	MacLennan
Cameron	Trapp	Larochelle
McDonald (Moosomin)	Grant	Asbell
Steuart	Cuelenaere	Hooker
Heald	MacDonald (Milestone)	Radloff
Guy	Gallagher	Coupland
Merchant (Mrs.)	Breker	Pederson
Loken	Leith	
MacDougall	Bjarnason	

#### NAYS — 22

Brockelbank (Kelsey)	Willis	Baker
Cooper (Mrs.)	Whelan	Wooff
Wood	Nicholson	Snyder
Nollet	Kramer	Brotten
Walker	Dewhurst	Brockelbank (Saskatoon)
Blakeney	Berezowsky	Pepper
Davies	Smishek	
Thibault	Link	

#### WELCOME TO STUDENTS

**Hon. J. W. Gardiner (Minister of Public Works):** — Mr. Speaker, I wonder if I could interrupt the proceedings for a moment to introduce a group of students from the File Hills Roman Catholic School from the Pepaquis Reserve from the File Hills agency who have just come in. I want to congratulate them today for their courage in coming under the weather conditions that they have to visit the city and

also to visit the assembly. I want to welcome them on behalf of all members and to extend to them, the hope that they will enjoy a very pleasant day in the city and a safe return home.

**Hon. Members:** — Hear! Hear!

## SECOND READINGS

**Hon. D. T. McFarlane (Minister of Municipal Affairs):** moved second reading of bill no. 16 — **An Act to amend the City Act.**

He said: Mr. Speaker, there are several amendments to the City Act, most of which are for the purpose of updating the act. All of them have been discussed and agreed to by the executive of the Saskatchewan Urban Municipalities Association and many of the amendments have been suggested by the cities throughout the province. Some of the amendments are required to bring this act into line with amendments which have been made to other acts, for instance the Secondary Education Act and the School Act. A good many of the amendments have been proposed by my own department in order to make the act more workable. And I would say that, for the most part, the amendments proposed cannot be called controversial.

There is one amendment which I would like to enlarge upon, however and that is the one dealing with night opening of shops. The present provisions of this act would permit shops to remain open until 10 o'clock p.m. on Saturday unless the city passes a by-law to prohibit Saturday night openings. A good many of our cities have passed such a by-law and consequently many cities do not have any night opening. The amendment proposed in this bill would allow cities to chose Friday night instead of Saturday for night opening, however, when we get into committee,; propose to introduce an amendment providing for Thursday or Friday instead of Saturday for night openings.

The situation is, therefore, not changed to any great extent in that the city still has control over whether there will be night openings, and in any case, there can be only one night opening, a Friday or a Saturday as designated now in the bill, and Thursday as I mentioned, I propose to bring in the amendment. This will be done at the discretion of the city council. My department has received submissions and reports from various groups interested in the question of night openings and there is a general trend favoring this change in the legislation. The city of Saskatoon has submitted a request to the government asking for night opening authority on a night other than Saturday. The Saskatoon Chamber of Commerce has submitted the results of a survey through our government, which survey was conducted between Board\_ of Trade and Chamber of Commerce, and the results in the case in Prince Albert, North Battleford, Lloydminster, Melfort, Estevan, Yorkton, Melville, Swift Current, Saskatoon, are all in favor of letting the community decide what night the stores should remain opened. By way of background, Mr. Speaker, I would like to indicate to members of the legislature, that in 1962, the Department of Municipal Affairs sponsored a special advisory committee on closing hours of shops. Invitations were extended to a number of organizations to take part and the following organizations were asked to participate: The Saskatchewan Urban Municipalities Association; the Saskatchewan Association of Rural municipalities; the Canadian Association of Consumers; the Saskatchewan Farmers Union; the Saskatchewan Federation of Labour; the Retail and Wholesale and Department Store Employees Union; the Chamber of Commerce; the Retail Merchants Association; and the Federated Co-operatives Limited.

The purpose of this advisory committee, was to look into the question of store closing hours with a view of ascertaining whether or not definite recommendations for legislation in this field were advisable. In addition to the question of store closing hours, certain other aspects were dealt with, such as the question of the variation in types of goods which could be sold outside of closing hours etc. The question of whether shop closing legislative power should remain in the hands of the provincial government as opposed to putting it under local control of cities, towns, and villages, and rural municipalities, was also one which concerned many of the groups taking part. The organizations taking part were asked to submit the briefs and recommendations to the committee in written form. For the information of members of this house, the following groups submitted briefs indicating they were in favor of at least one night opening; Retail Merchants Association; the Consumers Association of Canada; Saskatchewan Branch; the Saskatchewan Chamber of Commerce; Federated Co-operatives Limited; the Saskatchewan Urban Municipalities Association. It should be noted, however, Mr. Speaker, that the Retail Merchants Association since its submission to the committee in 1962, has made a further submission to the

government that is now opposed to night shopping. However, we received a further submission about a month ago, from the Retail Merchants Association and they have asked for Thursday night opening only. The Saskatchewan Association of Rural Municipalities indicated in its submission, that it desired all the power to regulate store closing hours, to be placed in the hands of local governments, namely the cities, towns, villages and the rural municipalities. The Saskatchewan Farmers Union indicated that there appeared to be many in favor of Saturday night openings, but that group made no comments on the question of night opening on a day other than Saturday. The Saskatchewan Federation of Labour and the Retail Wholesale and Department Store Union indicated that they were not in favor for night opening.

The present proposed amendment does not allow opening on more than one night, but merely gives local governments the power to choose Friday instead of Saturday. As I indicated in the amendment that I proposed to bring in that would include Thursday, as a day for night opening. Since this committee was formed in 1962, the government has received requests from the following organizations for changes in present legislation.

The city of Saskatoon requests to allow the city to decide whether stores can open Friday instead of Saturday night. The Saskatchewan Chamber of Commerce want government restrictions on store closing hours removed so that local governments can decide whether or not there should be night opening and what night stores may remain opened. The Melfort Retail Merchants Association requested legislation allowing stores to remain open the night of their choice. The Saskatchewan Wheat Pool, Collection division, want legislation amended to allow stores to remain open any night but Saturday.

The Federation Co-operatives Limited has assured the government that its position is the same as in 1962 when they favored shop opening anyone night of the week. The Sherwood Co-operative Association in Regina agreed to one night opening on Thursday or Saturday. Since 1962, the government has had assurance that three groups want no change in existing legislation, and these are of course, as I mentioned before are the Saskatchewan Federation of Labour, the Retail, Wholesale and Department Store Unions and the Retail Merchants Association. However, as I pointed out, we had further submission from the latter group requesting Thursday only, for night opening.

In Alberta and in Manitoba the matter of store closing hours is left entirely up to the local councils of the cities, and the towns etc. In British Columbia, the stores are permitted to open anyone night of the week.

In conclusion, it can be said that there is a preponderance of opinion, favoring one night opening of stores, and the government takes the position that if one night opening is permitted, as it is under existing legislation, then the councils of the cities, towns, etc. should decide what night it is to be. Either a Thursday night or a Friday night or a Saturday night.

