LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Fifteenth Legislature
49th Day

Tuesday, April 13th, 1965

The assembly met at 10:00 o'clock a.m.
On the Orders of the Day.

QUESTION RE DATES OF APPOINTMENTS OF LEGISLATIVE SECRETARIES

Mr. J.H. Brockelbank (Acting Leader of the Opposition, Kelsey): — Mr. Speaker, before orders of the day, I would like to ask the government if they could give the dates of the appointment of the Legislative Secretaries. I understand they have been appointed, how many?

Hon. W. Ross Thatcher (Premier): — I am speaking from memory, but they have all been appointed. I think they were appointed effective April 1st. Now if the hon. member wants me to check into that exactly, I will tell him later this day.

Mr. J.H. Brockelbank (Kelsey): — Were they appointed by Order-in-Council, retroactive? I don't think you can do this.

Mr. Thatcher: — No, I think the Order-in-Council was passed. I better check and be exact on it, I'll let you know later this day.

QUESTION RE RETURN NO. 102 LOST OR FOUND CAR

Mr. J.H. Brockelbank (Acting Leader of the Opposition, Kelsey): — The other question I would like to ask is about this return in regards to the lost or found car.

Hon. D.V. Heald (Attorney General): — I was about to rise in my place before the orders of the day, and file return no. 102 in that regard.

Some Hon. Members: — Hear, hear!

Mr. J.H. Brockelbank (Kelsey): — I expect this will be a dilly.

DISCONTINUANCE OF PASSENGER TRAINS NUMBERS 7 AND 8 C.P.R.

Mr. G.T. Snyder (Moose Jaw) moved, seconded by Mr. Davies, (Moose Jaw)

> That this legislature register its disapproval of any action that would result in the discontinuance of passenger service provided by the Canadian Pacific Railway transcontinental train numbers 7 and 8 (the Dominion) and request the government of Canada to undertake all steps possible to assure that these trains are not withdrawn.

He said: Mr. Speaker, it is not my wish to delay the proceedings of this house, particularly at this stage in our deliberation, but I feel that the resolution which I placed on the Order Paper is of sufficient importance to warrant the attention of this assembly before we adjourn sometime in the near future to return to our respective constituencies.

The removal of the transcontinental service mentioned in the resolution would affect people in every constituency in this province, either directly or indirectly, and for this reason, Mr. Speaker, I hope that the house will see fit to give it unanimous approval.

I believe also, that constituencies which are adjacent to the Canadian Pacific Railways mainline will be more conscious of the importance of this service than others, perhaps. However, I think it is reasonable to assume that the loss of such a service would represent a loss to Saskatchewan people generally, who have accepted this service as a mode of transportation that is safe, convenient and comfortable, especially for those who for

reasons of their own, prefer not to fly or drive their own conveyances.

Over the years, Mr. Speaker, the Canadian public has invested heavily in this privately owned transportation system. It is reasonable to assume that the original construction grants and the various subsidies which were paid over the years, were provided with the idea of providing for the Canadian people certain services. Services which the Canadian public through their tax dollars made possible.

During a previous debate concerning rail line abandonment and transportation rationalization, I commented at some length on this matter. It is not my intention to repeat the arguments which were brought forward at that time, except to point out that there appears to be a planned program which precedes the removal of this kind of service.

I understand that notice has already been given that the head end of trains no. 7 and 8, the mail and the express cars are to be removed later this year, I understand during the third week in June. It has been recognized for some time, Mr. Speaker, that the mail and the express on these two trains represents the main revenue producing portion of the operation, and this appears to be the first step in attempting to indicate that the service is not an economic one. The pattern indicated here, Mr. Speaker, is a familiar one to those who have witnessed the creation of the so-called ghost trains by a number of American railroads in the past number of years.

The plan involves a progressive removal of parts of the services provided, and in addition a deliberate effort to discourage the use of passenger accommodation. Now this is accomplished, Mr. Speaker, by offering unsatisfactory service in some cases, or the failure to provide sufficient accommodation during busy periods, thus discouraging the travelling public from using these passenger facilities. When this has been accomplished, then it can be shown that the service is not economic and an application to abandon is the next, and in most cases, the final step.

As time goes on, and as congestion on our highway system increases between the main centres of population, it is going to be increasingly necessary, I suggest, to provide this kind of service. It will be a good deal easier to retain it than to reinstitute the service after it has been withdrawn. I believe the severe winter weather which western Canada experienced over the past four or five months provides further evidence to the effect that this type of safe, reliable transportation should be retained.

Now, my concern in this matter, Mr. Speaker, extends also to a large number of employees who will be adversely affected by such a move. A number of these employees who have contributed, some of them almost a quarter of a century of their lives to this branch of service, will be displaced. These are employees who do not have the option of transferring from passenger to freight service. Many of these employees are ill-equipped, either because of their age, or because of a lack of academic standing to compete for employment elsewhere.

So, I think, Mr. Speaker, a combination of the arguments presented in favor of retaining this service should be sufficient to convince every member of the house to support this resolution. I would just point out before concluding my remarks, Mr. Speaker, that only a few days ago, on April 3rd, I believe, the Saskatchewan Urban Municipal Association passed a resolution of a similar nature. With your permission, I would like to read the basic portion of that resolution into the records of this house. The resolution which was passed by the SUMA convention is the one which I intend to quote at the moment:

> Whereas the C.P.R. has been granted land, mineral and tax concessions during the early days of its operation, and whereas the expanding population of our economy requires a comprehensive transportation system for such growth, and whereas the C.P.R. has shown a disregard for the public interest and has indicated its intention to discontinue passenger rail service, even though the C.N.R. has increased passenger service profit by some 19 per cent, be it resolved that this assembly go on record as insisting upon the consideration of the public interest before any further discontinuance of passenger train service be allowed, and be it further resolved that no additional curtailment of existing passenger service be allowed by the

Board of Transport until a full inquiry is held by the federal government.

Now, Mr. Speaker, as I suggested earlier, this was a resolution passed by the SUMA convention, only a few days ago, they gave their support to this resolution, and I think it is most appropriate, Mr. Speaker, that this legislature add emphasis to the request made by that group, by passing the resolution which I have now the pleasure of moving, seconded by Mr. Davies, (Moose Jaw) my colleague.

Mr. Wood (Swift Current): — Mr. Speaker, I feel that I should have a few words to say on this, a very few, I must admit, but as coming from the city of Swift Current as I do, I believe that the taking off of this service on the transcontinental system of the C.P.R. is going to mean a considerable loss to that city. It is a train that I often use myself. It comes in there early in the morning, around six o'clock, it brings people down to Regina, they can have a full day in the city of Regina and return at seven o'clock at night and back in Swift Current again by eleven o'clock. It is rather a full day, Mr. Speaker. I may say, because if you live out on a farm, you have to get up fairly early to meet this train, but it is a very useful schedule.

I will have to admit, Mr. Speaker, that having a pass, I am afraid that the amount that contribute to the upkeep of this service is not very large, but I do notice that a good number of people use this train when they are going home in the evening. It is full, and coming in, in the morning it is often that a good number of people from Swift Current are using this train and I don't imagine they are all deadheads like myself, in regard to paying for their tickets.

Possibly what I have to say concerning the city of Swift Current is not a large consideration for the railroad to take into consideration because it is only one small city compared with the expense that they are putting into keeping up this service across the country. But I think if this is multiplied all across the dominion, it must 'be a good service to a large number of towns and cities throughout the route. I feel that the service to the travelling public should be taken into consideration when the curtailment of such services is being thought of. I realize that this does not put dollars and cents into the coffers of the railway company, but I do believe that the overall railway picture should be considered that the service to the public is one of the paramount things that must be thought of. In supporting this motion, Mr. Speaker, I feel that these are some of the things that must be detailed.

Motion agreed to.

SECOND READINGS

Hon W.R. Thatcher (Premier):— moved second reading of Bill No. 96 — **An Act to amend the Purchasing Agency Act.**

He said: Mr. Speaker, I believe the provisions of this bill are fairly routine. In essence it proposes to transfer services and duties, which were formerly performed in the Department of Information, to the Purchasing Department. The changes contained in this bill, in essence, are five or six. First, to provide the Purchasing Agency with authority to sell or dispose of surplus equipment, secondly to provide the Purchasing Agency with authority to engage photographers, cameramen, photo technicians, film editors, and other personnel to produce motion pictures, film strips, photographs, etc. This service was formerly carried out by the Department of Information. Third, to provide the Purchasing Agency with authority to provide commercial art services to the departments. The commercial artists were formerly in the Department of Industry and Information, and were also transferred to the Purchasing Agency. Fourth, to provide the Purchasing Agency with authority to supply central office services to departments, such as addressographing, blueprinting, duplicating, microfilming, photocopying, etc. Most of these services are being provided by the Queen's Printer.

It is proposed to combine these services with the addressograph machine operators which were transferred from the Department of Information, to form an office service division under the supervision of an administrative officer. Fifth, to amend the section of the Purchasing Agency Act which will be effected by the proposed establishment of an independent Provincial Auditor's office and the transfer of a preaudit function to the Comptroller of the Treasury.

The amendments substitute Comptroller of the Treasury for Provincial Auditor in section 11 and subsection 2 of section 12.

The effective date of this change will be the date fixed by proclamation of the Lieutenant Governor-in-Council. This should be the same day that the proposed bill to amend the Treasury Department Act is proclaimed.

Finally, to broaden the terms of reference of the Purchasing Agency advance account so that the Purchasing Agency may charge the costs of producing motion pictures, photographs, commercial art services and office services, to this advance account and bill the departments for the cost of these services.

I would move second reading of this bill, Mr. Speaker.

Mr. J.H. Brockelbank (Acting Leader of the Opposition, Kelsey): — Mr. Speaker, I would like to just have a word or two, probably the Premier could give us a little bit of further information by taking advantage of his privilege to close the debate.

First I haven't had time to thoroughly check this bill with the act. I would like to know if there are any powers to be taken away from the Purchasing Agency, and second, I would like to ask what is the policy being followed. Will the Purchasing Agency continue to operate a stock room, carrying supplies for the various departments or will the departments be expected to buy these in individual lots as they need them? I think this is a very important point, because I think the present central idea of a stockroom of supplies is very good indeed. There is less trouble of looking after the supplies for the various departments.

I might also ask if the Purchasing Agency will have the responsibility of purchasing cars and I was wondering if it is going to have any additional responsibility in keeping track of the imaginary cars dreamt up by the Minister of Labour, (Mr. Coderre) from time to time?

I know that the Purchasing Agency, all levity aside for the moment, has been one of the very successful agencies of the government, and I am glad it is going to be continued, I don't want to see its efficiency interfered with, and I don't want to see its powers decline.

Mr. E.I. Wood (Swift Current): — Mr. Speaker, I would like to make a few remarks. I assure you that they will be very few, in regard to this bill. I believe in the past, when we have had a department known as the Department of Industry and Information which did quite a few certain jobs in regard to motion pictures, films, and photography and such.

I have understood that this department is being done away with, we have now the Department of Commerce and Industry but it would appear to me from what the hon. Premier has just said, that a good proportion of the information portion of this department has been transferred to the Purchasing Agency. I gather that the work in photography and moving pictures and a good deal of publicity that had earlier been carried on by the Department of Information, will now be carried on by this purchasing agency.

It seems to me that not only are they carrying forward much the same program, but they are doing it under what I would call a rather peculiar name and not only are they going to be a Department of Information, but there will also be a camouflaged Department of Information. I think that this bill that is put before us at this time, is carrying much of what has been done before, but the government is apparently not prepared to admit that they are doing this. I am not saying that there is anything wrong with it, but I think it is rather peculiar that they would dress this thing up as a Purchasing Agency.

Mr. W.G. Davies (Moose Jaw): — Mr. Speaker, I can't help but think with the member for Swift Current, (Mr. Wood) that this is in the nature of a hybrid. I see a purchasing agency, Mr. Speaker, insofar as the purchase of general articles used by the government is concerned. Some of these have been mentioned by the member for Kelsey, (Mr. Brockelbank) the purchase of equipment, automobiles, and of course, being in the position to sell as well as to acquire these things. I don't know that I would not have some reservations about doing those things that were contemplated in the Johnson Commission report, which were spoken of in respect to used automobiles. Sort of making a super used car lot, that would come under the heading of the government and which would

compete with the used-car dealers in all the ways that we know, that they do compete themselves. But apart from those aspects, Mr. Speaker, I look at those parts that have to do with the engaging of persons who produce supplies, or provide office services. This is quite a wide field. What is looked for here, I don't know. The provision of office services in respect to a pool of stenographers or clerical help, is what comes to my mind first of all, and then as the member for Swift Current, (Mr. Wood) has already said, we go from there to the making of supplies, designs, illustrations, films, photographs and recordings and things of like nature. This seems to be quite a diversity of duties for the agency to undertake. Finally the provision of office services for dressing and blueprinting and duplicating and photo copying. I just wonder what is in the minds of the government when they have placed all of these multifarious duties in one place. I wonder whether the provision of office services could not better have come under, say, the Public Service Commission or some other agency. I am not saying the Public Service Commission is the proper agency for this work, but it does seem to me, Mr. Speaker, that a body that acquires equipment, sells equipments of all kinds, that provides office services of all kinds and engages persons to prepare or produce supplies as well as all the other items that I have tried to enumerate briefly, is an agency which cannot work too well, because of the very diverse nature of the things that it has to control and has to supervise.

I wonder also, in the section that deals with the provisions of services, what is meant by the engaging of persons to prepare or produce supplies. Supplies are in a previous part of the bill, bought or secured in some other fashion. What would be prepared or produced in the way of supplies by the people that are mentioned under the relevant section of this bill? I think it would be well, if we could have an explanation on these points, Mr. Speaker.

Mr. A.E. Blakeney (Regina West): — Mr. Chairman, I just have a brief comment. I was wondering whether the minister when he closes the debate with respect to this, would comment on the change which I understand is taking place in the policy of the Purchasing Agency, with respect to the acquisition of or at least the maintaining of a supply of office supplies, stationary, and like articles. Heretofore, it has been the policy of the Purchasing Agency to maintain a stockroom, as it was sometimes called, where the government agencies obtained pencils, stationary and other office supplies. These supplies were readily available by a simple requisition and the delivery times were short for the stock items as opposed to the more specialized items.

I understand that the idea of having a stockroom has been done away with and that these things are not now kept in stock and in order that they be obtained, they must be obtained in small quantities from downtown suppliers with, I would imagine, at a considerable increase in cost. Now it may not be an actual considerable increase in costs because the costs of maintaining the stockroom may have eaten up any savings in quantity buying, but having regard to what I understooded was this change of policy, I was a little bit puzzled by some of the provisions in this bill which refer to the purchasing agency having power to acquire supplies and for the purpose, I assume that first there was a plan of maintaining a stockroom, but my understanding is that such is not the case and that the even small quantities of office supplies are now obtained on individual requisition bases, from downtown suppliers. It occurred to me that the minister might care to comment on that, in his closing remarks.

Mr. I.C. Nollet (Cut Knife): — Mr. Speaker, also I note from this bill, that the Purchasing Agency will be primarily engaged in providing extension materials and information materials to departments, but that the Purchasing Agency will not in fact, provide information generally as was the case before.

I would hope that the minister would clarify this point, in his closing remarks to let us know who will provide the information and technical services. Is it correct that the Purchasing Agency will be sort of a lease lend agency, that will provide films and all of the other illustrated media necessary for departments to carry on their own information and extension on programs? Is this the intention? I would like the Premier to inform the house if this is correct.