So with this brief review, Mr. Speaker, as I pointed out, any of the other amendments, I feel can be best dealt with in committee, I move second reading of this bill.

**Mr. E. I. Wood (Swift Current):** — Mr. Speaker, I will agree with the Minister of Municipal Affairs, (Mr. McFarlane) that most of the legislation which is brought forth in this bill, is not something that should be discussed in this debate. I think it can much better be handled in the committee. I also agree with him, however, that this clause, this section dealing with night opening of shops or the closing of shops, is something that does concern the people of the province. He has given up a very good resume of what has transpired on some of these things in the past.

You will recollect that, Mr. Speaker, the legislation which we have had on the books, has largely been that which has been passed by the former Liberal government back in 1943, I believe it was first passed. There has been very little change in that regard through the years. I believe that by and large, the people of the province of Saskatchewan, have been quite well satisfied with this legislation. There has not been very much argument against it, except by some of the larger stores who have approached us in that regard, but the public at large has not been too concerned, I think through the years.

He has mentioned the fact, that we did set up a committee back a few years ago, to look into the pros and cons of the situation concerning the closing of shops. There was, at this committee, a good deal of discussion

concerning the items that could be sold by those confectioneries and drug stores and such, that were staying opened after six o'clock. There was a good deal of trouble involved in this, because the law was being broken and when you have a law that is being broken as flagrantly as that one was, it was quite apparent that it was not a good law. So we endeavored to do something about this, and I am hopeful that the legislation we passed at that time did assist a great deal in clearing up the situation concerning confectioneries and garages, filling stations and such, throughout the province.

But in regard to closing of shops generally, there was a good deal of disagreement. The minister has pointed out largely the basis which the division fell. We found that the Farmers Union, as I recollect I don't have the briefs before me now, but they were in favor of leaving the legislation as it was. They were not concerned that it should be changed. The retailers in their brief did mention the fact of having another night, but their brief was basically opposed to night opening, and as the minister has said, this has been their stand quite constantly throughout. The Retail Wholesale Employees Union also. So we have these three classes of people, the farmers, those who operated the stores, and those who worked in the stores, were pretty well unanimous that there was no need for any change in regard to the legislation, and this was the way that we decided to leave it at that time. I think that we were quite justified in making that decision.

The argument has been advanced that this legislation should be taken out of the provincial jurisdiction and allowed the local governments to make the decisions in regard to the opening of shops. I would like to point out to you, Mr. Speaker, that this decision as to whether or not any town or city had night opening did lie with the city or the town. The fact was that the only night that was allowed was Saturday night. So whether or not the town or city did have night opening on Saturday night, has always ever since 1943, at least, lain with the town or city involved. It has always been a decision that could be made by the local people. The question before us is not that of whether or not it should be a decision by the local groups, but whether or not it should be extended beyond the Saturday night opening which has been allowed for the last some twenty years or so. This is what the argument is about. As far as I can see, it is whether or not, the night opening should be extended.

Now I think there are quite a few good arguments against the practice of night opening of shops. One is, that if it is going to extend the hours of shopping in the community, it is bound to increase the price. If you are going to have extended services given and extended hours, you are going to find that the reaction in price is not going to be good. I think that basically one of the reasons why, especially the small shop owners are against it, is because it is quite apparently weighted in the favor of the larger stores and the larger centres. If a person is going down town shopping on a Saturday, on a Friday or a Thursday night, he is necessarily going to go to these larger places. He is not going to go wandering down any back streets or another street looking for a place to shop. These people who if they were going to endeavor to compete at all in the staying open at night are going to have to be staying there, burning electricity and providing services, providing staff, with very little patronage, while the great bulk of shopping that is being done, will flow to the larger department stores and the shopping centres. I think that this is in itself, is very unfair to the smaller operators and it is quite apparent that this legislation will benefit the larger operators more than the smaller ones.

It also interferes with the hours of work and of the lives of the employees. It's a strong probability that split shifts will have to develop in order for some of these employers to be able to have employees in their stores in longer hours, if they are going to keep open for later hours in the evenings. I think this is very apparent a reason why it is opposed by the employees in these stores, and I think they have a very logical and legitimate reason for being opposed to the stores staying opened at night.

I feel that when you size up these features, insofar as I am personally concerned, night opening is not a good thing on balance. This is something that we should oppose. I was opposed to this bill when it was stated that the allowance for night opening was to be increase from Saturday night to Friday night as well, and I am more opposed to it, when I see that it is also going to be extended to Thursday night. I think the principle of this is not good and I am afraid that I will have to oppose the principle of this bill.

**Some Hon. Members:** — Hear! Hear!

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**Mr. W. G. Davies (Moose Jaw City)** — I would like in beginning to concur with what has already been said by the member for Swift Current, Mr. Wood) that this bill does not appear in many of its provisions to be controversial, as is evident a number of changes that are suggested have to do with the routine matters of civic and municipal administration. Of course, from year to year, we make a number of these changes.

But on night opening, Mr. Speaker, it is apparent that this is a most disputed question throughout Saskatchewan and particularly in certain Areas. The Minister of Municipal Affairs, (Mr. McFarlane) has told us this afternoon of the support that has been given to the principles of night opening by some organizations. He has also told us about some organizations that dispute the idea. I think personally, on balance, if I were to take the merchants in my own city area, they city of Moose Jaw, a majority of the merchants would be opposed to night opening of stores. I think that following the decision of the government to introduce this bill, they have become resigned to that fact that this may go in effect shortly. They have made some representations to the minister, on Thursday evening opening as an alternative, but I would like to make clear that from all that I have been able to learn from discussions with the Retail Merchants Bureau, there is a general sentiment against night opening. The minister mentioned the fact that the Chamber of Commerce survey had indicated support in the city of Prince Albert, and some other areas of the province. I would like to point out of course, that the city of Prince Albert has Monday closing. It is likely that a number of the smaller merchants, and usually they are in the majority, would look with a somewhat jaundice edge on the idea of one night opening for shopping in that city.

I don't think there is any question but that in the city of Regina a great majority of the people in business don't favor night opening. I believe also, that many of these merchants see this bill as a threat to Monday closing, because they believe that a deviation from the pattern that they have established and which is popular here in this city may lead eventually to the opening of a door that will be disastrous for employees and employer alike.

Certainly, Mr. Speaker, insofar as the retail employee is concerned both organized and unorganized, they are almost to a man opposed to the idea of night opening of shops, probably for quite obvious reasons, some of which I will go into as I proceed with my remarks.

Now, I believe, Mr. Speaker, and I think there is evidence for this, that the push for night opening of stores, is mainly channelled through the big chain store operations. I remember the first time that I saw a night operation in effect about ten years ago in the city of London, Ontario. I walked out of my hotel down the street to buy something, I forget the names of the department stores there, but I walked into one of them. It seemed that all the business was concentrated in this store and in the other large stores that were counterparts. Everybody was going to these to do their buying during the two hours during which they were able to shop in the evening. The smaller stores, the stores that dealt with men's clothing, ladies clothing, millinery or whatever, down the street, were practically deserted.

I think there is a buyer psychology in night opening, a man, his wife, his family, go into one store. They want to as far as possible, do all of their shopping in that one concern, so they can get out of the store, can get home, watch television, get out to the beach, or whatever. So there is no doubting that the big store. owners like the night-opening principle for this particular reason, that they get the business.

Now, I believe, the psychology of the day-time buyer is much more deliberate. He is more inclined to go from store to store to do shopping on a pretty discriminate basis, whereas the evening buyer is a buyer that is inclined to buy quickly and do his shopping as quickly as possible. Again, that this is a reason why the individual merchant protests against night opening and finds that it is harmful to his own operations.

I have watched night opening since, in a number of cities where I happened to have been during the time that the stores were opened in the evening-hours. The conclusion that I have briefly tried to sum up, have been insofar as I am concerned abundantly confirmed. I don't think there is any doubt about it that the conclusions that I have arrived at are the ones that have been arrived at similarly by the Saskatchewan Retail Merchant Association.

This body in briefs to the present Liberal government has made

their stand very plain. They want no part of the night opening of stores. The minister has told us that they have supplemented their representations of last fall with a brief about a month ago. Incidentally, Mr. Speaker, I think it would be very helpful to the house were the minister to table the briefs that had been given to the government so we can see precisely the nature of the submissions that have been made. I think it would be fair to say this however, that the Retail Merchants are looking at things now, somewhat in this fashion, "its coming anyway, if it is coming, let's make some representation about the nights that stores will be opened" I believe that the minister said in this connection, that the organization had made representations for another night in the week, other than Friday. But I don't think there is any doubt that the opinion of the Retail Merchants' Association, a body of some 2500 businessmen in this province, still holds quite firmly against the idea of night opening itself. I have a copy of the submission that they made to the government last year, I note that they have included nine objections to the night opening of stores. They have said first of all, that, these are very brief, Mr. Speaker, I'll put them on the record, that there would be complete abandonment of regulated uniform hours of store operation. There would be an increase in commodity prices. There would be a sharp increase in the cost of operation for urban business places. There would be a heavy loss of small independent operators in all categories of trade. As a fifth point, there would be a serious loss of and closing of, a large number of business places in the radius of fifty to sixty miles of each urban area in the province. Chaotic hours would be the result as each urban area would endeavor to outbid each other. There has been no demand from consumers for a change in legislation, that organized retailers have not requested any change, that it is not in the public interest for a change in this act.

Now, Mr. Speaker, I would agree that not all of these points that have been advanced by the Retail Merchants are not open to dispute. I think, frankly, that a number of them are argumentative. But at least a rather large body of retail opinion in this province has made their feelings very well known to this government and believe that those nine points sum up their thinking.

I have said that I don't think there is any dispute about one thing, and that is that the employees of all merchants, small or otherwise, are generally opposed to the idea of night opening. The Retail Merchants, I should also go on to say, have told us that there is no reason to believe that with longer store hours there should be any noticeable increase in trade. They have pointed out to us, Mr. Speaker, that from 1951 to 1961, (a ten year period), Saskatchewan has had higher sales percentage than any of the western provinces and much higher than the Maritime provinces. The Retail Merchants point out that in 1963 independent merchants in the province of Saskatchewan, were able to attract sales to the tune of about sixty-eight per cent of the total amount of business. They clearly, greatly fear that with night opening, their share of the total amount of business is going to dwindle and decrease with night opening.

Another point made by the Retail Merchants' Association is that there is nothing strange or inimical in the idea of a central government controlling store hours. They have told us that this control is effective in Great Britain, in Ireland, Germany, Sweden, Switzerland, Yugoslavia, France, Austria, Denmark, to name at least some of the countries where the central government controls hours and where apparently it has been decided from experience over the years that this is a wise course.

Mr. Speaker, we might contemplate for a moment, the probable results of night opening in this province. We have already seen, I think to our cost, what has happened in the province with variable time elements, different communities on different times. We know how much annoyance this causes to our own residents and I am quite sure that this causes far more annoyance to the travelling public, especially to those from outside the province who come to visit in this province. I suggest that a considerable annoyance is going to exist with a crazy-quilt pattern of store hours across the province. I think this could be avoided by not proceeding with the recommendations that are made for night opening in this bill, especially with the growing tourist trade that this province is fortunately encountering. I think that we have a good reason not to go for what has been recommended in the bill. So I say again, that it seems to me that there is every reason to believe that we may have, because of this bill, a chaotic pattern of store hours and we should avoid it by not accepting these provisions.

What is the situation for people that I think deserve real consideration when we look at this bill? What about the retail worker. May I first say, Mr. Speaker, that the retail worker today has a working pace on

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the job much more onerous than it was say twenty-five years ago. There is more efficiency in stores; more has been done; more thought has been given to patterns of work that are more efficient and the individual by and large is the person who is speeded-up because of these things. So that the individual employee today is likely to deal with more people, handle more transactions, than his counterpart of a quarter-century ago and consequently is a pretty hard working individual encountering more strain than I think was the case in yesteryear. His overall responsibility and the tempo of his work has increased in this experience.

Anyone who has watched the operations, in a big modern store like, say, Safeways or Loblaws, must have been struck as I have with the kind of work and the tempo of the work that must be performed by employees in those concerns. I for one, would not very much like to have to work eight hours as a checker at one of the counter in these stores. I say that any extension, Mr. Speaker, of the total hours of opening in a store must inevitably, at some point, put more onus on the employee and limit the free hours when normally he would rest and he would relax.

One of the things that will happen, I think, again inevitably, Mr. Speaker, is that we will have more employees on split shifts and split shifts may be a necessary evil in some parts of the economy where a continuous operation is necessary. It cannot be argued, however, that a split shift is a necessary thing in the retail trade. But split shifts will come because they have to come with the increased hours of work. So that you have an employee perhaps coming in in the morning, coming in in the afternoon, coming in in the evening, with breaks in between. that offer him no real opportunity of leisure or use of his time and where there is nothing but a consistent irritation for that employee.

I think, Mr. Speaker, that if the government insists on going through with legislation that I think is ill advised and undesirable, the least that should be done is to require that the retail employees' shifts should, in this new context, be continuous. He should not be asked to work for three hours, go away for two hours, come back for three hours, go away for another two hours and back for the remaining hours of his working day. I would like to suggest to the Minister of Municipal Affairs, (Mr. McFarlane) if he cannot be dissuaded, from the proceeding with the recommendations in this bill, to consider in addition to the amendments that he has already intimated will come before the house, some revisions that will make the lot of the retail employee easier in the respect that I have just referred to.

I give you an example of a schedule of an employee who started work at 9:30, worked until 12, and was asked to leave his duties until 3:30, then to work until 9:00 p.m. This would still be an eight hour day but he would have in the whole process, a world of irritation, inconvenience and added strain.

The Minimum Wage Act or Regulations, I think perhaps both, Mr. Speaker, do require in some parts of industry, that split shifts shall be confined to a certain number of hours. I do not think from my examination that these hours apply for the retail worker and so far as I know there is no control for the confinement of working hours for the retail employee. So that quite clearly, some redress is necessary if this bill is proceeded with.