Mr. A.M. Nicholson (Saskatoon): — Mr. Speaker, I have a couple of questions I would like the minister to discuss in closing the debate . . .

Mr. Thatcher: — With all the deference, I wonder if all these detailed

questions could not be asked in committee. Now I can't remember all the questions that have been asked, and I think it is generally agreed that the principle of the bill should be discussed at this stage, and then I would be very happy to try and answer these detailed questions, when the time comes.

Mr. Nicholson: — Well, Mr. Speaker, the minister has the deputy sitting by him and I am sure . . .

Mr. Thatcher: — . . . there are rules of the house. Let us live up to them.

Mr. Nicholson: — Mr. Speaker, I am sure that you are observing the rules of the house, and if any members are speaking, and are not observing the rules, I am sure that you have unanimous support in calling our attention to it. I submit that all the comments have been properly in order and the comments that I propose to make are also in keeping with the best traditions of the parliamentary . . .

Mr. Thatcher: — Don't ask detailed questions.

Mr. Nicholson: — No, no, well, I submit that the minister in his introductory remarks made mention of engaging photographers. The previous arrangement was that Industry and Information did have staff available in this branch in the annual report, still photographical work during the year under you, was a predominately industrial nature. I would like the minister to indicate whether photographers are still to be available with our industrial development, receiving a good deal of attention. I think that members of the house, knowing whether there are members on this staff who are following what is happening in different parts of the province, in different departments and are available to make photographers which would be available. The Department of Social Welfare for example, was able to make use of the services of the photographer from time to time when there were children available for adoption, and it was in the public interest to have these photographs made available in the different regions of the province. Also the motion picture division was an important division that took advantage of the interest of developments in various parts of the province, in various departments.

Would the minister indicate whether or not, he will still have in the Purchasing Agency a staff of photographers who will be available to take still pictures and moving pictures or is it proposed to farm out all of this work to people outside of the department? It would be helpful having this information before the minister closes the debate.

Mr. W.J. Berezowsky (Cumberland): — I just have a question or two that I would like to ask. In the past when you had the Department of Industry and Information, it wasn't quite so bad, as it will appear under this set-up. It seems to me that if there had to be any changes at all in moving the agency to do the printing or to arrange with persons to prepare materials for the various departments, and so forth, so it certainly could be best done under the branch that does the printing. It seems that here is an area where you can get printing done and you can have the same people prepare, say the material and so forth, but to take it into an agency, which is in the first place, concerned mostly with the buying and the selling of stock which is no longer required. It seems to me, to be the place, I would like to know where it fits into this particular branch of the Purchasing Agency?

Now, I could go along quite well, if it is with the printers or something like that. It was in a pretty fair place before because the Department of Industry and Information was the kind of co-ordinating branch and it was concerned a lot with the publicity, but the Purchasing Agency is not concerned with publicity. It is strictly a buying and selling agency, and why is it set up under this bill, the way it is?

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

Mr. Thatcher: — Well, Mr. Chairman, again I don't want to appear difficult but I do think all these detailed questions and there must have been forty

or fifty of them, should be asked in committee and that I am not going to try and answer them at this point. If hon. members would care to ask them in committee, I would be pleased to try and answer them.

Now, as far as basic principle is concerned, this government proposes to keep the Purchasing Department and we would agree with what the hon. member for Kelsey (Mr. Brockelbank) said, that this agency has done an effective job, generally speaking. We intend to continue making our purchases on a tender bases, and we intend to, in most cases, accept the tender which is the cheapest. Now there is the odd time, when quality comes into it, or specification are different, that there might be some variance in that principle, but by and large, we do not anticipate that there will be any change in the past practice. I would tell the hon. member from Kelsey, (Mr. Brockelbank) that no powers have been taken away from the Purchasing Agency that I know of.

Several members asked about the stockroom, and I suppose they are referring to the stockroom where paper supplies were kept. Some months ago, Mr. Borrowman, the head of the Purchasing Agency came to us with a suggestion that he could save substantial sums, by eliminating the stockroom and taking direct deliveries from the various companies. I indicated to him that if this was so, he might try it out. I am informed however, that there have been difficulties and no final decision has yet been made whether or not this will be feasible, so we are looking at it again, but the Deputy Minister rather thinks we'll likely have to keep the stockroom.

The Department of Information was transferred to this branch, and some members have asked, "Do we still have photography branch?" Yes, we have. We still have camera crews which are available. We are still doing some of the work done by the former department, but this is one branch, we did feel had been used by the former government simply as a propaganda branch and we found much of the work that they were doing was absolutely useless, except to build up my hon. friends. We have cut the staff of this branch very sharply, and we have saved the taxpayers of Saskatchewan we would think many thousands of dollars, indeed tens of thousands of dollars by doing this.

Some Hon. Members: — Hear, hear!

Mr. Thatcher: — One thing I will assure you, Mr. Speaker, that this branch not be sending out socialist propaganda any time in the future.

Mr. Blakeney: — Liberal propaganda.

Mr. Thatcher: — At the same time, Mr. Speaker, we have been able to cut the Purchasing Department by, I think, three members, (it may have been four), so we are doing the same job on purchasing with four less of a staff than the Socialists had.

So by and large, I think that with a little more help, from the government, we may be able to rectify some of the things the Socialists did over twenty years, and we will be bringing back efficiency to this department.

Mr. Wood: — Mr. Speaker, before the hon. member sits down, would he permit a question, which I think is germane to policy. When the bill concerning the Department of Industry and Commerce was before us, I believe I asked the hon. Premier what will be done with the transportation branch and he said at that time, that it would be put into the Purchasing Agency. Is that contemplated in this bill?

Mr. Thatcher: — No, it will be under the economic and planning board, or the Economic Development Board, as this is now called. Mr. Speaker, I move second reading of this bill.

Motion agreed to and bill read the second time.

Hon. D.V. Heald (Attorney General) moved second reading of Bill No. 99 — **An Act respecting the Superannuation of Certain Persons under Certain Superannuation Acts** be now read the second time.

He said: Mr. Speaker, this new act is called, The Superannuation Act and it is designed to amend five similar superannuation acts in the government services and crown corporations.

It covers the Public Service Superannuation Act, The Power Corporation Act, The Liquor Board Act, The Saskatchewan Government Telephone Superannuation Act, and The Workmen's Compensation Board Act. The employees of all of those agencies are covered by this act.

The definition section, section 2 refers to a board or commission appointed under the Superannuation Act. This is necessary because the Liquor Board has a Superannuation Commission, the other four have boards.

Pensionable employment is defined as employment in respect of which a person has contributed and has received credit for contributions under a superannuation act. The employees saving account is defined and I am sure all hon. members know what that is. This is the fund to which employees who are over the age of 45 when they started employment. These people were not eligible to contribute to the Superannuation or the Pension Fund. This becomes important later on in the bill.

This reference to the Superannuation Fund is in respect to four of the acts, but it may be nebulous insofar as the Public Service is concerned, because there is no actual superannuation fund, insofar as the Public Service is concerned. However, the other four are funded, that is Liquor, Telephones, Power, and Workmen's Compensation.
Section three provides that this act amends each one of the five superannuation acts to the extent necessary to give affect to this act, and where there is a conflict, the provisions of this act will prevail.

The act provides an extension of benefits. At present, any employee over forty-five years of age, cannot enter the pension plan. This amendment raises the age limit to fifty-five. This means, in effect, that if an employee comes in at just under fifty-five and contributes ten years to age sixty-five, he will be eligible for a pension. We believe this to be justifiable, since the employee with ten years or more can resign and elect the deferred pension which would be payable at the age of sixty-five, but with immediate survivor benefits.

Now, Mr. Speaker, it is estimated that approximately 700 employees of the Public Service will have the opportunity of benefiting from this amendment. These are the people who came in after the age of forty-five, but under the age of fifty-five.

Then there is right of election by the contributor to the employees' saving account. This refers only to present employees who have at present been contributors to the saving accounts, and who were between the ages forty-five and fifty-five, when they entered the service.

This amendment has the effects of giving one year in which to make a written election, whether they want to transfer into the superannuation plan or stay where they are, under the employees' saving plan.

The next section provides power to enter into reciprocal agreements. Mr. Speaker, at the present time, only the Public Service Superannuation Act has provision for the government to enter into a reciprocal agreements with other public service employers. There is one reciprocal agreement already in effect with the federal government, pending at the present time with the province of New Brunswick. It is possible to have such agreements with all the other provinces. This amendment will enable each and everyone of the five superannuation acts that is Liquor, Telephones, Power and Workmen's Compensation and Public Service, to enter into such reciprocal agreements with public service employers, or between any of the five superannuation acts, which are mentioned.

Now, the next section, probably the most important, provides for additional allowances to certain superannuates. This amendment to the five similar superannuation acts will provide for adjustments to the pensions of employees superannuated prior to a given date, as indicated below, or to their widows. Under the Public Superannuation Act, the day is April 4th, 1951; under the Power Corporation Superannuation Act it is April 4th, 1951; under the Liquor Board Superannuation Act, it is April 4th, 1951; under the Saskatchewan Government Telephones Act, it is March 31st, 1955; and under the Workmen's Compensation Board Superannuation Act, it is March 31st, 1958. It is proposed to adjust all pensions granted to superannuates who are widows, which were calculated on their average salary throughout their entire service.

Now the reasons why Telephone and Workmen's Compensation have a later date, is because those two acts were amended later than the first three mentioned from a career average basis to the ten highest consecutive years basis.

Now, the next one is the amendment which provides that any superannuate or widow may elect to have the premium for hospitalization and medical deducted monthly from their pension.

The next amendment to the five acts will provide for making of regulations by the Lieutenant Governor-in-Council to permit our employees to contribute and receive benefits under the Canada Pension Plan, and also power to enter into arrangements or agreements deemed necessary to cover such things as integration of the Canada Pension Plan with our Saskatchewan Government Pension Plan. This is the initial step necessary to insure that Public Service employees are assured coverage in accordance with any discussions and arrangements that will necessarily follow the enactment of the Canada Pension Plan.

Mr. Speaker, these are the main changes which are being proposed by this bill, and I would accordingly move second reading of the bill.

Mr. Davies (Moose Jaw): — Mr. Speaker, for a number of years the government has endeavored to make the benefits of the Public Service Superannuation Act, and the other acts that had to do with the pensions of employees in crown corporations, interchangeable in their benefits to all concerned. I know that this has been a task of no small order, because it means, as each year goes by, that legislation that pertains to each area must be considered if there have been changes in any other area, so as to keep, as far as possible, the gains in pension benefits more or less on a level.

This bill, it would appear attempts to further the kinds of principles that we have tried to achieve in this area. The Attorney General, (Mr. Heald) has mentioned the agreements with the other governments in Canada, the other provinces and the federal government so that employees either coming from these areas to the provincial government or to any of its crown corporations, or going from these areas to the federal government or to the other provinces, may be able to achieve some portability of pension benefits. While, of course, this means that we may lose, in some respect, employees that are valuable, we at the same time, are in a position to gain, as I think that we have gained considerably over the years. And I hope that this bill will do more in this way, so that the efforts that we have made before, and particularly the efforts of last year by an amendment to the Public Service Superannuation Act, will be furthered by what we do here.

I must say, Mr. Speaker, that there are parts of the bill which appear a bit puzzling to me. I think probably that any puzzles that I have in mind will have to be taken up in committee, but I suppose what I am really thinking about, is whether the bill will be able to do all that it seeks to do. Perhaps, I am wrong in thinking that there may be some obstacles in the way of the bill doing all that bills hope to do. I simply, at this time, say that I found some of the places in the bill, some of the references a little difficult to understand. Perhaps the Attorney General, (Mr. Heald) will be able to enlighten me and other members of the house, who may have similar difficulties and reservations that I have, may be of little importance. I believe that the same kind of thing that has been attempted to be done for the teachers, is attempted to be done here for the employees in the Public Service, by creating a minimum condition for pensioners, and I point out here again, what was pointed out previously in other debates, in a similar instance, that the minimum is really not a minimum of $2400 by any means, but simply that $2400 becomes a basis for consideration and the calculation of minimum pensions. However again, this is a matter that should be discussed in committee and I don't intend to go too far into that.

I believe that the idea of providing that employees will be able to have deductions made form their pension allowances for hospitalization and medical care insurance is a practical one. It is one, indeed, that is more or less the same thing as we are now doing with employees of the government who want to have deductions from their pay for this identical purpose.

Of course, the clause that has to do with giving the Lieutenant Governor-in-Council the right to make those arrangements and engage in those discussions and negotiations that will have a connection with the Canada Pension Plan and its effects as they will emerge, is I think something that we would all want to support here. Again, there may be some questions under this part of the bill that I would want to ask in committee but on the principle of having the government secure the powers for these discussions if they are needed, I think this is one that I would certainly want to go along with.

Now there are other parts of the bill that I have not made any

reference to that are more or less intervening sections to what I have dealt with to this time and these I think, other than the sections that have to do with the employees who are able to get pension benefits up to the age of fifty-five are in the sections that follow.

I will say a word about the matter of extending the age limit for pensions. This was under discussion last year when a number of other changes were made. I think, in general, that this is an excellent move, Mr. Speaker. Again, I am not quite sure of all the things that these sections imply and these, of course, can be discussed in committee. I think that is all I have to say at this time, Mr. Speaker. I will support the bill and any reservations I have, I think, can be taken up in committee.

Mr. W. Robbins (Saskatoon): — Mr. Speaker, I would just like to ask three brief questions which I think can be classified as associated with the principle of the bill and I think perhaps the minister can give me the information very quickly.

Were the Power Corporation employees and the Telephone employees consulted with respect to this bill prior to it being brought in?

Mr. Heald: — They were not consulted directly by me. I believe that I could stand subject to correction, but I believe they were consulted by the ministers in charge of those various corporations.

Mr. Robbins: — Thank you. My second question is when you bring in Power Corporation and Telephones, I am wondering why the superannuation benefits of other crown corporations aren't brought in under this act? Is there any reason for this?

Mr. Heald: — Such as what?

Mr. Robbins: — The Saskatchewan Government Insurance Office, and the Bus Company and the Sodium Plant.

Mr. Heald: — I can't think of any particular reason. I'm not sure that they have a Superannuation Act. We are taking in these other units of employees that have Superannuation Acts and the purpose of this act is to make it applicable to the existing acts.

Mr. Robbins: — The implication is then that the Superannuation Plans that these other groups have, may not be under acts.

One further question, you mentioned the fact that the Public Service Superannuation Act was not funded. In other words, the government does not set aside funds regularly with respect to people in the public service?

Mr. Heald: — They are under a consolidated fund.

Mr. A.E. Blakeney (Regina West): — Mr. Speaker, I wanted to make a few comments on this Bill because I think that the Bill is a worthwhile Bill and the Bill is one further step in the indicated change in philosophy of superannuation which we have seen grow up in this legislature and indeed, all across Canada in the last ten or fifteen years.

There was a time when a superannuation benefit or a pension payable by an employer to an employee, was thought of as a reward for long and loyal service. When viewed in that light, of course, it was not thought to be properly payable until the long and loyal service had been performed and it was not thought that the employer had any responsibility or obligation until the long and loyal service had been performed and generally, it was not thought that the employer had any obligation unless the employee stayed with that employer substantially until the time of his retirement.