I also submit, that if the employee is required to work on night schedule hours, he should be reimbursed for overtime payments for hours after 5:30 or 6:00 p.m. on the same principle that workers who have evening schedules are given night bonuses. I think there is reason to say that overtime should be paid because of the extra strain and inconvenience to workmen regardless of what the situation. Because all night work, after all interferes with the enjoyment of the retail worker and his family and in his evening recreation and other amenities that may be available to him. If the government insists en legislating night opening, I think it is only fair and certainly to my mind, absolutely necessary, that there be some such protection inserted into the act. Too, Mr. Speaker, if the retail employee is asked to work during evening hours, there is reason to insert in the bill a provision that any stores undertaking those hours should be closed in the forenoon of the following day so that the person that has to work until 9:00 or until 10:00 o'clock in the evening, and as everyone knows it may be after that because of the tasks that have to be performed in the store after the store has closed, that worker, at least, would not have to be on the job the next morning. This to my mind, is almost a mandatory reform. I say that surely, considering the nature of night work, the government should undertake to so make changes that during the following day the persons that

have to work during the evening would not have to work in the forenoon.

Much has been said about the feelings of the consumer. If I were debating this matter with the minister, I would have to say that I think there is a lot of dispute among consumer circles about the need or the efficacy of night opening. Many consumers might say, if you put the question to them, "Do you want night opening?" "Sure, why not"! Because after all, the fact that there are longer hours of shopping doesn't particularly adversely affect or seemingly adversely affect, a consumer. But the legislation certainly does. The practice of night opening certainly does affect the persons who are directly concerned.

I am sure too, that many consumers that have given some thought to it, recognize the points that have been made by the retail merchants and believe that the night opening hours, by their very nature, will increase the cost to the consumer and create a situation where eventually costs will go up if not at the first, at least after a time. Surely, in view of the mounting sales figures that the retail merchants have referred to in their brief, I don't think there is any disputing this, don't really show or suggest, a need that people don't have the proper time or sufficient time to buy or that in some major way their rights to buy are impeded. I think the whole history of the last ten years would dispute that assertion.

There may be some inconvenience for some people it is true, in hours of work, that don't enter into the evening hours. But I think this has to be weighed with all the other factors, including the convenience and the well being of the thousands of people that have to give service to the public and are directly concerned.

I say, that if independent business, the people who have made the representations that are in the retail merchants' brief, if they suffer as they say and feel they are going to suffer as a result of this bill, then results are going to be adverse to the interests of the consumer. Because just as surely as we press out of business, small merchants, or make it more difficult for them to operate, then just as surely we encourage inroads of monopoly institutions and enterprises and with that inevitably, after the quashing of competition comes higher prices. Finally, Mr. Speaker, I say that if this bill is proceeded with on the basis that there will be one night a week shopping, I say there will be inevitable pressures, not for one night but for multiple, for a number of nights during each week. Once the door is open, I think the pressures for more nights will creep in.

It is said that these determinations are going to be made on a local basis by local vote. I hope that some members of the house will not try to draw a parallel here with the institution of Sunday sports. In the case of that kind it is largely a matter of attitude and opinion. But in the case of night-opening, it is a major question for the economy, for the rights of thousands of employees and their convenience and for the welfare and the rights of independent business people.

I think, Mr. Speaker, also, and I am about to conclude, that communications of all kinds have opened up our province to a point where it is just a few hours between communities, by all the types of conveyance that we have been able to mobilize over the years. Local action on store hours is no longer realistic. One community by the very nature of its juxtaposition to another and the convenience of getting to another community, affects what goes on in another community. There is a good reason why the hours during which stores are open as between one community and another, should be the same. Long ago, when we didn't have this communication, I think there may have been more reason why the pattern of store hours might reasonably differ from community to community. But even a Liberal government in past years, let us not forget, instituted the legislation that we have before us: I think experience had convinced the government of the day and had convinced business people of the day, that a scattered, patchwork pattern of store hours in the province was not a good thing for the population at large and introduced elements which were really antagonistic to the public interest and to the interest of the people who were most closely concerned.

Above all, in closing, I would like to say that the most important thing in this issue apart from the rights and welfare of the businessmen concerned, are the rights of employees. I would certainly hope, regardless of the other factors that I have mentioned here today, that some consideration will be given to the welfare of the employees.

**Mr. A. H. Nicholson (Saskatoon City):** — Mr. Speaker, my colleague from Moose Jaw, (Mr. Davies) has

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covered the subject at some length but there are a few comments I would like to make and I would like to suggest that the minister hold this legislation for another year. I feel that if passed, it would have a serious effect on first, the small merchants; secondly, the small communities, and thirdly; on the people who work in all stores.

I am aware that the Retail Merchants Association did offer a second submission after it became clear that the government was determined to proceed with this legislation. The Retail Merchants had their annual meeting in Regina May 11th, after our government had been defeated and before the Liberal 'government took office. I have the resolutions which were passed at that convention and which were submitted to cabinet of the 16th of October. I think there has been no change in their general approach to this resolution which they passed unanimously at their May meeting, The Retail Merchants Association in Saskatchewan asked the government of Saskatchewan to continue the legislation governing store hours and asked that no change in the City's Act be made that would give municipalities the right to legislate store hours. They made this significant comment, which I am sure the minister will not challenge, that Saskatchewan has the best legislation respecting store hours in Canada and possibly in North America. They were kind enough to give the credit for the original legislation in this deal to the father of the Minister of Public Works (Mr. Gardiner). They point out that this legislation dealing with store hours was put on the statutes by a former Liberal government. In their submission, they point out that nearly all the important countries in Europe where tourists travel on a year round basis, have found it in the public interest to have limited hours.

In Austria, Monday to Friday, 8:00 a.m. to 12:00 noon; then they take a two hour rest and open from 3:00 to 6:00 and on Saturday from 8:00 to 2:00. There are similar hours in Belgium and Denmark. They have hours from 9 in the morning to 5:30 on week days and close not later than 2:00 on Saturday. France, Germany, Great Britain, and so all across Europe. In their brief they point out that the limited hours which exist in Saskatchewan were possibly a factor in Saskatchewan for 1963 leading all Canadian provinces in consumer purchases on a per capita basis. We had an average of 1,119.

In their special edition, they point out that Regina led all the urban centres in Saskatchewan in the percentage gains in 1964 compared with 1963. Regina had an increase of 12.99 per cent in sales in 1964 over 1963. Saskatoon was close behind but it is pointed out that the less than average crop in the Saskatoon area last year was a factor in our retail sales being down. They point out that the independent retailers and the department stores, the chain stores and co-ops, all reported increased sales. For the first time in our history, the sales in the urban communities exceeded sales in the rurals. There has been a development in this direction for the last number of years but in 1964, for the first time, the sales in the urbans totalled 50.54 per cent as compared with 49.46 the previous year. This statistic must be disturbing for the people from smaller communities. Should this legislation be passed, it is my considered opinion, that cities like Regina and Saskatoon, will probably benefit. People will be prepared to drive long distances to take advantage of the night shopping in these two larger centres. Smaller cities like Yorkton, Swift Current and North Battleford, will have a similar impact on the smaller communities thirty, forty or fifty miles away from these centres.

So I suggest that members from the rural communities should have a careful look at this proposed legislation. I did a poll in the city of Saskatoon in several of the shopping areas, I didn't call on the chains and the department stores, the organizations that had publicly committed themselves for longer hours, but without exception, the owners of the small stores in Saskatoon I visited felt that the passage of this legislation would be just one more factor that would force many of the smaller operators out of business. Apparently, their experience prior to Christmas when there is night opening, indicates that those who do shop at night, do their shopping in the large department stores and the small operators on Second Avenue and Twentieth Street and over on Broadway, find that they do have to keep open but sales are so limited that it doesn't pay to remain open the additional hours.

I would suggest that having proposed the legislation, the minister might allow years to elapse to get further reaction from the people in the small communities, in the cities and see if the existing legislation should not be continued for an additional period.

Somewhere I read that one of the officials of the Simpson Company indicated that Regina has been one of their most successful stores. Their

return from their investment in Regina has been more favorable than in any other city in Canada. I am sure that the people in business in this province who have enjoyed, in the past year, sales on a higher per capita basis than in any other province in Canada, should have a careful look at the extending of the hours and changing the pattern so that stores might be open five or six nights a week as suggested in some of the information presented by the Retail Merchants Association, if this trend is encouraged by the present government. And the consumer must accept the fact that consumer costs are going to increase if the stores are required to be open longer hours and if an additional number of smaller operators are going to be forced out of business. This is going to have a serious impact on our smaller communities and on our small businessmen who have built up a business in our cities and are giving a service which the people in the particular community appreciate.

So I ask the members on the government side of the house who have rural communities which are involved to have a careful look before deciding that they will support this measure before the house.

**Mr. H. H. P. Baker (Regina East):** — Mr. Speaker, I beg leave to adjourn the debate.

Debate adjourned.

**Hon. L. P. Coderre (Minister of Labour)** moved second reading of Bill No. 72 — **An Act to amend the Gas Inspection And Licensing Act.**

He said: Mr. Speaker, in rising to speak to this bill, this act is being amended for the reason that it will facilitate the issue of licenses for a period of exceeding one year.

At present the act states that any license issued will be good for one year and shall expire on December 31st, of the year of issue.

The amendments will allow the department to issue a license for a period of up to five years duration. This in itself will cut down considerably in administration cost and after the act is amended, new licensing regulations then will be necessary. At the option of the licensee he may choose to take out a one year license or a five year license. The cost of the annual license will be the same as it is now. On the five year license, it will be reduced considerably, therefore both saving time and money for both the person who is buying his license as well as for the department.

With these few remarks, Mr. Speaker, I move that the said bill be now read the second time.

**Mr. J. E. Brockelbank (Saskatoon):** — Mr. Speaker, having had the opportunity to look over this is as the minister states, facilitating necessary or if desired, and I see no endorsement of the assembly particular bill, it appears that it the issuing of five year license if reason why it shouldn't receive the Motion agreed to and bill read the second time.

**Hon. D. T. McFarlane (Minister of Municipal Affairs)** moved second reading of bill no. 32: **An Act to amend The Town Act.**

He said: Mr. Speaker, during the year the Department of Municipal Affairs received suggestions from towns and town solicitors, town auditors, other levels of local government, and also from provincial government branches regarding changes which should be affected in the Town Act so as to either make the act more workable in view of changing needs, and to make the act more consistent with other legislation related to this act.

In addition, my own department, in dealing with the act, finds that year after year changes are needed in this and other municipal acts, for the same reason of bringing the act up to date and alleviating inconsistencies.

The Saskatchewan Association of Urban Municipalities also offers suggestions in this regard and in this way, such municipal acts as the Town Act, are amended each year so as to keep abreast with the changing times.

You will thus note that the majority of amendments here are of a technical nature. All of these have been discussed with a representative

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of the Saskatchewan Urban Municipalities Association and at this time I want to draw the attention of the house to one amendment that I should explain, it is the amendment concerning night opening of shops which I explained before in dealing with the City Act. This provision is the same as that being proposed in the City Act and it provides towns with the power to pass a bylaw enabling shops to remain open until 10:00 p.m. on a Thursday or Friday provided that if such a law I passed shops in a town cannot remain open after 6:00 p.m. on Saturday. I should clarify that by saying the bill before you, states Friday or Saturday, now by proposing or bringing an amendment proposing to change it to Thursday.

The other amendments in the act, Mr. Speaker, are of a minor nature. As you know The Secondary Education Act has been amended last year and a number of corresponding amendments are required in The Town Act to bring it up to date with those changes.

There are also amendments which bring some of the provisions of this act into line with existing provisions in the City Act. On the whole these amendments, I feel, can be dealt with more clearly in committee.

I wish at this time to move second reading of this bill.

**Mr. E. I. Wood (Swift Current):** — Mr. Speaker, before the hon. member sits down, could I understand that he said just now that the choice between Saturday and Thursday and not between Friday, or Thursday? Or is it just Saturday and ask him a question? Did I for the municipalities was one night out of Saturday, Thursday?

**Mr. McFarlane:** — When I bring in the proposed amendment in committee, it will be the same as the City Act, Thursday night or Friday night, in place of Saturday night.

**Mr. Wood:** — Thursday or Friday in place of Saturday.

**Mr. McFarlane:** — Thursday night or Friday night or Saturday night.

**Mr. Wood:** — Yes, just one night out of the three. There will be just one night out of the three? Mr. Speaker, I agree with the hon. minister (Mr. McFarlane) again that the section in this act which we are liable to have some argument concerning is that on night opening. It is undoubtedly true that this section dealing with night opening, although it is worded the same as what it is in the City Act, may have a different effect upon the towns in some ways to what it will upon the cities. They can't say that because it is passed in one that it should be passed in the other or vice versa. But I think basically the principle is largely the same.

I would think, Mr. Speaker, that we would do well to deal with this in regard to the cities and that we would like to see the argument as it is developed, as it has been presented and will be presented in regard to the City Act before we are asked to vote in regard to the Town Act.

There are some more things I would like to say on this and if I may, I would like to have leave to adjourn the debate.

Debate adjourned.

**Hon. L.P. Coderre (Minister of Labour)** moved second reading of Bill No. 73 — **An Act to amend The Electrical Inspection and Licensing Act.**

He said: Mr. Speaker, in rising to speak to this bill, the Inspection and Licensing Act, the provisions are incidentally, identically the same. I think the matters can be best dealt with in committee.

With that in mind, Mr. Speaker, I move that the bill be now read the second time.

Motion agreed to and bill read the second time.