Gradually, it was recognized that this philosophy of superannuation was unsatisfactory. It was unsatisfactory because of its social consequences and it was unsatisfactory because of its economic consequences. Its social consequences were that a goodly number of people who frequently, not from their own volition, frequently from reasons which were forced on them, changed

their employment and by the very changing of their employment, lost their entitlement to superannuation benefits.

The economic consequences were equally unfortunate. It meant that people who had earned some pension benefits with a particular employer were very loath to change their employment even when they might superficially improve their economic status by so doing and even when it would definitely be to the advantage of the industry in which they worked and to society as a whole, if they did change their employment. In short, Mr. Speaker, the rigid arrangements with respect to superannuation prevented the development of the mobility of labor which all have recognized as being desirable if economic growth is to continue at its most rapid pace.

So gradually, these factors came into play and a new philosophy of superannuation developed, a philosophy that superannuation was a deferred wage payment, which is payable to an employee as a right and a payment which he earns, even though he may not be able to collect, even when he works for an employer for a relatively short period of time, and at a relatively early age in his employment career. Out of this change of philosophy, all of us have recognized a development of a new lexicon of terms, portable pensions and transferability and vesting and all the other terms which are used to describe this new right which an employee is believed to have. I think that, for the reasons which I have sketched earlier, because of the old locked-in philosophy has unfortunate social consequences and unfortunate economic consequences, I believe that the new transferability philosophy is a good and desirable one.

We see it in its full flower in something like the Old Age Security Pension which someone is entitled to receive, regardless of where he may live in Canada and regardless of how many employers he may have had. We have seen this same idea carried forward into the provisions in the Old Age Security arrangements which allows someone to receive that Old Age Security Pension even if he lives outside of Canada. We see it again in full flower but at a higher level in the Canada Pension Plan, where the whole idea is to provide pensions which will be readily transferable from province to province, from employer to employer. Perhaps I am not making myself too clear but what I wish to say is that an employee will be able to maintain his pension ability if he moves from province to province or employer to employer. This indeed, is considered so desirable that one of the misgivings that is being voiced with respect to the Canada Pension Plan based upon an opting out arrangement is that this very transferability or portability will be jeopardized by the fact that one province may erect a plan which will be sufficiently different from the Canada Plan to prejudice portability.

I merely point these, put forward these ideas, Mr. Speaker, to illustrate the idea that there has been a substantial change in the philosophy of superannuation. If this change has found its way into the Saskatchewan Acts in the past ten years or so, one way and another, we have reciprocal arrangements with, firstly, with the other government plans, so that there was ready transferability from the public service to teacher, to liquor, to power, and the rest. We then have seen the development and growth of reciprocal arrangements. These unfortunately, at least in my view, have not grown rapidly enough and I am pleased to see the provisions which will allow additional reciprocal arrangements between our plans by which I mean all the plans enumerated by any Attorney General in his opening remarks, and plans operated by other public service employers, whether they be the federal government or other provincial governments or municipal governments.

We saw, also, in our plans, the introduction of the idea of vesting after ten years. The idea that once an employee had worked with the government of Saskatchewan or one of its agencies for ten years, he then earned a right to a pension. It may well be deferred until he is sixty-five, but he has, by serving ten years with the government, entitled himself to a pension benefit.

Once this was put in, the position of the people who are on the employee's saving account became incongruous. Once it was clear that if a person joined the public service at forty-four and worked until fifty-four, he could earn himself a pension, it became immediately incongruous that a person who came at forty-six and worked to fifty-six not only did not receive a pension at the same level of that provided by the Public Service Act, but was entitled to nothing but a return of his benefits. When this incongruity appeared, the work was begun on how to make the Employees' Saving Plan, how this could be equated in this area to the provisions of the Public Service Plans and the proper solution was to move the eligibility

provisions of the Public Service Plans up to fifty-five and this is the one which I know the Public Service Commission was doing some work on when my friend, the member for Moose Jaw, was the minister in charge. I am pleased to see that this work has matured and allowed these proposals to be put forward. Certainly there are a number of people, most of them it seems to me, connected with the Department of Public Works Building staffs, who have, as it seems to me, been subject to an injustice because of the particular way that these various pension plans applied to them. I am pleased to see that a way has been found to raise the eligibility level for the Public Service Superannuation Plan to fifty-five. This immediately makes the E.S.A. position logical, in that anybody who works for ten years under the E.S.A plan entitles himself to some benefit from the crown and anybody who works for ten years under the Public Plans or the Act Plans, entitles himself to some benefit from the crown. The idea is firmly established that if you work for the crown for ten years that you are entitled to some of the crown's money and I think that the next step which should be taken is the examination of whether or not ten years is the appropriate time. I would like to think that as time goes on we can increase the portability provisions by lowering the ten year provision to a shorter one. There are some accounting problems here, mind you, when it's done by way of deferred pension. But I think that these can be surmounted and I know that the people in the Public Service Commission who are skilled in this and who are among the experts certainly in the province and indeed in Canada in this field, will be giving it their attention.

I must commend the minister for introducing the additional allowance for certain persons, provisions which we have discussed earlier with respect to the Teacher's Superannuation Act and made comments concerning, which I do not propose to repeat.

My only other comment is with respect to integration with the Canada Pension Plan. I do not wish to direct any comments to the particular provisions of the Bill but merely to express the hope that a way can be found of integrating as many as possible of our act plans in Saskatchewan into the Canada Pension Plan. I know that Public Service employees here will not wish to become subject to the Canada Pension Plan if they feel that they are going to suffer any substantial loss as a result thereof, but I think that ways can be found which give to Public Service employees the high degree of portability which is inherent in the Canada Pension Plan and which at the same time, do not unduly penalize them by being members, not only of the Canada Pension Plan, but also if the act plans enumerated in section 2 of the Bill.

I think that all of us who have responsibility with respect to the pension plans, should do everything we can do to integrate them with the Canada Pension Plan. I do feel that the aims and objects of the federal government in introducing the Canada Pension Plan, particularly the object of portability is very highly desirable and I don't think that the narrow interests of a particular pension plan ought to prevail over those highly desirable objects unless the reasons, judged on a personal basis, are compelling.

Accordingly, I am pleased to see that the Lieutenant Governor-in-Council is to have powers to enter into the appropriate arrangements. All in all, I think that the act contains a number of good provisions which members on both sides of the house will find themselves able to support.

Motion agreed to and Bill read the second time.

Hon D.V. Heald (Attorney General) moved second reading of Bill No. 90 — **An Act to amend The Saskatchewan Insurance Act, 1960**.

He said: Mr. Speaker, the amendments proposed in this bill, with the exception of the repeal of section 118 of The Saskatchewan Insurance Act, have been approved and recommended as uniform legislation by the Association of Superintendents of Insurance of the various provinces in Canada.

The repeal of section 118 will also effect uniformity in that the other provinces of Canada never followed Saskatchewan in enacting a similar provision.

Mr. Speaker, section 118 of the Insurance Act was enacted in this province in 1957 and it provides that conviction under the relevant sections of the Criminal Code is conclusive evidence that a person who is driving or operating an automobile while under the influence of intoxicating liquor. The section when enacted met with the approval by persons mainly concerned with highway safety. However, since that time, no other province has seen

fit, to enact the legislation and instead, many persons have since found this section to be unfair. The repeal of section 118 recognizes that there are two separate actions involved. One a criminal prosecution and the other a civil action. The repeal will recognize the principle that a criminal conviction should not be conclusive evidence against the insured in any civil action.

Now, the Bill provides as a condition of license in Saskatchewan, that an automobile insured shall not set up any defence to a claim in Saskatchewan, if the policy was issued outside Saskatchewan or in another province or territory. If the policy was issued in Saskatchewan that might not be set up if the policy had been issued in the jurisdiction which the claim had arisen. The purpose of this provision, Mr. Speaker, is to facilitate the adoption of the uniform financial responsibility card.

The Bill also amends the content requirements of certain policies of insurance to facilitate the issuance of policies on a recording basis, that is, where the coverage and premium depend for example, upon an inventory which changes from time to time. The act presently provides that the amount of the premium must be stated whereas the amendments provides that the policy need only state the method of determining the amount of the premium.
Mr. Speaker, the other amendment in the Bill, provides for an increase in the minimum limits of insurance under the act, to $35,000 all inclusive. The present limits are $10,000, $20,000 and $5,000 which are below those prevailing in most other provinces of states.

There is an absolute liability on the part of the insurer, the insurance company, under a motor vehicle liability policy to the extent of the minimum limits. And, for that reason, it was considered desirable to increase the minimum limits to the more realistic figure of $35,000. I am sure all hon. members would agree that with changing conditions, the incidents of accidents and the likelihood of judges and juries, and so on, raising the amount of awards, that this is a very realistic change and a much needed change to increase the minimum requirement, the minimum limits to $35,000.

Those are the principles in the amendments and with that explanation, Mr. Speaker, I would move second reading of this Bill.

Mr. A.E. Blakeney (Regina West): — Mr. Speaker, I don't propose to say anything very extensive on this Bill. The proposed change with respect to section 118 is one which I think can be the subject of a difference of opinion. I rather agree with the Attorney General (Mr. Heald) that it is on the whole, undesirable to provide that criminal conviction shall have specific civil consequences. It seems eminently reasonable when stated that he was convicted of impaired driving by a court if criminal law which must be convinced beyond reasonable doubt of the guilt of the accused, ought to be very good and conclusive proof that the person was intoxicated for the purposes of an insurance policy. Certainly, that has all the attraction of a reasonable argument. The difficulty, however, is that the provisions of these sections are not ordinarily understood by members of the public, sometimes acting without solicitors, it therefore is possible for someone to plead guilty to an offence under section 222 or 223 without realizing the very substantial civil consequences it may have for him. While you may feel that it is highly unlikely that anyone would plead guilty of impaired driving if he wasn't guilty of impaired driving, I think members of the public might be surprised at how often this probably occurs. A person may well have consumed some alcoholic beverages and is involved in an accident and the police say he is guilty of impaired driving and he may be quite unaware of the fact that something more needs to be proved other than that he had consumed alcoholic beverages and he was in an accident.

He may be quite unaware of the fact that a higher standard of proof than those simple facts is necessary in order to obtain a conviction. He may then plead guilty, pay a nominal fine if he has a white license and has no previous convictions along this line at all, and suddenly finds that his plea, which he thought was for the purpose of his criminal liability only has had very substantial civil consequences.

Accordingly, if the lead indicated by section 118 had been generally adopted across Canada, so that it became public property, I think it would have been a rather good idea, but inasmuch as it has not been accepted generally and accordingly, it has not become a matter of the legal folklore by which people govern their lives. It seems to me that we must consider its repeal.

The other point I wanted to mention was the change in section 214 raising the limits from $10,000, $25,000 to $35,000 inclusive. I take it that this means that all of the provinces of Canada or substantially all of the provinces of Canada have now introduced a $35,000 minimum limit and that accordingly, motorists in Saskatchewan can, motorists across Canada can come into Saskatchewan with the knowledge that their coverage is the same as is required by our law. I am not sure whether I am entirely speaking to the right point here but if I am right in my conclusion, and this is a desirable development, I recall when I was Provincial Treasurer and minister in charge of the Saskatchewan Government Insurance Office, there was a good deal of discussion on this and it was generally worked across the west and it was seeping its way into the Maritimes at that time. I am therefore pleased that this has come to pass, and I think that I find nothing in the Bill which is particularly objectionable.

Motion agreed to and Bill read the second time.

Hon. D.V. Heald (Attorney General) moved second reading of Bill No. 92 — **An Act to amend The Trustee Act**.

He said: Mr. Speaker, these are proposed amendments to the Trustee Act. This Bill, the 1965 Bill, is based on the Act to amend the Trustee Act which has been recommended by the conference of the commissioners on uniformity of the legislation was recommended in 1957. Its adoption was requested by the Saskatchewan section of the Trust Companies Association, subject to some slight modifications. The general purpose of the amendment is to enlarge the scope of Trustee investments in the province. Mr. Speaker, the Uniform Trustee Act has been adopted by British Columbia in 1960 and in Nova Scotia some time ago, and amended a few times since, (it has some differences extending the range of investments to common shares). Ontario also adopted the Uniform Act in 1960. This Bill before the house now extends the range of trustee investments to include:

(1) Corporate bonds supported by a mortgage of assets and preferred shares of the corporation in both cases subject to compliance to the certain dividend record; maintenance of a specified rate on preferred shares, and four per cent on its common shares over a five year period.

(2) Guaranteed trust or investment certificates of a trust company to be approved by the Lieutenant Governor-in-Council.

(3) Bonds of a loan company which meets a certain standard.

That is to say, the loan company would have to have power to lend money on mortgages on real estate; it would have to have a paid up capital of not less than $500,000; it would have to have a reserve fund of not less than twenty-five per cent of its paid up capital; its stock would have a market value of not less than seven per cent in excess of par value.

The next extension is first mortgages of real estate, up to two-thirds, sixty-six and two-thirds per cent of appraised value. Now, sixty per cent in the Uniform Act, and at the present time it is fifty per cent in our act. It is felt that this is a realistic extension of power. Next the proposed extension to include in trust, the securities, securities issued are guaranteed by the International Bank for reconstruction, and development, payable in Canadian-U.S.-U.K. or Commonwealth funds. Mr. Speaker, further amendments in this bill are as follows:

(1) No corporate trustee may invest trust monies in its own security.

(2) Investment in corporate bonds, bonds of a loan company, or preferred shares, may not exceed thirty-five per cent of a whole estate.

(3) That the instance of the trust companies, the provisions that investments in the three classes referred to above, made by a testator and authorized to be retained in the trust instrument, do not require to be sold to bring them within the thirty-five per cent limitation.

The other change in the case of the investment in preferred shares of not more than thirty per cent of the shares of any corporation may be purchased.

The next change, preferred shares must be listed on the stock exchange before the investment is permitted.

The next change, in addition to investment authorized by this act, or the trust instrument, there is provision that investment may be made in securities approved by a judge of the court of Queen's Bench.

Next, the express provision is made for the deposit of trust funds in a bank, or a trust company, loan corporation, or corporation empowered to accept monies for deposit and approved by the Lieutenant Governor-in-Council. The example would be a credit union, where the trustee is a member. This was formerly a common law power deemed limited to chartered banks.

The last change, Mr. Speaker, in the proposed bill, approval of the Lieutenant Governor-in-Council, of the Society or Company, for deposits with that Company or Society, or investment, in its debentures under section 4 of the present act, which is repealed by this bill, is deemed to be approval for the purpose of investment in the guaranteed trust or investment certificates of the trust company, or for temporary deposits of a bank, trust or loan company.

Mr. Speaker, I move second reading of the bill.

Mr. J.H. Brockelbank (Acting Leader of the Opposition, Kelsey): — Mr. Speaker, only one or two questions, that I would like to ask in regard to the general principle of this bill. I don't remember what the minister said in regard to discussions and conferences with the whole industry being held. This is rather a complicated question and it is very desirable and essential that the investments of trustees be properly safeguarded and at the same time not to unduly restrict their activities.

The other point that I would like to ask about is, are these amendments now in line with amendments that have been, or are being adopted in other provinces of Canada? These are the two questions I would like to ask. I think the rest of the discussion, as far as I am concerned, can better be handled in the committee.