#### ADJOURNED DEBATES

The assembly resumed the adjourned debate on the proposed motion of the Hon. A. H. McDonald, (Moosomin) for second reading of Bill No. 60, **An Act to amend**

## The Saskatchewan Government Insurance Act

**Mr. M. P. Pederson (Arm River):** — Mr. Speaker, I want to say at the outset that I am rather pleased that we had this break between adjourned debates this afternoon and this evening. Seeing that it was the same minister introducing both bills, I wanted to put as much space as I could between this debate and the bootlegging discussion that was going on this afternoon.

When this debate adjourned the other day, I believe the hon. member from Hanley, (Mr. Walker) was speaking at some length on the implications that are involved in the passage of this act. I made some notes of some of the comments that he made at that time that I would like to deal with, which of course, have a direct bearing on the principle involved in this bill.

One of the first things, Mr. Speaker, that I want to mention is a statement that was made and has been made on several occasions. In discussing the rates that are applied by the Government Insurance Office in connection with these specific areas that we are discussing in this act. The insurance for schools, hospitals and so on, I find, Mr. Speaker, from my experience, that these rates that are set by the Government Insurance Office are in many cases are not necessarily the best rates obtainable. If that were the only reason for repealing this section of the act, I would say that perhaps it's not too valid. But I believe that the Government Insurance Office, just as any other insurance office, should be required to be as competitive as possible. This was an act that was set up originally, I believe, to act as a check or at least this is the concept of the government insurance that I like to hold a check on these other so-called outside companies who are inclined to charge exorbitant rates and I have nothing but praise for the job that the Government Insurance Office has done in that regard.

But I believe that over the years, there has crept into the concept of government insurance, something more of a competitive company with certain built-in monopolies and this is the area that I take strong exception to.

I believe that it is necessary, in order to provide equitable rates for various areas of insurance, that it is as necessary for the Government Insurance Office to be put in the position of having to compete as anyone else. If I understand the act, and I believe that I do, the Government Insurance Office will not be precluded from bidding and obtaining insurance in these various areas even though the prerogative of having sole recourse to this area of insurance is denied them. This is the first point that I want to make. In passing this act, in supporting this act, you take into account the fact that the Government Insurance Office must be competitive or it should not be entitled to the business placed by these various institutions.

Another point that I want to make that I think is of extreme importance, and that is the tendency, with monopoly, to ignore the various pressures that are exerted in a field that is competitive such as other insurance companies are subjected to. There is a tendency amongst employees of any firm who do not have, shall we say, a direct pecuniary interest in the insurance company, to allow themselves to fall into the leisurely habit of applying rates that are not necessarily in line or in keeping with the modern trends. In other words, a monopoly tends to ignore the pressures that are exerted on other companies to stay competitive.

Speaking again of the principle of compulsion, I believe that if you were to follow the arguments that were advanced by my hon. friend from Hanley, (Mr. Walker) the other day, if you were to extend these to their logical conclusion, then it would be right and proper to suggest that these monopolies should be extended into many fields of endeavor. This, in my opinion, can only lead ultimately to complete government ownership of all of these types of situations with the monopolistic control by the government. I don't believe for one minute that even most of the most ardent supporters of that type of theory in some areas on this side of the house believe that that is a good thing. I most certainly do not and I would do everything I could to halt that type of a trend. I believe that all governments in this country provincial and federal have been over the years, a bit guilty of taking over the right of people. In other words) legislating in various fashions in such a manner that they indicate they know better. That they can provide things better than people can for themselves. I don't subscribe to that.

I believe that people should be given a right of choice. I believe that these various organizations that are mentioned specifically in the

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section that is being dropped from the act, each of them have a board of some type running them. I believe that they should be given as much autonomy as possible.

Now there was a good deal said the other night about the question that taxpayers will no longer benefit. If you were to argue, Mr. Speaker, that the profits that would be made by these institutions placing insurance with the government would in fact come back to the people through the amount of money turned over to the public purse, you could make out a fairly substantial case. But this completely ignore another section of the economy. I happen to have been in the insurance business for several years, and I know how difficult it was to compete with an insurance office who had a virtual monopoly in many fields. In other words, many fields were excluded from the area that individual agents could seek business in. I know, on many occasions, it was very vexing to try and obtain fairly substantial amounts of business so that myself and many other agents who were dependent on this business, could make a decent living. I believe that this will give a chance to private individuals, literally thousands of individual families in this province, to increase their salary each year and to make a better standard of living.

I am not at all convinced, Mr. Speaker, that there will be a very direct benefit to many, many people. I recall in the days when I was in the insurance business, as I say, when it was extremely difficult for some of us who perhaps were not as friendly on occasion to the government of the day, to obtain a license to sell insurance for the Government Insurance Office. I am sure that one of the hon. members from Saskatoon will know exactly what I am speaking of because we tried on numerous occasions to obtain a license to sell under the Government Insurance Office and were denied.

Now, I believe, Mr. Speaker, that this type of monopoly is removed from the act, that we will have taken a step in the right direction. It is not good enough merely to say that big companies will benefit from this act because this is not necessarily so. If the Government Insurance Office quote a rate that is extremely competitive, that is in fact lower than outside companies will offer, then they will get the business of that I am certain. I believe that in order to deserve this business, then the Government Insurance Office should be in a position to compete with these outside companies. I don't think it is good enough that the taxpayers of Saskatchewan who support these various institutions that are mentioned in this section of the act, that we're dealing with, should be asked to pay on some occasions, more than is normal.

I was just thinking the other night when the hon. member from Hanley, (Mr. Walker) was speaking when he was talking about the question of leaving these areas under the jurisdiction of the Government Insurance Office, leave this compelling force in existence, I was just wondering how he would like it if the government were to say that in a certain area of law, as an example, all transactions dealing with land transactions, etc., that people had to take that business to the lawyers in the Attorney General's department. How he would like that if a very large area of income was cut off for him? I rather think that he would be one of the first to object and I think that the same principle can be applied here. I think the principle of what is good for the other man should also be good for yourself, and if it doesn't apply then I think that it is wrong to express the attitude that it should apply in this case but not on me.

I heard something mentioned about the trucking industry. I was interested in what the hon. member for Shaunavon, (Mr. Larochelle) had to say about that, because this too is an area of industry that I have participated in a few years ago, and I can recall the annoyance that I felt in being compelled to buy insurance from the Government Insurance Office and find that not only were rates not competitive, contrary to what some members have claimed, but were in fact much higher than what individual companies could have provided that insurance for me if I had been permitted to buy outside of the Government Insurance Office.

I recall too, the amounts of deductible under those insurance policies were prohibitive, as I recall, and this is a few years back, I believe it has changed since, but at that time, on a semi-trailer tanker, I believe the deductible on the standard insurance was \$500 on the vehicle, and, if I recall correctly, it was \$300 on the cargo insurance. If you have the misfortune to upset a load and lose a quantity of fuel, you had a \$800 loss to pay before you start. With that type of deductible, Mr. Speaker, I felt that they should have been able to offer an extremely cheap insurance but I found that this was not so, because I did have companies quote me rates that were somewhere, at that time, and this was quite a few years back,

somewhere half of what I was paying to the Government Insurance Office.