Mr. Heald: — Yes, Mr. Speaker, this Bill is based on the uniform bill which was recommended by the conference of commissioners of Uniformity in Legislation, which convened in 1957. They, as a result of many discussions and conferences, came up with what they considered to be a draft bill, or a uniform bill and since that time, all of the province, or most of the provinces of Canada, have been moving towards complying with these uniform provisions, have been adopting these uniform provisions suggested by this conference on Uniformity, and as I did point out, The Uniform Act of 1957 was adopted by B.C., by Nova Scotia, and by Ontario. As we go, clause by clause, you will see that practically all of the changes which we are proposing here are to bring them into line with The Uniform Act.

In almost all of them, there are a few adaptations. There were certain powers in the old act, the act as it is now, for example, in section 3, "investment in securities in municipal corporations, now limited to the province of Saskatchewan", we have retained that restriction, but by and large, the proposed amendments are to bring out our act into line with the Uniform Act.

Motion agreed to and Bill read the second time.

Hon. D.G. Steuart (Minister of Public Health) moved second reading of Bill No. 98 — **An Act to ratify, validate and confirm a certain agreement between the City of Regina and Saskatchewan Power Corporation.**

He said: Mr. Speaker, the purpose of this Bill is to ratify the legal validity to all the provisions of an agreement entered into between the city of Regina and the Saskatchewan Power Corporation, whereby the city sells to the corporation its light and power utilities, consisting of its power plant, electrical distributions system. The Bill ratifies and confirms the bylaw 3852, dated March 27th, 1965 of the city of Regina, whereby the City Council approved the form of agreement and authorized its execution on behalf of the city.

Similarly, the Bill further ratifies and validates, and confirms Order-in-Council, 523-65, dated April 1st, 1965, whereby the Executive Council of the government of Saskatchewan, has indicated approval of the agreement on behalf of the Saskatchewan Power Corporation.

A summary of the consideration payable by the Corporation to the city, for the purchase of the city's utility, is as follows:

The agreement provides for the imposition of a ten per cent surcharge on all customer's accounts within the city for a period of twenty-five years. The authority for which is presently contained in section 34, subsection 2, of The Power Corporation Act. The corporation guarantees the city an annual payment of $2,000,000, comprising the ten per cent surcharge, and a supplement to be paid by the corporation until such time as the amount of the surcharge realizes $2,000,000 annually. In addition to this, the corporation agrees to pay to the city five per cent of the gross revenue derived by it from the sale of electrical energy within the city, as may exist from time to time. This payment to be maintained in perpetuity.

The corporation further assumes liability for payment to the city of the amounts necessary to retire the presently outstanding debenture debt against the utility, amounting to approximately $7,500,000, as well as payment for inventory, and spare parts on hand amounting to approximately $400,000 as well as the value of improvements, which the city has paid for since January 1st, 1964.

With the exception of the surcharge and the five per cent of revenue, the foregoing constitutes the actual consideration for the purchase of the utility itself. The surcharge and the five per cent of revenue are additional considerations relating to the purchase of the city's utility as a going concern and are designed to maintain a level of revenue to the city, comparable to that which it enjoyed as owner of the utility.

While there is no question of the right of the city and the corporation to enter into an agreement for the sale of the city's utility to the corporation, certain of the terms and conditions of the agreement are not permitted by, or consistent with, certain existing laws of the province, consequently, the agreement requires ratification by special act of the legislature to give legal validity to those terms and conditions.

The agreement is dated January 1st, 1965, it is declared to be legal, valid and binding on the city and the corporation, on and from this date, notwithstanding that the effective date of sale and transfer of the utility to the corporation, is agreed upon between the parties as May 1st, 1965. This is contained in section 2 of the bill.

Section 3 of the bill, provides that Her Majesty is bound by the provisions of the validating act and by the provisions of the agreement itself.

Section 4 of the Bill provides that the money payable by the corporation to the city pursuant to clause 12 of the agreement, with the exception of the provisions relating to the payment of debentures, may be appropriated by the council of the city and dealt with as if it were general revenue, whereas existing legislation would require such monies to be paid into capital account, being monies realized from the sale of a capital asset and consequently, this Bill is necessary to enable the city to treat the money as general revenue.

Section 5 of the Bill is self-explanatory, to the effect that the payments to the city by the corporation and the provisions of the agreement are deemed to represent the fair, actual value of the city's utility.

Section 6 of the Bill operates to reduce the city debenture debt by the amount of the debenture debt assumed by the corporation under the payment of $7,500,000 referred to therein.

Section 7 of the Bill provides for variation of certain of the powers of the corporation, as provided in the Power Corporation Act.

Sections 31 and 32, referred to, relate to the corporation's power to construct facilities on highways, streets and lanes, etc., and determining removal of trees and obstructions from adjoining properties. The exercise of these powers is the subject of an agreement, supplementary to the main agreement between the city and the corporation, which defines the procedures which the parties will follow in the future in exercising these powers within the city.

Section 35 which provides the amendment of a contract where supplied to a city by the corporation is made subject to the provision of the agreement between the city and the corporation. Because of the provision for supply, which are contained therein, section 35A which describes the respective franchise areas of the corporation and the city operating its own utility, has no application by virtue of the transfer of the utility of the city to the corporation, but is referred to for greater certainty.

The right of the corporation to impose ten per cent surcharge on all electrical accounts in the city is validated for the twenty-five year term of the agreement, as well as the right to maintain the payment to the city, consisting of five per cent of the revenue derived by the corporation from the sale of electrical energy within the city.

Section 8 of the Bill is necessary to enable the corporation to maintain for the benefit of those employees acquired from the city, a pension plan, similar to that maintained by the city, should the employees desire to remain under the provisions of this plan, rather than the superannuation plan afforded by the Power Corporation Superannuation Act. The limit of twenty years of service with the city which may be reckoned as though it were service with the corporation is necessary to maintain consistency, with a similar provision contained in the Power Corporation Superannuation Act, which is applicable to employees acquired by the corporation from other utilities.

Section 9 gives the right to the city and the corporation to vary the agreement from time to time, and further to give legal validity to any variation so agreed upon.

Inasmuch as the agreement is in perpetuity, and the provision for repayment, in respect of the purchase of the utility, extend over a period of twenty-five years, it is essential that the parties have a right to vary the agreement, by mutual consent from time to time, as circumstances may require to facilitate continued reasonable administration.

Mr. Speaker, I move second reading of this Bill.

Mr. E. Whelan (Regina North): — Mr. Speaker, Bill 98, to ratify an agreement between the city of Regina and the Saskatchewan Power Corporation, seems to me, in effect, to contain conditions and details of the actual agreement to sell the city of Regina's electrical power plant and distribution system to the Saskatchewan Power Corporation. As everyone in this assembly knows, negotiations have been discussed over a long period of time in City Council, in the press on television, and I believe at a couple of public meetings.

The citizens of Regina, Mr. Speaker, by a vote of two to one in a plebiscite, have indicated their approval of the basic agreement. There is no possible way, in my estimation, for lengthy and involved contract contained in this bill, could have been presented to the average citizen for his endorsement or rejection, but it is my belief that the plebiscite when it was taken was explained to some degree and the main points were covered prior to the time the actual vote took place.

Mr. Speaker, a decision of the burgesses, in this respect influences my judgment and certainly my support of Bill No. 98, I hasten to say that we have confidence in Mayor Baker and his signature is on the document, and I believe that as an assembly, we must endorse the action of the City Council. Mr. Speaker, while there are some portions of the agreement that might have been more generous to Regina, and while we might, as representatives of Regina city, insist or attempt to obtain a larger payment for the facilities, I don't think we can in principle disagree or refuse to ratify the agreement.

There are three advantages, it seems to me that the agreement might bring to the users of electrical energy. It comes to my mind, first, the integration of the Regina electrical energy facilities with the provincial Saskatchewan Power Corporation, has certain advantages. Second, the Saskatchewan Power Corporation, with its Squaw Rapids Development, the South Saskatchewan River Dam Development, and the plant at Estevan, and so forth has the necessary surplus energy to guarantee an uninterrupted supply of energy to industry in Regina. Third, the supply of electrical energy for all consumers in the Regina area is guaranteed, without heavy capital investment by the burgesses.

Mr. Speaker, the advantages, first of integration, are manifold. Just to state one or two of them, the larger system, I believe has the

research facility, the engineers and the customers to introduce new production of energy techniques and is in a position as well to negotiate inter-provincial power grid arrangements for supplying power to customers at a low cost, with a minimum capital investment.

Mr. Speaker, the situation ten years from now may be vastly different from the situation in existence at the present time. The possibility of the development of atomic energy and other production techniques is very real. This agreement is part of the machinery necessary in order to keep pace with these developments. For the past decade or more, the consumption of electricity in Saskatchewan has increased at a tremendous rate. Consumers have used more and more electricity, and the influx of industry has demanded a large volume of electrical energy. We must have available at all time a surplus of electrical energy to guarantee the necessary supply to meet their needs. The arrangement set out in the agreement will guarantee any future industry, locating in Regina, this necessary electrical energy.

Turning to the third point, Mr. Speaker, the agreement will provide an uninterrupted supply at the lowest cost to the citizens of Regina. No isolated plant can over a long period of years guarantee an uninterrupted supply without a big capital investment for stand-by equipment.

Many times in the past years, and on a number of occasions in the coldest part of winter, the electrical supply, to the city of Regina, has been interrupted due to difficulties. An emergency arrangement with the Saskatchewan Power Corporation was necessary because of these interruptions. Looking at the long term requirements and the advantages of provincial integration with this city utility, the principle of the bill, I maintain is sound. Those of us on this side of the house have an obligation to see that the Saskatchewan Power Corporation, and, therefore, the Saskatchewan government gives the best possible terms of sale to those who built Regina's power plant and distribution system.

It is a monument to public ownership, to community initiative to the technicians and employees who provided the city of Regina with electrical energy for many years.

All of us, and particularly the Regina members have to give credit, Mr. Speaker, to the imaginative and courageous steps that were taken by those who built Regina's electrical facilities. The employees must be considered and their welfare given high priority, and I think the agreement has done this to some extent. It will be the obligation of the Saskatchewan Power Corporation to place on the terms of this agreement, Mr. Speaker, a most generous interpretation in working out satisfactory agreement as contained in Bill 98.

In closing, Mr. Speaker, I would hope that the minister closing the debate, will set out to members of the house, the procedure for arbitration in the case of a dispute between those participants in the agreement.

Mr. Speaker, I will support the Bill.

Mr. H.H.P. Baker (Regina East): — It is quite a problem for me to get up here to speak on this Bill, when I have opposed it for a good number of years at City Council, and then being the signing authority, to have to sign on behalf of the city to have it presented here. It is true the electors voted, with a good majority to sell this utility, City Council voted 9 to 2 on the last count, to sell it as well, and all along I have disagreed with it and I still disagree with the sale of the electrical utility, that has been in the hands of our city for over sixty years.

There were many misrepresentations made when this was put to the people for the vote. I notice the hon. member for Regina North, (Mr. Whelan) supports this, it is nice to disagree on some of these issues, and we were sort of circled by this legislature in 1958, you drew a line around Regina and didn't permit us to expand our utility. I understand this was carried unanimously by the legislature, and, therefore, we were hemmed in, so to speak.

I think that being forced into somewhat of a submission, the people probably took this into account, and I have done everything possible to try to get those barriers removed. Then, of course, we tried to get a new turbine installed in the plant. We went to the local government board. There were various legal ramifications to get by, and it was held up for several years, and that is the reason why there was the odd break which gave us a shortage of power this past six months or so.

Had we been given the green light to put in the turbine, we would have had plenty of power to carry on until 1969. We, in Regina, for twenty years, fifteen years at least, sold power to the Saskatchewan Power Corporation, and had we not done that, there is many a community in this province who would have been without electricity and without heat, light and so forth. So, that this utility has been a blessing to Regina, a real money maker, and it is most regrettable that this is being sold.

However, there is another thing that has come up with regard to the sale of this utility. During the campaign, when the vote was being taken, certain people emphasized that the reduction of rates would be for practically the lifetime of the agreement. This reduction of eighteen per cent and then the city surcharge would make it about ten per cent reduction and we find in the agreement, if you check it very closely, the reduction is only to last three years, and it is on this premise that I an going to appeal to this house that this agreement, if ratified, be sent back to the city of Regina voters to have another look at it.

There is another complaint that I have to make, I think there is a big question mark after this one. When the vote was taken, not only did the burgesses vote, but the electors as well, and there has been some legal question as to whether electors should have had the right to vote on this issue. So, Mr. Speaker, I believe if this is ratified, and no doubt it will be, from the remarks made on both sides of the house, that it should go back for another vote this June and could be made effective July 1st.

In the council I moved that we ask the corporation to guarantee us that there be no rate increase for at least fifteen years. However, I didn't get the support of council to go ahead with that sort of plan. Now, the sale of this plant is going to mean much harm to our community. Last year, we had a surplus of over $3,000,000. In the agreement you will note that we are going to get $2,000,000 plus a five per cent surcharge, or in total in I960, we will probably get $2,250,000. We made over $3,000,000 last year, where is this other $750,000 going to come from, which has been taken into revenue in this city over the years?

Other fringes are tied in with it. We are going to have to find in the city of Regina for the 1966 budget, over $800,000 — four and a half to five mills. This is why I have so strongly opposed the sale of this plant. We made over $500,000 more last year than we anticipated. We made an extra $100,000 from January 1st to the end of March this spring, that we didn't expect, and so, with the growth in electrical usage, there isn't any doubt that these profits will be much greater in the future than they have been in the past.

We are selling a utility to the government for $50,000,000 which is worth $80,000,000 today, and we are not ever getting one cent as a down payment. I appealed to the former management of the corporation to at least give us a $15,000,000 or $25,000,000 down payment. Here they have got something that they bought on time and they are going to pay $2,000,000 a year plus the surcharge that the minister mentioned.

You can see the reason why I have so vehemently opposed the sale of this utility. There isn't any doubt that it will be a money maker, for the corporation, but it would have remained as a real money maker for the City of Regina. It is disastrous deal and it is practically giving away a heritage that was started over 60 years ago. I am sure that when this deal is culminated, the pioneers who have passed away will feel like turning over in their graves.

It appears to me that I cannot stop this agreement being ratified, but I would ask the house, if it is ratified, and because of the changed condition, this major change where the rate reductions will only be guaranteed for three years, that this goes back to the burgesses for another vote and have another look because during the campaign I stated, it was understood tat the guaranteed rate reductions would remain during most of the lifetime of this agreement. I'm not criticizing the government on the other side, or anyone on either side, these were arrangements that were discussed and followed through. We were prepared even to integrate with the corporation. We had planned to move our plant to the lagoons, northeast of the city, and it would have paid us to do it, and put in a turbine in the plant when we needed it. We would have it half paid for now, with the result of the profits we had made. We could have moved the plant at a nominal cost and we would have been happy to integrate with the power corporation, but the surcharge was so high. When you have to pay $85,000 a month in two years to pay for a turbine, you might as well build a whole new plant. You are way ahead.

I would appeal to you, Mr. Speaker, and to this house, that we allow Regina to keep its system and to integrate with the power corporation on a reasonable basis or if it is ratified here, that it be turned over for a referendum to the city of Regina, or if you wish, let the city keep its utility and expand in its own way by moving the plant and putting in turbine out at the lagoon system, where we need water for the steam generation.

In speaking today, I want to go on record that I am opposing it in this house, when the third reading comes up and I would hope that the house will give serious considerations to the suggestions that I have made and if the burgesses approve it on the basis of the agreement today, then I am prepared to go along with the wishes of the people. The wishes of the people were expressed, it's true, no one can hold up this agreement, the council approved it, the burgesses did, but because of this major change, I think they should have another look at it. With that I want to again voice my strong disapproval of the sale of the utility which the pioneers built in this city, one of the first and the major one before the corporation was ever born and which is being given away for $50,000,000 when it is worth $80,000,000. Thank you very much.

Mr. A.E. Blakeney (Regina West): — Mr. Speaker, I just want to add a few words to the debate on this bill. This bill is a very important one for the city of Regina. The proposal that the city of Regina sell its generating plant and distribution system to the Saskatchewan Power Corporation has been one which has been under discussion for a number of years. The proposal, which has been arrived at, is one which has been negotiated with a great deal of care by the Saskatchewan Power Corporation on one hand, and the city of Regina on the other hand. I felt for some time, thinking only of the benefits for the city of Regina, that this basis of negotiation is not the one that I would have chosen.

I have expressed the view to the former minister in charge of the Power Corporation, and expressed it to a number of the Aldermen, that if I were an Alderman of the city of Regina, it seems to me, I would be attacking this on the basis of wishing to sell the generating plant and retaining the distribution system. It seems to me that the hand writing is on the wall for generating plants of the size which serve the city of Regina. Sooner or later, perhaps in ten or perhaps in fifteen years, generating plants will be obsolete from a technical point of view.

Accordingly, it seems to me that the city of Regina was virtually forced by changes in technology to get out of the business of generating electrical power. Electrical power, for cities like Regina, is going to be supplied in the future by great plants at Boundary Dam or Squaw Rapids, or the South Saskatchewan Dam or as the case may be. These plants will get bigger rather than smaller. But these same arguments do not equally apply with respect to a distribution system and I personally felt that the city of Regina would be better advised to negotiate on the basis of retaining its distribution system, which I think will prove to be a substantial money maker over the years ahead. I really think the city of Saskatoon is on the right track in this regard, and I felt that the city of Regina ought to pursue that particular course of action. This is a very common pattern in Ontario, where municipalities in many instances own distribution systems and buy their electrical power wholesale from the Ontario Hydro, who generates great plants such as the Beck Plant. So, it seems to me, that it was not necessary for the city of Regina to sell its distribution system, in order to get the undoubted benefits which will occur in the years to come, of stability of supply and lower price which will come from getting power from new and large sources of generation.

However, the negotiators on the part of the city of Regina evidently did not see it that way. This idea was undoubtedly raised with them. I know that I did, and I am sure that it was hardly an original idea. It must have occurred to them many times. They must have consulted with experts whom they engaged to advise them on this matter and after giving the matter study, the city of Regina, the council of the city of Regina, has reached the conclusion that they want to enter into this agreement.

I certainly have not given it anything resembling the study which I am sure they have. I haven't had the benefits of their technical advice and I find myself unable to second guess them on it. I feel, instinctively that they have made a wrong move and that they should hang on to their distribution system. I can't back that up with facts. The city has presumably analyzed this and arrived at their view of the facts. They have, presented

it to the burgesses and the council adopted it. It was presented to the burgesses and I think as clear a form as an agreement such as this, can be presented in a plebiscite form to burgesses. I don't ever accept the view that that agreement could be adequately and fully interpreted to burgess for the purpose of plebiscites. I rather think the burgess have appreciated what the arrangement was all about. The basic terms have been street talk in Regina for a couple of years now.

Accordingly, while I instinctively feel that the city made a mistake in disposing of its distribution system, I don't have the facts to support my view and I find myself unable to disagree and I think this is the way that I wish to phrase it, unable to disagree with the judgment of the city of this, and I will with some little reluctance, find myself supporting this bill.

Mr. W.E. Smishek (Regina East): — Mr. Speaker, I don't intend to debate the bill, I would like to ask a question if whether in the third reading, we will be going through clause by clause of the agreement itself? There are a number of questions that I would like to ask the minister, whether the agreement will be read clause by clause in committee. Would the minister answer that?

Mr. Steuart: — Well, it may be, it's quite a long agreement. This is up to the house, when we get into committee. Certainly, if you have any clauses that you want, they will be opened up, when this gets into committee. It will be taken just like any other bill.

Mr. Smishek: — Well, there will be an opportunity to ask questions.

Mr. Steuart: — Oh yes.

Mr. J.H. Brockelbank (Acting Leader of the Opposition, Kelsey): — Mr. Speaker, before we take the vote on this motion, I would like to say a few words. I haven't had an interest in this question as the member for Regina East, (Mr. Baker), the Mayor of Regina, and I represent a constituency far away from Regina, but I have been for some years a captive of the city of Regina, and probably what I say will point out some of the other angles in regard to this proposed sale, and I hope, will be consolation, if any consolation is needed for any of the members for Regina or the mayor of Regina.

One of the things I have had to do since I have been in Regina, is to pay taxes and the light bill, and it is rather shocking to find that last year, we people who live in Regina, and who pay light bills, paid 53,000,000 more than the cost of supplying the service. Now this goes into revenue of the city. I know it is not wasted, but most people would like to have their expenses segregated and to know how much the power costs them and how much they pay in taxes and so forth. So this is certainly been a money maker for the city of Regina, but the fact that this power plant has made money doesn't mean that that revenue going to the city, has been raised in the most equitable and fair manner. It is questionable whether it would be fairer to raise this in this manner or by taxation.

One of the things that doesn't do the city of Regina any good, from any point of view, is the location of the present power plant. I hope, if this sale takes place, that this power house will disappear in the not so distant future.

Saskatchewan is a place where we are often short of water and certainly the Regina plains are no exception. We have this little artificial lake, Wascana Lake, and to have a large power plant located on this lake certainly doesn't do it any good, when it increases the temperature of the water by a good many degrees. The only thing, as the Minister of Agriculture, (Mr. McDonald) is thinking about livestock, and the former Minister of Agriculture (Mr. Nollet) is thinking about his livestock, it does provide a place for the geese and ducks to stay over winter.

If we want that done, that could be done otherwise too. So I cannot see any great trouble for the city of Regina, for the residents of Regina in the sale of this plant. Certainly, when I realize that over the years, we have paid electric rates much higher than necessary to carry the cost of development of that electricity, I think we can take a chance on the Saskatchewan Power Corporation being at least as kind to us in the manner of electrical rates. I will support the Bill.

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

Mr. Steuart: — Mr. Speaker, I haven't got a great deal to say in closing this bill, about the points raised. The mayor of Regina (Mr. Baker), the number for Regina East, raised the point that for only three years were these reduction rates guaranteed and this is true. It is written in, Mr. Speaker, for three years, but from then on, it is written in the agreement that the corporation shall not make available to customers or consumers in any other city, rates or classes of rates that are lower than those applicable to customers or consumers in the city of Regina. After three years, they will have the general protection that all other cities have, as far as rate construction is concerned.

I think it should be pointed out as well, as the hon. member for Kelsey, (Mr. Brockelbank) pointed out, that the city of Regina will be receiving a ten per cent net reduction on all electrical bills, as well as the fact that the city will be receiving the difference between what ten per cent of the bill will produce and $2,000,000 and it is estimated it could take as long as fifteen years to seventeen years for the ten per cent to produce $2,000,000. So the payment then made to the city under this agreement will in fact be subsidized for this length of time and is in fact, will in fact, prove a very substantial payment for these facilities.

But my feeling about it, when this was in the process of being negotiated was that the city council of Regina has considered this agreement and this proposed sale for considerable length of time and voted in favor of this agreement. The citizens of Regina have had a chance to vote on it and they too have voted by substantial majority in favor of this. So I feel that it is the responsibility of the legislature to ratify this agreement and I am pleased to see that most members in the opposition representing Regina, do support this bill.

ADJOURNED DEBATES

RESOLUTION RE AMENDMENT OF CANADIAN CONSTITUTION

The assembly resumed the adjourned debate on the proposed motion of Hon. D.V. Heald respecting the amendment of the Constitution, and the proposed amendment by Mr. Blakeney.

Hon. J. Cuelenaere (Minister of Natural Resources): — Mr. Speaker, in rising to speak on the motion to express approval of a draft of An Act to amend the Constitution in Canada, at the outset, may I congratulate the Attorney General, (Mr. Heald) on the clear and concise manner in which he explained the proposed act, which will bring home the constitution and provide conditions under which it may be amended.

I would like to also express my congratulations to the members opposite who have spoken on the address, on a rather difficult, technical and contentions subject. I agree with the hon. member for Hanley, (Mr. Walker) when at the opening of his address, he stated that this is a momentous debate, and that on the result of the debate, in this house, in other provincial houses and in the federal house, will depend the legal foundation and stature of our society for many years to come. I would like to add, on the result of these debates, also will depend on the status of Canada, as an independent nation. But no matter what the ultimate outcome may be, I am sure that debates such as this, in all parts of Canada, will have served a useful purpose in awakening the Canadian people, to a great national awareness.

While I have commended those opposite who have spoken, I must add that in my view, they grossly overstated their case, and expressed unwarranted doubts, alarm, scepticism, suspicion, fear and distrust, mistrust in the wisdom and the good sense of Canadians, mistrust of the present and the future, and Mr. Speaker, as we say in court, with all due respect to my hon. friends, I cannot agree.

There may be some misconception in the minds of the public and even here, as to exactly what is meant by the constitution. What is meant, when we speak about amending the constitution, by repatriating the constitution? I believe that it is important that we should place the resolution under discussion in its proper prospective in relation to whole subject matter of the constitution.

The constitution in fact, consists of more than just the BNA Act. It consists partly of written material and partly of convention. The written material consists of certain statutes of the United Kingdom, the BNA Act is one of them, the parliament of Canada Act of 1875 and the statutes of Westminster of 1931. It consists of certain statute of Canada and certain statutes of the provinces because we should keep in mind that the provinces too have constitutions, such acts as the one relating to the executive councils, the legislature and representation. There are other documents, such as Letter Patent, constituting the office of the Governor General. As I have said, we have conventions and customs so honored and followed as to form part of our constitution.

The next question which arises is who has the authority to amend the constitution of Canada? The Deputy Minister of Justice of Canada, Mr. Elmer Driedger, likens it unto a circle divided into three parts, because there are three governments with authority to amend. Canada and the provinces can amend part of the constitution because there are ten sections of the BNA Act which begin with words, "Unless the parliament of Canada otherwise provides" or "Unless the appropriate legislature otherwise provides", and each can amend acts providing for such things as representation in the respective assembly and so on. That right has been exercised in some of the original provinces by eliminating their upper house.

Then finally, the parliament of the United Kingdom, and only the parliament of the United Kingdom has the right to amend the text itself of the BNA Act. I think it should be brought to mind, Mr. Speaker, that that power at least, is theoretically unlimited. There is no requirements that the Imperial Parliament obtain the consent of the provinces, and although in practice it has been done, there is no requirement that it even obtain the consent of Canada.

Therefore, the first real purpose of the resolution, when adopted by all the parliaments, would be to remove from the Imperial Parliament, the right to amend the text of the BNA Act which as I have said before, constitutes the major part of our constitution.

Mr. Speaker, Canada stands in a unique position among all the independent nations of the world. All independent nations of the world from the ancient country of Afghanistan in the heart of Asia, to the new emerging nations in the heart of Africa, possess the power to fully amend their constitutions. But, Canada, probably the leading power among the smaller powers, a nation which has made and is making tremendous international contribution in war and in peace, still has this limitation on its sovereignty. I suggest, Mr. Speaker, that that is a remnant of our colonial days, which, I submit, should be eliminated without further delay.

If Canada possessed a unitary form of government, there would be no problem and Canada would have had long ago demanded and received the powers to amend its own constitution. But as Lord Atkins pointed out in 1937, in the case before the Privy Council:

> In a state where on legislature does not possess absolute authority, in a federated state where legislative authority is divided between different legislatures, in accordance with classes of subject matter, the problem is complex.

It is complex in every federated state. If one reads constitutional law of other federated states, one immediately detects serious problems, including serious problems in amending their constitution. So it is not surprising that we have problems and disagreements. Professor A.V. Dicey, who was quoted by the hon. member from Hanley, (Mr. Walker) thought of federated government as weak government. But, Mr. Speaker, he said that in 1885, and history has given the lie to that statement. Federal government as a whole has proven to be strong government, as we can see in some of the federated states of the world, including the United States.

It is because of that very complexity that Canadians have continued to accept the humiliating position of being the only independent nation without the power to amend its constitution.

The amendment to the resolution, proposed by the member for Regina West (Mr. Blakeney), after it expresses its approval of the principle of providing for amendment in Canada of the constitution, rejects as unacceptable the provisions contained in the white paper without specifying what particular portion of the formula it rejects. The amendment rejects the entire formula, despite the fact that the member for Hanley, (Mr. Walker) and the

member for Regina West, (Mr. Blakeney) himself accepted parts of the formula. Because it offers no constructive alternative, because it is a blanket rejection, if for no other reason, I cannot accept the amendment. But, Mr. Speaker, there are other reasons. The amendment goes on to express the opinion that provisions to amend the constitution of Canada should not be finally determined without the widest possible consultation and debate, so as to permit the opinions of all interested groups and individuals to be solicited and obtained. This, Mr. Speaker, has been going on for nearly forty years. As the white paper says:

> The search for a satisfactory procedure for amending the constitution of Canada has gone on intermittently since the Imperial Conference of 1926. It has been the subject of repeated considerations in parliament and in federal-provincial conferences and meetings extending from 1927 to 1964.

In 1935, the House of Commons concurred in a resolution for the appointment of a special committee and I quote:

> To study and report on the best method by which the BNA Act may be amended.

The committee so appointed reported and recommended a provincial conference. On January 26th, 1937, the then Prime Minister of Canada, the Rt. Hon. W.L. MacKenzie King, the member for Prince Albert, speaking in the House of Commons suggested almost in the words of the amendment before the house, the desirability of widespread discussions on this subject. And this is what he had to say:

> I would hope that as a result of my hon. friend having brought the subject to the fore, as he has today, we would find that those who are interested in constitutional questions in the several provinces, would take up this subject in a serious way, by giving it the further thought and study that they may find it possible to give and that they give the country the benefit of their views by communications to, or articles in the press, and by addresses before legal, political science and other bodies. If there is one problem above another which can only be satisfactorily settled as a result of united public opinion, it certainly is that if the alteration of our constitution.

In the same debate, Ernest Lapointe, the Minister of Justice said:

> Canada, as a self-governing dominion, should have the power which other self-governing dominions have to amend its own constitution.

The Hon. R.B. Bennett, the then Leader of the Opposition, who had introduced the subject, stated that:

> He knew of no member in the house who had any doubt as to the desirability of amending the BNA Act.

Shortly following that, the Sirois-Rowell Commission was appointed, and held hearings in all parts of Canada and made numerous recommendations. On page 72 of the report, it states:

> While we have recommended that constitutional changes should be made, we feel that it should be left to the dominion and the provinces to work out the method whereby acceptable changes should be brought about.

Mr. Speaker, the music went round and round from debates in parliament. Since then there have been a commission, public consultation and debates, articles after articles. I have here a book entitled "A Symposium", a special constitutional number which was issued back in June of 1937. The Canadian Bar Review and the Law Journals are filled with articles on the subject of amending the constitution.