Now, I am not suggesting, Mr. Speaker, that this in itself again, is sufficient reason for supporting this bill but I am saying, Mr. Speaker, that the type of compulsion that was embodied in this act and which this bill before the house seeks to remove, is the type of thing that leads to the situations that I have mentioned. The lack of competition does not make rates competitive. The lack of competition does not allow the Government Insurance Office to seek business at its own level and provide that restraining effect on other insurance companies that I am sure it would have if the other companies were given a free hand to seek business.

Very naturally, Mr. Speaker, from the remarks that I have made here this evening, you will conclude that I intend to support the bill.

**Mr. Speaker:** — I must draw the attention of the members of that fact that the mover of the motion is about to close the debate. If anyone wishes to speak he must do so now.

**Mr. W. D. Davies (Moose Jaw):** — Mr. Speaker, I want to say just one or two brief things about this bill, rising I think, mainly out of the remarks of my friend from Arm River, (Mr. Pederson).

I find, Mr. Speaker, myself feeling that we are in a rather ironic situation when people speak of monopolies in terms of the Saskatchewan' Government Insurance Company. After all, what are the monopolies in the insurance field if you like, or if you want to speak about people that are in a position to exercise a monopoly. Surely it is not the public insurance concerned that we are talking about but the giant insurance companies that dominate the scene so much in North America. Institutions that have reserves of billions of dollars and have a great deal of control and indeed, over time, have exercised some pretty overt control. This is a matter of record, I'm sure I don't need to spell it out to the members of the house this evening.

What we are talking about restricting is a public insurance company in a province with a population of less than one million people. Something that has been built up rather uniquely to serve the people of the province and which I think has been successful in a large degree in reducing the amounts that people have to pay for insurance coverage.

Now, I don't pretend to be an expert. I don't have any figures here this evening. There may be other members that do. But I can remember the amounts that I paid for insurance on my house and furnishings before the Government Insurance Office came into being. I know there were much more than the rates that are paid at this time. I know that the fact of the existence of the Government Insurance Company caused rates, both here and in other provinces to decrease. I think this is really the fact that we face here this evening.

I can't see how we can call a public concern of this kind a monopoly in the sense of the word that I understand monopoly, because this institution here has done more to reduce the impact of the big insurance companies in this province than any other institution that I know of.

My friend from Arm River, (Mr. Pederson) spoke about the extra good that this might do for insurance agents. I want to remind the house that there are seven or eight hundred people who are employed by S.G.I.O. who do, I think, a very good job as employees of this concern, whose livelihoods are perhaps also at stake. I don't know what effect this bill will have on the Government Insurance Company. I'm sure it won't have a good effect, I personally can see: little the matter with municipalities and schools having to insure with a public concern when they themselves are the recipients of very large grants and very large sums of money from the senior government. Anything that goes to weaken the public insurance concern in this province, at this time, is not, I think something that spells good for the people of this province. After all, the people of this country Canada and the United States have had their little battles with the insurance concerns of which I speak.

One talks about competition. How much competition do we honestly think exists between insurance companies today?

**Mr. Thatcher:** — Lots.

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**Mr. Davies:** — There may be some. I think it is more apparent than real. Certainly if you go out and buy life insurance, the differences are very small indeed and it is a fact that if one buys group insurance that you can get rates that are very much better than rates that you buy for individual insurance. This is the same kind of principle, of course, that is employed in the Saskatchewan Government Insurance operations.

All I can see here, Mr. Speaker, is that we are going to somehow reduce the impact of the public insurance company that has done so much for the people of the province, not only in respect of insurance coverage itself, but in the investment of the premiums that it has been able to get from the people of the province in their insurance for all sorts of public endeavors. These monies are not invested outside of this province and I remind my friends opposite that they must acknowledge this because almost daily this is the story we get in the advertisements of the S.G.I.O. over television and radio. They must admit that this is a fact.

I don't want to say more than this at this time. But I honestly cannot look on our public insurance company as a monopoly. I think that it has done a good deal to defeat monopoly. I think it has done something to create competition. I feel that while rates may be advanced now from the private companies which may be low at this time, when they have eliminated the public competition, you will see those rates shoot up and that in the analysis this will not be good for anyone.

**Mr. Speaker:** — I must again draw the attention of the members to the fact that the mover of the motion is about to close the debate.

**Hon. A. H. McDonald (Minister of Agriculture):** — Mr. Speaker, at the outset, I would like to thank the member for Arm River, (Mr. Pederson) for his comments during this debate. I am very, very pleased to see that he supports the government in their move to remove certain compulsions from the Saskatchewan Government Insurance Act. I want to refer to some of the remarks that he made a few minutes ago, later on in my address.

But before I do that I want to refer to some of the remarks that we listened to here a few evenings ago from the member from Hanley, (Mr. Walker). He was talking about whether our schools, hospitals and other institutions that receive grants from the provincial government would carry adequate insurance or not once this section is removed from the Government Insurance Act.

I want to remind my hon. friends opposite, and the member for Hanley, (Mr. Walker) if he were here, that it is not up to the Saskatchewan Government Insurance Office or the legislation that is now before this house, to compel our hospitals and schools to carry adequate insurance. But I do submit, in regard to hospitals and schools that legislation that can be used and is used to see that public institutions such as hospitals, sanitoriums, schools do insure, is found in the Hospital Standards Act and the School Act. In the event that these acts are not strong enough, or do not spell out definitely, that adequate insurance is carried by such institutions, then I would suggest that this house should strengthen those acts to see that the public institutions that receive grants and that provincial governments do carry adequate insurance. But I want to repeat, that this is not the concern of the Government Insurance Office. This is the concern of this legislature and if members are concerned, then I suggest that they look at these two particular acts.

A great deal has been said with regard to the investment of the premium income from the Government Insurance Office in Saskatchewan. This is true. All of the premium income from the Government Insurance Office is invested in one type of investment or another, here in the province of Saskatchewan. Mr. Speaker, there are many private insurance companies, who invest more money in Saskatchewan than they receive in premiums from Saskatchewan. So the Government Insurance Office is not alone in this field. I know of some insurance companies that have investments in Saskatchewan that would total 125 per cent of the premium income from their Saskatchewan business. I think that with the business climate that exists in Saskatchewan today that many of these insurance companies are going to have more money invested in Saskatchewan than they take in premiums from this province. So this, despite the fact it is one of the ads used by the Government Insurance Office, we are not the only company to invest our total earnings, and I want to repeat that many of the other insurance companies, invest more than their premium income here in the province.

The member for Hanley, (Mr. Walker) when he spoke the other night, said that this may save the school boards and the hospital boards some money, but after all, it will go into the provincial coffers or into the Government Insurance Office and they will get it back.

Mr. Speaker, why on earth should a provincial government tax school boards and hospital boards through excess premiums on insurance. As the member for Arm River, (Mr. Pederson) mentioned, I think it is about time that we said to our school boards and our hospital boards that we believe you have the ability to place your insurance wherever you think it ought to be.