Speeches after speeches have been delivered and federal-provincial conferences held, until 1964, when at long last the ten provinces, representing four Conservative governments, four Liberal governments, and two Social Credit governments, and the federal government finally came to agreement, and then when it comes up for approval in this house, somebody wants to start the music going round and round all over again, with the widest possible public discussion and debate. I am not prepared to support this amendment which would do just that, and may even result in bringing the various parts of Canada further apart rather than closer together.

Mr. Speaker: — It now being 5:30 I leave the chair until 7:30 this day.

The assembly recessed at 5:30 p.m. o'clock.

Mr. Cuelenaere: — Mr. Speaker, it is not my intention in this debate to deal with the technicalities of the amending formula. This has been amply done by the Attorney General, (Mr. Heald) and referred to in detail by most of the others who have spoken in the debate.

I wish, however, to reply to some of the criticisms briefly levelled at the amending formula. In his opening remarks, the hon. member for Hanley,(Mr. Walker) stated:

> Canada has never been embarrassed by any refusal or reluctance on the part of the Imperial Parliament to enact requested amendments.

and suggests that because of this:

> that we have always had in reality the means to amend our constitution.

and that:

> It will make no real difference to the Canadian people whether future amendments are passed by the parliament of Canada or at Westminster.

Mr. Speaker, that statement comes to me as a surprise and somewhat of a shock. Quite apart from past experience, what guarantee have we that this ease in having our constitution amended by the Imperial Parliament will always continue? We have never gone to the Imperial Parliament for an amendment in time of serious strain and stress. Every time we have gone, it either did not affect the provinces or it was for their benefit and mainly with at least the tacit consent of the provinces.

But suppose we went to the Imperial Parliament in times of great stress and strain between provinces and the federal government, or even between Canada and the Imperial Parliament. It could happen in times such as Suez or even worse, maybe in twenty-five or fifty years from now, and who can tell what will happen in these intervening years? Mr. Speaker, we have no guarantee that we could so easily obtain amendments.

I would have thought that there is hardly any Canadian anywhere who today would say Canadians are indifferent or that it will make no real difference whether future amendments are passed in Canada or at Westminster. I firmly believe that by far the vast majority feel that Canada's constitution should be amended in Canada. As I pointed out earlier, even as far back as 1937, as the Leader of the then Opposition, felt very much the same way.
Now turning to another section, section 6 of the amending formula, the member for Hanley, (Mr. Walker) stated: and I quote his words:

> Section 6 represents a serious curtailment of the power of parliament to exclusively make laws amending the constitution in relation to the Executive government of Canada, the Senate and the House of Commons.

and then he said:

> to curtail it, represents an unwarranted assault by the provinces on the integrity of the parliament of Canada.

Now, Mr. Speaker, let us look at what section 6 does say: section 6 merely provides that notwithstanding anything in the constitution of Canada, the parliament of Canada may exclusively make laws from time to time, amending the constitution of Canada, in relation to the Executive government of Canada, and the Senate and the House of Commons, except as regards, and it is with respect to these exceptions that the hon. member for Hanley, (Mr. Walker) states that it is what he calls, "an unwarranted attack".

I suggest to you, Mr. Speaker, that every one of those exceptions are exceptions that the government of Canada would accept and that every Canadian would expect them to accept, and would not want to amend.

There is firstly the functions of the Queen, and the Governor General in relation to the government of Canada. This, the parliament of Canada, could not change. The other one is the requirements of the constitution of Canada respecting a yearly session of parliament. Surely, Mr. Speaker, the parliament of Canada should not be allowed to dispense with yearly sessions. Apparently, and in fact, right at the moment they appear to have a hard time to limit it to one year, or to confine it to a year. Then the next exception which is a so-called unwarranted attack, is that the maximum period fixed by the Constitution of Canada, for the duration of the House of Commons. Another one is the number of members by which a province is entitled to be represented in the Senate. The qualifications of the residence in respect to Senators, in other words, all that says is that the parliament of Canada would not be permitted to so amend the constitution as to deprive any province of the minimum number of Senators provided by the constitution, and as long as we have Senators I suggest that each province should be guaranteed their number of Senators. Then the other one is the right of the province to a number of members in the House of Commons, not less than the number of Senators represented by such provinces. I don't think that is of too great importance. Then finally, the principle of the proportionate representation in the House of Commons. Surely we wouldn't want and I don't think the parliament of Canada, would want to deprive the provinces of their proportionate number of representatives in the House of Commons, and the final one was the use of the English and the French language in the parliament of Canada.

So, these things that are part and parcel of our tradition, that probably no government would want to change, is called by the hon. member as unwarranted attack upon the integrity of the federal government. I suggest that the criticism is what is unwarranted in the circumstances.

Now, Mr. Speaker, we come to the part of the formula to which the member for Hanley, (Mr. Walker) and the member for Regina West, (Mr. Blakeney) took most serious objection, namely the clauses which entrenches certain powers in the provinces, where unanimous consent would have to be obtained to any amendment. They agreed that certain ones should be entrenched, they agreed to the entrenchment of things like languages, education and a few others. They gave qualified acceptance to others, but, Mr. Speaker, their main objection seemed to be directed to the entrenchment of clause 13, and to a lesser extent to clause 16 of section 92.

Clause 13 provides for property and civil rights and of course, 16, for matters of purely local concern, and the member for Hanley, (Mr. Walker) and I believe the member for Regina West, (Mr. Blakeney) stated that they were not too concerned with clause 16 which provides for the entrenchment of matters of purely local concern. But both were very emphatic that they took strong exception to the entrenchment of clause 13. Now, Mr. Speaker, I suggest that to refuse that entrenchment would be tantamount to allowing matters to stand where they are. I suggest that probably no formula would be acceptable to several of the provinces unless that particular section was entrenched.

But, Mr. Speaker, the members opposite conjure up all kinds of possibilities, some, I suggest, real and some imaginary. One of the possibilities is in the case of pollution of inter-provincial streams, that may be a real one, but from my experience after attending only one conference of Resource Ministers and listening to the objection of both Ontario and Quebec, where up until now, very few steps have been taken, this matter could not be transferred to the federal government under almost any formula even under the one suggested by them, with seven provinces, with fifty per cent of the population consenting.

I do not wish to take up the time of the house to deal with the other example but each could be dealt with in a similar way. For example, transportation and power. I am sure that if these matters became really national in scope they could be dealt with either by amendment by unanimous consent, or agreement.

The hon. members contend that with clause 13, entrenched, social progress in Canada will be dangerously affected and impeded. It is conceded that most provinces, including the small one, but particularly the large provinces of both Quebec and Ontario, jealously guard their full control of property and civil rights. Maybe for good reason, but I venture to say that no formula could ever be agreed upon that would derogate from, or in any way lessen that control. The hon. member for Hanley, (Mr. Walker) in his address said:

> Indeed most of the people presently in office at Ottawa and in the provincial capitals are instinctively opposed to any extension of the positive role of government in society. It is easier for these people to shore up a dyke against social progress under the guise of "repatriating the constitution" than it would be to try to fight the development of the welfare state on a piecemeal basis.

Mr. Speaker, this statement assumes that the welfare state is the ultimate in government. We all favor welfare and a positive role by the state, but the welfare state is not necessarily the ultimate and has nothing to do with "the positive role" of government in society.

No government in the history of Canada has shown its readiness towards the extension of the positive role of government in society more than the present government at Ottawa, with its pension plan, labor code, its war on poverty, and I could go on.

The positive role of government has been shown by many of the provinces of Canada, and yet I say, Mr. Speaker, by the present government in Saskatchewan. Our friends across the way would like to keep property and civil rights in a fluid position so that if by any remote chance an NDP government were elected at Ottawa, they could proceed, not only with welfare, but with socialization and nationalization. Rather than consent to the formula, they would prefer to see it remain in London. If a government of the extreme right or the extreme left happens to coincide in Ottawa and London, property and civil rights could, in large measure, be transferred to Ottawa and the central government could proceed with its plans without regard to the province or provinces concerned. It would permit the nationalization of the steel industry, as was done in England, in every province. It would permit nationalization of all shoe factories in Canada, nationalization of all the woollen mills in Canada. Yes, it would permit the federal government to confiscate every box factory, not only in Saskatchewan but in every other province.

Mr. Speaker, I suggest to you, this is very rigidity in the constitution may well be Canada's guarantee of freedom.

Some Hon. Members: — Hear, hear!

Mr. Cuelenaere: — Then, Mr. Speaker, much criticism was levelled at the formula on the ground that it permits delegation of power by any four provinces to Ottawa and by Ottawa to the provinces. The fear and alarm expressed by the opposition that this will bring about balkanization of Canada is, in my view, far-fetched and unrealistic. I suggest that the delegation of power as provided by that section, is merely intended to provide for the smaller provinces, the weaker provinces, who find themselves incapable for financial or other reasons, of discharging their responsibility in some field given to it, which could involve property and civil rights and other powers set out in the new section 94A. It would permit the federal government to meet problems peculiar to say, the four Maritime provinces or the four western provinces. On the other hand, it would permit the federal government to pass on to the province matters affecting a limited number of provinces. The argument presupposes a very weak central government that would permit combinations of four provinces to demand and receive important concessions of power, so that one or more provinces would end up virtually independent. This, I suggest, is unrealistic. On the whole, the trend is the other way. It is the central government that is growing strong as exemplified by all the amendments that have taken place in the last twenty years.

Finally, both the hon. member from Hanley, (Mr. Walker) and the hon. member from Regina West, (Mr. Blakeney) and to some extent the hon. member for Arm River, (Mr. Pederson) quoted at some length from addresses and articles of persons opposed to the formula and seem to contend that this house ought not

adopt the resolution because certain leading constitutional teachers and others have criticized the formula. While it is true many are critical of a portion of the formula, the criticism is not as unanimous as member opposite would lead this house to believe.

The hon. member from Hanley, (Mr. Walker) quoted at length the views and opinions of professors of Constitutional law. Among those quoted was Professor Maurice Allard of Sherbrooke University. Mr. Speaker, when he quoted from Professor Allard, he didn't read the heading that starts off by saying:

> Sabotage is real federal system.

and the hon. member read only the last paragraph of Professor Allard's comment, or statement:

> This lame formula, if it is applicable, would disclose the practice in Canada of a real federalism and would not favor the intimate approach of the two great founder nations.

Now, by doing this, he certainly left the impression on the house, and upon myself, that Professor Allard was opposed to the formula, because it was too rigid. As a matter of fact, he opposes the formula for diametrically the opposite reason, because this is what he says earlier in the article:

> The present amendment formula sabotages by the delegation of powers, a real national federative system for the nine English province could establish with Ottawa a kind of legislative union.

The rule of unanimity can prevent one province from obtaining additional powers as a partial international competence.

Now, Mr. Speaker, as I pointed out, he is speaking in terms that the amending formula is altogether too flexible, so we have before us the spectacle of the extremist on the one side decrying the formula because it is too flexible; and the extremist on the other side as represented in this house, by decrying the formula because it is too rigid. I suggest that between these two extremes, there is a happy medium.

The hon. member quoted other learned constitutional teachers. He didn't quote, however, Dean W.A. McKay, of Dalhousie University, under his comments it says:

> Will serve as a shield

and he goes on to say that the formula for amending the constitution of Canada requires a measure of consent from provincial legislatures to almost any change, and unanimous consent in some matters and he says:

> Will serve as a shield in preserving existing formal constitutional arrangements. It will preclude a different juridical status for anyone province, at least without approval of a number of others.

and he certainly does not express disapproval at the proposed formula. But the hon. member quoted Dean W.R. Lederman, and he quoted one paragraph in which it appeared that Dean Lederman was opposed to the amending formula. Dean Lederman did state that he would have preferred a constitution that was more flexible and had some concurrent jurisdiction, but immediately after the paragraph that was quoted by the hon. member from Hanley, (Mr. Walker) this is what Dean Lederman had to say:

> Nevertheless I would still bring the constitution home even if the necessary political price is to accept a disprocedure. The present terms of the BNA Act would continue, and they have such virtue, as time went on, I would hope that we could secure unanimous consent in our country for placing a wider range of matters under a more flexible amending procedure.

And then, finally, he also quoted a statement from Professor C.B. Bourne of the University of British Columbia and he only quoted the first paragraph, when this professor said:

> I would urge that a constitutional amended formula should be postponed.

and so on, but he did go on to say:

> But if agreement on a flexible formula is in fact impossible, the present proposal will not be calamitous because flexibility is insured by the provisions allowing transfer by delegation of legislative powers from the provincial legislature to the parliament of Canada and vice versa.

and he concludes by saying:

> Furthermore,

and I wish this was noted, and he says:

> Furthermore, constitutional changes ultimately depend on political realities, not legal formulas.

Now, Mr. Speaker, I am going to conclude. I and I am sure many, would have preferred a somewhat different formula, a formula that would have given us a constitution with a little more flexibility and for my part, I would have preferred a formula with areas of concurrent jurisdiction. But, Mr. Speaker, I have sufficient faith in the good sense of Canadians, now and in the future, to solve important issues within the terms of the constitution and the amending formula, when it is brought home where it rightly belongs. In the past, when we needed amendment to bring in unemployment insurance we were able to agree to it. In the past when we needed an amendment to bring in old age pensions, we were able to agree to it. A few years ago, when we wanted an amendment to effect the tenure of certain judges, we were able to agree to do it. Last year when we needed amendments to bring universal pensions, the government of Canada and the provinces were able to agree to do it. When we finally required full consent to an amending formula to the constitution, we have been able to do it.

And so tonight, for my part, I am prepared to join with Dean Lederman and the Premiers of the ten provinces of Canada. I am prepared to join with the legislatures of Prince Edward Island, Nova Scotia, New Brunswick, Ontario, Alberta and British Columbia and the government of Newfoundland, who have already approved of the formula and I understand that the province of Manitoba is about to approve it. I am prepared to join with scores upon scores of others throughout this land in an Act of Faith in the wisdom and good sense of future legislation and future legislators, to meet by constitutional amendment, or agreement, the needs and the demands of the time in which they shall live.

I would like to appeal to all in this house, in the name of national pride and in the future position of our country in the Committee of Nations, to oppose the amendment and to support the motion. I certainly do so.

Some Hon. Members: — Hear, hear!

Mr. J.H. Brockelbank (Acting Leader of the Opposition, Kelsey): — Mr. Speaker, after listening to the scholarly address of the Minister of Natural Resources, (Mr. Cuelenaere) on this subject I am more than ever convinced that we should be careful about what we do in regard to the Constitution.

The minister raised a lot of straw men, I think imaginary problems, then he bravely knocked them down and beheaded them. It seems to me that we sometimes forget that we do have in Canada, a federal system. That we do have members of legislatures; that we also have members of parliament, and that they do have responsibilities. And just because a provincial legislature may disagree with a federal government, doesn't necessarily mean that the people in that province are going to elect representatives who will disagree on the same basis. We have certainly seen that happen.

As I listened, I thought that we should be wary and be careful when we listen to people who believe that the best government is the least

government because they are not going to argue for flexibility in our constitution. They are not going to argue for a constitution which will make it easy for the people of our country to undertake further reforms and further services for the benefit of people. Those people who believe, many sitting opposite, Mr. Speaker, have said it in this session, who believe that the least government is the best government. I hear them say "Hear! Hear!" I am suspicious that they are going to be in favor of a constitution that will bind and prevent governments from doing things to serve the people whom they govern; that they will want to be out in the political campaign promising all kinds of things knowing that the constitution has them tied up so they cannot do anything about it anyway.

There is a lot being said about the desirability of bringing home the constitution by 1967, Canada's hundredth birthday. I would like to see the constitution brought home to Canada. I would like to see us in Canada have the right to and the power to amend our constitution here but there is something much worse than not having the constitution brought home on our hundredth birthday and that would be, to have it brought home in such a way that the new circumstances make it more difficult for the people of Canada to continue to make progress as they have made it in the past.

The very fact that the member, the hon. Minister of Natural Resources (Mr. Cuelenaere) said that extremists on one side say the formula is too flexible, extremists on the other side say the formula is too rigid. These extremists are, (probably extremists isn't the word to use in regard to them), there are certainly people in Canada who believe that the formula is probably too flexible. I disagree with them. I think there are a lot of people who do believe that the formula could be improved; that it is probably a little bit too rigid. In fact the hon. minister who just spoke said exactly that. That he would like to see it a little different.

Mr. Speaker, there is not so much hurry, we have been a hundred years nearly, without having the constitution here and there is not so much hurry now that we should attempt to bring the constitution back to Canada without the optimum amount of consideration and public discussion. This is one of the reasons why I like the amendment because it does express the opinion that we should have the widest possible public consultation and debate so as to permit the opinions of all interested groups and individuals to be solicited and obtained.

I don't think there has been enough of this public discussion. As a matter of fact, there has been very little. Practically all of the discussions so far has been confined to either the conferences that have been held which were in camera, or to the legislatures where resolutions like this one have been introduced. Let us have the situation where the proponents of this cause, whether they agree or not, can discuss this matter in public forums all across Canada, so as first to get information out to the people of this country as to what we are actually thinking of doing and second to give them a chance to express their opinions.

I'm just as proud of Canada approaching her hundredth birthday as anybody, but I would much rather trust the good will of the provinces and the dominion when necessary, to get together and to make their appeal to the British government when amendments are needed rather than to accept this responsibility in Canada with a rigidity that will be harmful to the progress that Canada should make in the future. Let everyone remember that progress is going to be necessary in the future, in social affairs in the field of welfare and in the field of education and health. Just because we can point with pride to some of the achievements of the last half century in Canada, should never make us think that we have arrived at our final destination. The path of human progress is without and we should be thinking of a constitution which will facilitate to the greatest possible extent, that progress. Therefore, Mr. Speaker, I am going to support the amendment.

Some Hon. Members: — Hear, hear!

The amendment was negatived on the following recorded division.

Yeas — 25

Brockelbank (Kelsey)	Whelan	Snyder
Cooper (Mrs)	Nicholson	Broten
Wood	Kramer	Larson
Nollet	Dewhurst	Robbins
Walker	Berezowsky	Brockelbank (Saskatoon)
Blakeney	Michayluk	
Davies	Smishek	

Thibault	Baker	Pepper
Willis	Wooff	Pederson

Nays — 31

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

Motion agreed to on the above division reversed.

Adjourned debate on the proposed motion of Mr. D.G. Steuart for second reading of Bill No. 42 — **An Act to amend the Hospital Standards Act**.

Mr. A.M. Nicholson (Saskatoon): — Mr. Speaker, before I adjourned the debate last night, I mentioned that the problem in connection with hospital privileges did not develop with the introduction of medicare in Saskatchewan. I had a newspaper clipping mentioning that just last week in the community of Selkirk, Manitoba, a young doctor who had been practicing some time with an established doctor in Selkirk, established practice on his own and he was denied hospital privileges in the local general hospital because he had violated one of the code of ethics of the Canadian Association of Medical doctors. A citizens committee rallied around the young doctor and they have appealed to the government of Manitoba to enact legislation such as we have in Saskatchewan so that the people in a community who helped to build the hospital who pay all their construction and maintenance costs in connection with the operation of the hospital, should have the right to be admitted to the hospital and to have the doctor of their choice care for them. They, quite correctly, feel that a decision by a hospital board that happens to be under the domination of doctors who have been there for a longer time, works great injustice to a doctor who has been duly trained in the medical colleges of our country, who has passed his Canadian medical examinations, who had been given hospital privileges while he was working with a doctor, but has been denied them when he started practicing on his own without the written consent of his former employer.

Hon. members are familiar with two fairly recent cases in Saskatchewan prior to the introduction of medicare. I am referring to a critical problem which existed in North Battleford a few years ago, and my colleague the member for the Battlefords, (Mr. Kramer) plans on saying something about this situation, and I would like to say something about Eston. I realize that the minister has been to Eston and since his visit the doctor who is practicing with the Community Clinic has been granted hospital privileges, but the problem hasn't be resolved and I will want to say something about this a little later on. Members will be familiar with he publicity that was carried in Saskatchewan and Canadian papers, a few years ago as a result of a situation which existed here. I have never lived in Eston but I am sure the member for Elrose, (Mr. Leith) will agree with me that this has been one of Saskatchewan's finest communities. It is my considered opinion, had there been a board such as the board which presently exists, which could have been called in to the picture in Eston back in 1957, it would have been possible to have resolved these differences.

Now, I can't prove my contention and the hon. member shakes his head, and no one will ever prove whether he is right or whether I am right but I think that when I give a little more information, it would appear to be the sort of situation where an impartial group of outstanding citizens

from the province, called around the conference table in the early stages, would have been able to resolve this difference. Back in 1952, there was a fire which destroyed the hospital at Eston and they had to move to the Legion Hall. Eston is fortunate, as I said, in having a very co-operative community. Dr. Holmes Sr. has been practising on the prairies for fifty-one years. I understand that he graduated from medical college in 1914 and at eighty he is still quite a skilful surgeon. I knew him when he lived at Wadena prior to going to Eston, thirty-five years ago, and as I said, he has been a very competent person. The new hospital is one of the finest in the province. It was opened in 1955 and a very short time after the new hospital was opened, Dr. Holmes Sr. was forced to leave practice due to illness. His son, Dr. Stewart Holmes, who was in his second year of internship at the Winnipeg General Hospital, came home to Eston to assist the father and help look after the medical needs of the community.

The matron is an exceptionally well-trained matron. She had come from a very large hospital in Calgary and I suppose some of the habits that a family doctor had developed over a period of thirty years in practicing and maybe didn't compare with some of the procedures in a large city hospital, but she accepted the fact that Dr. Holmes Sr. had an excellent record of service in this community and in other communities but the young doctor who had stood second in his class of eighty-seven at college in his final year and second, last year, hadn't acquired some of the skills of his father and apparently there seemed to be some conflict of opinion between the very competent matron and this young doctor who was just at the beginning of his career.

Apparently a short time before Dr. Holmes Sr. was able to return to the practice in the hospital, the younger doctor had an operation and the nurse who was with him, left before the operation was completed and the matron according to her duties, spoke to the nurse and suggested that the nurse should not leave while an operation was under way and particularly should not leave when it was the young Dr. Holmes. The matron mentioned that he was not qualified when she meant that he didn't have the experience that his father had had. Well, the remarks made by the matron to a nurse in due course relate to the local druggist and the druggist repeated the comment to the young doctor, and the young doctor told his father about what had been said, and the father was quite annoyed that remarks of this nature should be used by a matron and apparently there was a good deal of feeling developing in the community and on the . . .

Mr. G.G. Leith (Elrose): — Would the member permit a question? Yes, I am interested in the source of the material which the hon. member is using. I wonder if he knows this from his own experience or whether it is hearsay or what.

Mr. Nicholson: — The hon. member will be able to speak when I am finished, but the information that I am using, this is a public inquiry, this was given a great deal of publicity all over Canada, and the hon. member will be quite in his rights in challenging any information I have given.

Mr. Steuart: — On a point of order, what are you quoting from? I think we have the right to ask you to table it. You are giving a lot of gossipy chit-chat, back up what you are saying and table something, what are you quoting from?

Mr. Nicholson: — Mr. Speaker, the Minister of Public Health, (Mr. Steuart) will have the privilege of closing the debate . . .

Mr. Steuart: — On a point of order, I ask him what he is quoting from. You are telling a whole bunch of things that somebody said something to somebody, you are bringing in people's names into this chamber and what they said, and accusations, dragging names of respected people of this chamber, now at least have the courtesy to tell us what you are quoting from.

Mr. J.H. Brockelbank (Acting Leader of the Opposition, Kelsey): — Mr. Speaker, on a point of order, the minister or the member for Saskatoon was speaking, was telling the story as he knows it . . .

Mr. Steuart: — From what?

Mr. Brockelbank (Kelsey): — . . . in regard to a certain hospital in the province of Saskatchewan. It is not required that he tell the Minister of Public Health, (Mr. Steuart) or anybody else, how he knows it, nor is it required that the Minister of Public Health, (Mr. Steuart), thank goodness, when he speaks, doesn't have to tell us all of how he knows what he says.

Mr. Steuart: — We just ask. We challenged him to produce the proof of what this gossip, this backstairs gossip he is talking about or else quite dragging the names of respectable people though the mud in this house.

An Hon. Member: — He isn't man enough . . .

Mr. Steuart: — If he isn't man enough to do it, he should take . . .

Mr. Nicholson: — Before I conclude, I will give my references from the Saskatoon Star Phoenix. As I said previously, this was the case that attracted a great deal of attention, there was a public inquiry in Eston, and . . .

Mr. Steuart: — What are . . .

Mr. Nicholson: — I beg your pardon?

Mr. Steuart: — Are you quoting from the Saskatoon . . .

Mr. Nicholson: — Not at the moment, but I will if the hon. member will be patient.

An Hon. Member: — Read the whole paper.

Mr. Steuart: — Are you going to give us the case in Kyle, where this doctor Pertal and this other doctor got all involved too, with the fellow that died on the operating table? Are you going to give us that one too? Are you going to cover that case too?

Mr. I.C. Nollet (Cut Knife): — Order, Mr. Speaker, is the hon. member permitted to make another speech?

Mr. Speaker: — Order! Order! Now if I followed the trend of the debate correctly, what the hon. member from Saskatoon is telling, is his own personal version on his personal responsibility of what took place. If he chooses to quote from something later on, he will have to quote chapter and verse and give the name of the publication, debate thereof. But if I followed the debate correctly, the trend of the debate, so far he is stating his own personal version as he saw it on his own responsibility.

Mr. Nicholson: — Thank you very much, Mr. Speaker.

An Hon. Member: — The fact is . . .

Mr. E. Kramer (The Battlefords): — Sit down, Shorty.

Mr. Nicholson: — I am sure the member from Elrose will correct . . .

An Hon. Member: — . . . back house talk . . .

Mr. Nicholson: — . . . on the 11th of April, 1957, there was a mass meeting in the town of Eston and several hundred persons attended the meeting, filling the main hall and overflowing into the basement, where the public address system was set up, and if the member for Elrose, (Mr. Leith) was in the province and interested in the health of the people, he would know of this crisis which developed in his constituency and as I said, the persons concerned were outstanding people and they still are and all I am saying is that had there been an appeal board, it would have been possible for someone from the outside, such as the chairman of this particular board. In due course a board of inquiry was established and the chairman was Mr. George Clark Thompson and in due course, public inquiries were held. This was all reported in the press of the day.

Mr. Steuart: — What about some doctors . . .

Mr. Nicholson: — Oh I know that . . .

Mr. Steuart: — There were some dandies were there not?

Mr. Nollet: — The hon. member . . .

Mr. Steuart: — He doesn't know what the . . .

Mr. Nicholson: — I was trying to come to the Star Phoenix, it's a few pages over, but I am sure the report of the . . .

An Hon. Member: — Report of what?

Mrs. M. Cooper (Regina West): — Take your . . .

Mr. Nicholson: — I am sure that my reference to the Star Phoenix . . .

Mr. Steuart: — What page?

Mr. Nicholson: — Pardon me?

Mr. Steuart: — What page?

Mr. Nicholson: — Well, I'll come to it. This information was all given publicity.

Mr. Steuart: — Is that the . . .

Mr. Nollet: — Mr. Speaker, . . . let a member to keep interrupting, the hon. member has the privilege of closing the debate, what he ought to be doing is making notes and then comment on what the hon. member says when he is closing the debate, Mr. Speaker.

Mr. Nicholson: — Well, Mr. Chairman, the Department of Health was asked to send someone to Eston to see if the problem could not be solved and again some of the best people in the province were involved. It so happened that there were two CCF members living in Eston. The member for Kindersley-Kerrobert, and the member for Elrose, these two outstanding citizens happened to be on different sides of this particular controversy, because there were those who were loyal to the doctors and the member for Elrose will agree with me that it is going to take a long time before these sores were removed.

At the public inquiries, where again they filled the Legion Hall and the people stood in the hallways, and this was all public information that was given and it did seem as if the people involved were going to be able to resolve this matter, but the Doctor Holmes, Senior was very seriously hurt to have his son described as a person who didn't have the experience and the matron apologized for this in due course as she said, she meant to say that he wasn't experienced, that he should have the assistance that he should have. The doctor was asked about the conciliation meeting which was held and he did indicate that he would take twenty-four hours to think about it, but he felt that this matter couldn't be resolved and that the matron should be asked to resign. Oh, yes, this is what I was looking for. The Star Phoenix, Monday, July 21st, 1958, carried a prominent story on page 3 under the heading Eston Hospital Inquiry Board Failed to Agree on Matron and Senior Doctor.

> conflict between an efficient matron and a senior doctor, long used to doing procedures in his own way, the root of most of the Eston Union Hospital's trouble, according to the provincial Board of Inquiry.

And I am sure that the member for Eston, the member for Elrose, (Mr. Leith) will remember the feeling that developed in the community at this particular time and even though you had the Board of Inquiry, these outstanding people were not able to come up with a solution and the point that I am making is, that if there had been boards such as we presently have on the statute books of Saskatchewan today, that could be available to go to Eston, when the Chairman of the Board asked the Department of Health, to send somebody up

there. Back in 15 months, before this story appeared in the Star Phoenix before this bitterness developed, before you had the public inquiry which went on day after day, and people came from miles to hear what was going on, the situation would have been quite different. The report stressed that time was a difficulty. The medicare was introduced in 1962, Eston was still divided and it's a great pity, I think, that there isn't any hope for the impartial board to be available to look in.

I understand that the Minister of Public Health, (Mr. Steuart) and the member for Elrose, (Mr. Leith) have received quite a large volume of letters from innocent people in the area. I received a copy of a letter written by the Secretary Treasurer of the Eston Community Health Service on the 31st of March, to the Minister of Public Health. A copy was sent to the member from Elrose, (Mr. Leith) and a copy to me, and the letter reads as follows:

> The member of the Community Health Services, Eston Associated Limited, in annual meeting, Monday, March 29th, voted unanimously to register their disapproval of your proposal to abolish the Hospital Privileges Appeal Board legislation.
>
> Locally the need for this legislation is still evident. There are other instances in the province where this is awful true. Eston Union Hospital presently has no Secretary Treasurer, no matron and the medical staff are not co-operating.
>
> How could you conscientiously abolish the only act on the statute where grievances could be dealt with fully on its merits when the above mentioned exists.
>
> We therefore, strongly urge you to reconsider the abolishment of the Hospital Privileges Appeal Board at this time. Instead, we would urge you to again appoint members to this board, to deal with our situation and any others needing a liaison board of a non-political nature.