**Some Hon. Members:** — Hear! Hear!

**Mr. A. H. McDonald (Moosomin):** — Why should this legislature tell any school board or any hospital board where they have to buy their insurance? Surely to goodness the people that represent Saskatchewan on these boards, have the ability to make this decision. Everyone on this side of the house, and the government believe that they have this ability and ought to be given the opportunity to use it.

Then my friend from Hanley, (Mr. Walker) concerned himself with competition that would boil up. Well, Mr. Speaker, we in the Liberal party and I am glad to see that my friend from the Conservative party represented in this house, have some confidence in free enterprise and in competition and I want to say to this house that the Government Insurance Office today, as a result of free enterprise methods, is writing more business than has ever been written in the life of the insurance office. In the month of February last, the Saskatchewan Government Insurance Office wrote forty per cent more business than they did in the month February back in 1964. Forty per cent.

**Some Hon. Members:** — Hear! Hear!

**Mr. A. McDonald (Moosomin):** — The reason for this, is because of free enterprise methods and doing away with monopolies. Any company that has to depend on a monopoly to survive, sooner or later, will stagnate and die. This is what will happen to the Government Insurance Office if you continue to insist that certain insurance be placed with that office and with no one else. I also want to tell this house that during the month of February, this last month, the Saskatchewan Government Insurance Office wrote 606 new and renewal policies more than they wrote in the month of February, a year ago. My friends opposite, had they remained in power, had they continued to insist on the type of business that the insurance office has been operating under, up until last May 22nd, that insurance office would have withered and died on the vine. But by bringing into effect, private enterprise principles, principles of open and free competition, the insurance office, I want to repeat, is doing forty per cent more business than it was when you were in office.

Mr. Speaker, I don't believe that by removing section 15 from the act, that this office will write less business. I think in total, they will write more, but they will write it in open competition, without subsidy, without protection, without monopoly and I believe that this is to the best interest of the insurance office and in the best interest of the people of Saskatchewan.

I want to say a word now about cargo insurance in answer to some of the questions that have been posed by my friends opposite. Back in mid-summer the board of directors of the Government Insurance Office were considering the compulsory cargo insurance. At that time, I thought that the truckers themselves should tell the government of the day whether they want to continue under compulsory cargo insurance, or whether they want to be given the freedom to buy this insurance, wherever they see fit. And I wrote the Saskatchewan Truckers Association, and they wrote back, informing that their annual meeting would be held later in the year, and that they would discuss this matter at their annual meetings and advise me at that time. After their annual meeting, I was made aware of a resolution passed by the Truckers Association, that they wanted this compulsory cargo insurance done away with. It has been down away with, and as a result of it, Mr. Speaker, again, I believe because of the free enterprise policies . . .

**Some Hon. Members:** — Hear! Hear!

**Mr. McDonald (Moosomin):** — . . . in the insurance office today, we're writing more

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truck insurance than we have ever written before.

**Mr. Thatcher:** — Cleaning out the socialists.

**Mr. McDonald (Moosomin):** — You don't always gather business to your door because of compulsion. The majority of times I think you drive more weight away than you compel to buy from you. Some of my friends opposite the other evening were saying that I did not believe in removing this section, that this had been thrust upon me. Well, Mr. Speaker, I must admit that it's true. This has been thrust upon me by the people of Saskatchewan, the great majority of the people of Saskatchewan asked the Liberal party to remove this compulsion from the Government Insurance Office, and I think any government that is worthy of governing will meet the needs and the wishes of the people of this province and that is exactly what we are doing.

**Mr. Thatcher:** — True, true.

**Mr. A. H. McDonald (Moosomin):** — Then my friends opposite said they believed in as much freedom as possible. Well, there isn't much freedom that is possible apparently, because according to my friends, they not only believe in compulsion as far as insurance is concerned, the statement that came from the member for Hanley, (Mr. Walker) if you were to follow it to its ultimate conclusion, would mean that the state would market every product that is marketed in Saskatchewan.

He suggested that we should go into the clothing business, the food business. Do you think that the government ought to do all of the business in Saskatchewan? Do you believe this? If you do, then I don't think that anyone on this side of the house and my friend representing the Conservative party, (Mr. Pederson) and the vast majority of the people of Saskatchewan, want to have any part of it.

**Mr. Thatcher:** — Have the whole province broke.

**Mr. A. H. McDonald (Moosomin):** — I want to come back to review the remarks that were made by the member for Arm River, (Mr. Pederson), when he talked about insurance rate. It's quite true, Mr. Speaker, that insurance rates in Saskatchewan today, are much less than they were several years ago. This is not only true in Saskatchewan, this is true virtually all over this continent, that insurance rates are lower today than they were fifteen years ago. Then he went on to attempt to tell this house; it was because of the activities of the Saskatchewan Government Insurance Office, that insurance rates were down in California . . .

**Mr. Davies:** — . . . down . . .

**Mr. McDonald (Moosomin):** — . . . in Texas, or Tennessee, or Alberta, Mr. Speaker, or . . .

**Mr. Thatcher:** — Or Montana . . .

**Mr. McDonald (Moosomin):** — Mr. Speaker, this is ridiculous even to suggest it. Then in addition, Mr. Speaker, any insurance company whose activities are confined to the province of Saskatchewan can write cheaper fire insurance. Why? For the simple reason that your loss ratio in Saskatchewan, is lower than it is in any other province in Canada, and has been for many, many years, even before the Government Insurance Office ever came into existence. Fortunately we do have a rather low loss ratio in Saskatchewan compared to some other parts of Canada, and this is another reason that we have been able to write cheaper insurance than some of our competitors who had to set their rates on a dominion wide bases.

I think in conclusion, all I can say is that I do appreciate the support of the member for Arm River, (Mr. Pederson). Sometimes he votes against us; sometimes he votes with us.

**Mr. Thatcher:** — Forgive him.

**Mr. McDonald (Moosomin):** — This time he is going to be right. I hope some of my socialist friends across the way will also have a change of heart and support it. Support us on legislation that is improving the business of the Government Insurance Office. My friends seem to have the future of the

office at heart, but I can only repeat, that if we are doing forty per cent more business, we must be doing a better job than you were. We ask for your support, so that we can increase the business above February and I am convinced that the removal of this section, will allow us to write more insurance than ever.

Motion agreed to on the following recorded division and bill read the second time.

**YEAS — 31**

Thatcher  
Howes  
McFarlane  
Boldt  
Cameron  
McDonald (Moosomin)  
Steuart  
Heald  
Guy  
Merchant (Mrs.)  
Loken

MacDougall  
Coderre  
McIsaac  
Trapp  
Grant  
Cuelenaere  
MacDonald (Milestone)  
Gallagher  
Breker  
Leith  
Bjarnason

Romuld  
Weatherald  
MacLennan  
Larochelle  
Asbell  
Hooker  
Radloff  
Coupland  
Pederson

**NAYS — 14**

Brockelbank (Kelsey)  
Cooper (Mrs.)  
Wood  
Nollet  
Davies

Thibault  
Willis  
Whelan  
Dewhurst  
Smishek

Link  
Baker  
Snyder  
Pepper

The assembly adjourned at 10:00 p.m.