While the doctor who is presently there, has been given hospital privileges, he has not been successful in enlisting the co-operation of the other doctors in assisting when surgery is necessary. I am convinced that if the laws of Saskatchewan provided that an appeal board comprised of such outstanding persons as were chosen by my colleague, the member for Regina West (Mr. Blakeney), Dr. Christianson, Mr. Justice MacArin, Dr. Denthal of Saskatoon, Professor Wong of the University of Saskatchewan, Rev. Homer Lane, former president of Saskatchewan Conference of the United Church of Canada, who served as a minister in Weyburn, in Regina, and now in Moose Jaw, who is the minister of the Premier's church in Moose Jaw and Mr. Douglas, a former president of the Saskatchewan Trustee Association, and Dr. Sutherland, who was with the Department of Health, and two eminent physicians to be named by the College of Physicians and Surgeons who might be given a chance, they would be able to resolve many of these differences.

I think that had Doctors Dalgleish and Peacock, who were in this building this morning in connection with the Medical Profession Act, had they been asked by their colleagues to be available to serve on this board and if there never was crises such as they had in Eston a few years ago, it still would be very good insurance to have this in the legislation.

When my colleague was the Minister of Public Health, (Mr. Blakeney) he did recommend to the cabinet that there should be judicial committee and I made some comments last night from some of Mr. Justice Woods' comments, but there is another reference here that thinks very important in speaking about the problem of some of the areas in the province. It is however, easy to see that community clinic doctors would have reason to doubt the good faith of these physicians who were sitting in judgment on their applications for privileges, the fact that they were not informed of the reasons for delay or rejection, would suffice in itself to raise suspicion. Had all the reasons been disclosed, there would have still been apparent inconsistencies that needed explanation. It would for example, have been necessary to explain why it was regarded as unethical to be associated with a community clinic in Regina, but not in Estevan or Saskatoon.

Matters of great concern to this medical profession of Saskatchewan

have been raised and contested as local issue. If there was a sizeable body of opinion in the medical profession, who considered that membership in a community clinic raised ethical problems, or that British Medical Training was inadequate in any respect by Saskatchewan's standards, the profession as a whole should be concerned. Under such circumstances, one would expect that steps would be taken to have these matters dealt with by the profession as a whole, rather than piecemeal by local hospital boards.

The Saskatoon agreement, an understanding reached by the government of the province of Saskatchewan and the College of Physicians and Surgeons of Saskatchewan. It is not a contract in a legal sense, it can only be effected, if the spirit of its provisions are observed by all concerned. The following statement is from the Saskatoon agreement:

> It is no wish of the college that there should grow up divisions between physicians, and it will exercise its full influence, to prevent discrimination in matters of professional practice.
>
> Accordingly, the college undertake that in advising application for hospital appointments, applicants shall be judged solely on their merits. The spirit of such a provision can only be implemented by those who are motivated by it.

No profession would give such an undertaking, lightly. Accordingly, the public is entitled to expect that leadership and direction will be provided within the profession itself to resolve problems of the kind anticipated when this undertaking was given. This calls for the profession to provide the leadership necessary to establish a working basis for the integration of community clinic doctors in the medical life of the province.

Physicians are citizens and are entitled to full rights and privileges as such. They have the same freedom of thought, word, and deed as other members of the community. When acting as physicians however, they are in a position of trust. Those doctors who are not associated with community clinics are in the majority. They have control of the College of Physicians and Surgeons. They also control the medical staff committees of the four hospitals involved in these hearings and no doubt in many others. They, therefore, in many instances, have the heavy responsibility of sitting in judgement on those with whom they are in basic disagreement on certain aspects of the practice of medicine. The responsibility that is on them is onerous and obvious, they cannot afford to disregard the fact that their activities will be viewed by their colleagues of a minority group, with reservation and doubt.

It appears to this commission, and it is recommended that a board of appeal should be established to deal with complaints arising from refusal, deferral, or delay, in granting hospital privileges. Such a body should be permanent and ready to act promptly. As I said before, if this body never has to act, we are very fortunate, but it is my conviction that had there been this sort of board in April, 1957, it could have gone to Eston immediately, it would have saved a great deal of difficulty.

The chairman should be a member of the judiciary. A majority of the board should be members of the College of Physicians and Surgeons in Saskatchewan, or any other province of Canada, and not less than one half of this majority, should be appointed on the nomination or recommendation of the college. This commission also recommends that reasons in writing be given by the medical staff or any committee of the medical staff, when an application is not approved, so that the governing body and the applicant will be clearly appraised with relevant detail, whether the applicant has failed to satisfy as to professional training, professional competence, ethics, character and personality. In this way, any issue or appeal or reference will be narrowed and its hearing expedited.

Mr. Speaker, in spite of the Saskatoon agreement, there are still some fundamental differences of opinion among doctors in Saskatchewan. There are still doctors who will not ride in the same elevator as a community clinic doctor. I wonder how the Minister of Public Health, (Mr. Steuart) expects doctors who are exceptionally well trained, but practicing as members of the community clinic will respect a doctor who will not say good morning to him on a bright sunny day, to give an unbiased opinion on his professional performance. I think that the Minister of Public Health, (Mr. Steuart) is under an obligation to the people of this province who took him seriously a year ago when he did promise that and all members opposite did promise that medical care would be retained and improved and if medical care is to be retained and improved, it's important in my view that Bill 42 should not be endorsed by the members of this house. I, of course, will be voting against it.

Mr. Leith: — Mr. Speaker, I feel that I would like to say something in this debate, specifically because the question of a town that is in my constituency has been raised by the former speaker. I am a little concerned about the references he made to the people in the area, certainly, there may be half truths in what he said. I think he has not told you the whole truth and I am sure that he doesn't know it or he probably would have. The situation in Eston is something that has been aggravating itself for some many years. It goes back far beyond the 1957 date that was mentioned and in my opinion at least, and I think I am entitled to my opinion, Mr. Speaker, as much as the former minister is entitled to his.

The situation was aggravated because of a personal conflict between two very influential men in that district. One was a strong supporter of the former government and the other is the doctor mentioned in the former speaker's address. I am not going to say any more about this, except that they were joint executives of an estate, and they fell out over the disposition of some of the land, that was in that estate, and in my opinion, there have been excesses on both sides in Eston. But again, in my opinion, I must say that much of the trouble that is happening in that town is as a direct result of the falling out of these two very hard headed, very stubborn, very influential people in the community.

It is true that Eston is a good town, that it was a good town. I think it is true that it will be a good town again, but it is also true that the medical situation and the hospital situation in Eston is now a mess. I must say to you, Sir, and to members of the house, that it is better, since April 22nd, 1964.

The senior member for Saskatoon, (Mr. Nicholson) has suggested that I know more about it than I do know. I think he said that if the member for Elrose was in the province or was concerned about the medical situation in Eston, he would know something or other. Well, I am concerned about this medical situation in Eston, and I have had representation from, I think, ten people, who are, I believe, all supporters of the community clinic in that town. As a matter of record, Mr. Speaker, I want to read into the records of this house, a letter sent to me and a copy of a letter that I sent back. This is addressed, Mr. George Leith, MLA, Legislative Buildings, Regina, Saskatchewan, dated April 3rd, 1965.

> Dear Sir:
>
> According to a recent news release your government is considering abolishing the Hospital Privilege Appeal Board. At present the medical and hospital services plan is of no benefit to us, since our doctor in the Eston community clinic cannot get co-operation from the other members of medical staff.
>
> I would ask that you would seriously retaining the appeal board, so our doctors may be dealt with in a democratic way.
>
> Yours truly, Donald C. Pearson.

My answer to Mr. Pearson as it was to the other nine people who wrote in to me, is as follows:

> Thank you for representation re: the proposed amendment to the Hospital Standards Act. I enclose a copy of a letter sent from the Office of the Minister of Public Health, which clarifies our stand on the situation. I also believe in the freedom of community clinics to operate in our province and I agree that the rights of doctors serving them, must be respected. I know that Doctor Petal, has been granted privileges in your hospital at Eston and that many of his doctors complain that the other doctors are not co-operating with him. However, I must inform you, that it is impossible to force co-operation between any groups or individuals in a hospital or elsewhere. Similarly the appeal board no matter what its findings could not enforce co-operation.
>
> I realize that the situation in Eston is still disturbed. I feel that it will take some time to

restore harmony between the opposing groups and that outside interference can only inflame an already bad condition.
I intend to vote for the amendment of the Hospital Standards Act.

Yours very truly,

And I signed it. This is the tone of the representation I got from the people at Eston. The day after the final count was made known, last summer, I had a group of fifteen people come to my farm from Eston and the basis of their representation was that their doctors were being denied the right to get into the Eston Hospital.

I promised them that I would go to Eston the next day and find out what I could. I spent a couple of days over there, talking to different groups and what I found out rather surprised me. Two doctors were serving the community clinic people over there. Doctor Petal and Doctor Logie. The hospital board had asked them after some delay, I must admit, but had asked them each to take courses to qualify them for hospital privileges in the Eston Hospital. Doctor Petal was asked to take a six weeks course in obstetrics training, Doctor Logie was asked to take, I think, a one year internship. These people came to me in April, 1964. Doctor Petal had been asked by the hospital board in April, 1963 to go away and take that six weeks course, he refused to do it, he refused to do it on the advice of the people of the community clinic. If he had taken that course, he would have been in the hospital as a surgeon and a qualified doctor in six weeks as soon as he came back. He refused to do this, and I think it was on the advice of the people who represented the community clinic, but not even in Eston but the group that was representing them and advising them in the province. Doctor Logie was asked to take the longer internship, and for the same reasons, I believe, he refused, so here is the situation, Mr. Speaker. Our hospital board, which is composed of twelve members of the community and one chairman asked these two doctors to upgrade their training. It is true that they didn't promise them hospital privileges if they did take this, but this was the first condition on accepting their application.

I am sorry to say these two doctors did not, would not take this extra internment, and the situation continued to inflame itself. Representation came to every hospital board meeting from community clinic people. They wanted to get their doctors into the hospital, and I don't blame them but still these two doctors wouldn't or couldn't go and take this extra training.

Now, I would like to say a word about the hospital board in Eston. I told you there were twelve people and a chairman, the representation on that board came from the town of Eston, and from the municipalities that are represented in the Eston Union Hospital District. These people that are on the hospital board were appointed from these other local government boards, and in April, 1964, when I went over there, I found that there were seven of the board members who refused to accept these two doctors until they had taken their training, and five who wanted to take them. Here is the situation, a local government board responsible for the medical health of the people of the Eston area, a board that is responsible for the standard of care carried on in that hospital. Seven out of twelve of them asked and wanted the two doctors to go away and get training before they would be accepted.

After April, the board agreed to a further commitment. The hospital board said to Dr. Battel, that if he would go away and take his six weeks obstetrical training, then he would be given hospital privileges on his return. This is what happened, Mr. Speaker.

Dr. Battel finally went away, he finally took his training and when he came back he was granted privileges in the Eston Hospital. Now, I want to return to the tone of the letters that I got from Eston. I don't know very many of these people personally, but this is a strange thing about all of the letters, they say nothing about their doctor being refused hospital privileges in Eston. I think they know that he wasn't qualified, and would never be qualified to practice in that hospital. They have one doctor who has full privileges in the hospital now, but what they are asking me to vote for, is an appeal board that will force co-operation between Dr. Battel and the two doctors who are presently in practice there.

This is exactly what they say, everyone says, "We are sorry that

the other two doctors will not co-operate with our Doctor Battel." Quite frankly, Mr. Speaker, I can't see any kind of outside interference forcing this kind of co-operation, especially in an inflamed atmosphere that has been the atmosphere in Eston Hospital for some six or seven, or the past ten years. All I can say to these people is that I intend to vote for the amendment. The appeal board is not going to do Dr. Battel any good, it is not going to do Dr. Logie any good, who has left the area, it is not going to do the community clinic people any good in Eston. They are not going to wring co-operation from Drs. Holmes, Sr. or Junior.

Their recourse, I think, Mr. Speaker, if this is what they want, is to try and get another doctor in there, who is able to co-operate with Dr. Battel in his surgery. Now, for some time, the three doctors, Dr. Battel, Dr. Logie and Dr. Stark at Kyle, had hospital privileges in the Kyle Hospital. I am not going to say anymore about that episode at all, I think that it is familiar to every member of this house. But now, Dr. Battel can practice in the Eston Hospital. His problem and the problem of the community clinic there is to get a second qualified person to come into their hospital to help them. They say Dr. Holmes, Stewart, and Dr. Holmes, Samuel, won't help them, and I say to you, Mr. Speaker, and the members of the house that the appeal board and no legislature and no act of a federal government is going to force these two groups together. It has taken ten years to get the situation, the atmosphere into the shape it is now in, and it may take twenty years to restore harmony in that Eston area, as far as the medical care is concerned.

Mrs. Marjorie Cooper (Regina West): — May I ask the hon. member a question before he sits down? At the outset of your speech, you mentioned about this dispute that upset the whole community, and you said it was a personal feud between two stubborn people, this is the trouble. Isn't that positive proof that there was a need for an impartial, unbiased, authority to come in and settle this problem, a group that could be more objective because they are divorced from this personality clash? Are you not just talking to convince yourself? You have shown that we need them.

Mr. Leith: — The lady member for Regina West, (Mrs. Cooper) has given me an excuse to make another speech.

I want to cite the case of the Inquiry Commission that went to Eston. This commission did nothing to make the situation better, in fact, I think it made it worse, and perhaps you don't know that the matron was, in fact, a married matron and her husband was the administrator of the hospital at that time. These are the things that we don't hear from the member from Saskatoon. But this was part of the problem, the fact that the matron and her husband had effective control of the hospital, and perhaps, let's be honest, let's say that perhaps the medical staff brought pressure to bear on the matron, I don't know these things, but I do know that there were many complaints about the fact that the matron and her husband were running a tight little empire there, and also that the person that I mentioned earlier, who was one of the strong personalities in this feud, was chairman of the hospital board. And we were doing all we could to separate all the goods and the bads in these situations. I can't see that any outside interference, any outside influence at all, unless it comes from heaven, is going to settle these two groups and make them work together. Time will settle it, and good feeling on both sides, if we can get it.

Mrs. Cooper: — One more question. You said that you didn't think the Board of Inquiry did any good. Well, this board, as I understand it, had no authority. If it had the authority to make a binding decision, couldn't it have been settled.

Mr. Leith: — I don't think that decisions forced on local people by side people are going to be any good. They can just do nothing but inflame the situation more. This is my feeling. I believe it.

Mr. W. Berezowsky (Cumberland): — Before the member sits down, I would like to ask a question?

Mr. Speaker: — We have had enough of these second speeches and second issues. Now that is it, the member sat down. He has made his speech and you are asking questions, the first thing will be that a member will be complaining that he is making another speech.

Mr. W.E. Smishek (Regina East): — Mr. Speaker, I think I would be inclined to agree with the member that just sat down. You can't force co-operation, it seems to me that an imputable order is an effective instrument to prevent discrimination, and an effective body to prevent discrimination is what we are talking about.

Mr. Speaker, I wish to divide my remarks on Bill 42 into three main categories. These are one — the extent of monopoly in the field of medicine generally — the extent of control at the local level, right down to the small community level, and the relationship of these two items to the third important one, why it is necessary to keep the hospital appeal board legislation on the statute books of the province.

Let me return to the first item, the presence of monopoly in medicine generally in the North American continent. I first want to cite the two recent examples, at three o'clock in the afternoon, on Sunday, March 28th . . .

Mr. Speaker: — Order! It now being ten o'clock, the house is adjourned.

Mr. Smishek: — Mr. Speaker, I beg leave to adjourn.

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