

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session - Fifteenth Legislature
36th Day

Tuesday, March 29, 1966

The assembly met at 2:30 o'clock
on the Orders of the Day.

WELCOME TO VISITORS

Mrs. Sally Merchant (Saskatoon City): — Mr. Speaker, I would like to draw your attention to the fact that again we have a group of students from Saskatoon. They are in the speaker's gallery. They are grade seven students from King George School in the city of Saskatoon and are accompanied by their teachers, Mr. Veer and Mrs. Dunlap. I know that members of this assembly will want to join with me in welcoming them here and wishing them a very productive and educational visit to the city of Regina.

Hon. Members: — Hear, hear!

Mr. J. E. Brockelbank (Saskatoon City): — Mr. Speaker, I would like to draw your attention and the attention of all members to a group of students in the east gallery from Mayfair School in Saskatoon city. I know we all hope that their stay here will be informative and that they will carry with them, back to Saskatoon, a good impression of their visit to this legislature. I hope, and I am sure all the members do, that the students have a safe journey home.

Hon. Members: — Hear, hear!

Mrs. Merchant: — Rather than have Mayfair School think we have any preference for the King George area of the city on the government side of the house, I just realized that Mayfair was here and I would like to join with the hon. member in the welcome that he extended to Mayfair.

Hon. Members: — Hear, hear!

SUSPENSION OF STANDING ORDERS

Hon. W. Ross Thatcher (Premier) moved, seconded by the Leader of the Opposition (Mr. Lloyd):

- (1) That on Wednesday, March 30th and on each Wednesday until the end of session, Standing Order 5 (2) be suspended so that the sitting of the assembly may be continued from 7:30 o'clock p.m. until 10:00 o'clock p.m.
- (2) That notwithstanding the provisions of Standing Order 2, the assembly shall, commencing on Friday, April 1, 1966, meet at 10:00 o'clock until 2:30 o'clock p.m.
- (3) That notwithstanding the provisions of Standing Order 2, on Saturday April 2nd and on each Saturday until the end of the session, the assembly shall meet at 10:00 o'clock p.m.; that there shall be two recesses of two hours each

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at 12:30 o'clock p.m. and 5:30 o'clock p.m. and that the order of business shall be the same as on Friday.

Mr. W. S. Lloyd (Leader of the Opposition): — Mr. Speaker, may I just make a brief comment on behalf of the members of the group who are quite ready to accept the procedure suggested in the motion. I would like to urge, however, since there is going to be these hours of sitting and added pressure on members generally, that we can perhaps relieve that situation somewhat and facilitate the work of the house, if there is a considerable amount of contact in planning the work a day or so ahead of them. If we can arrange that then I think we can make best use of the time without undue pressure on the members.

Mr. M. P. Pederson (Arm River): — Mr. Speaker, I, too, would like to make a comment, a very brief one. The introduction of this motion, I might say, was the first information that I have had outside of what I have picked up from various members of staff around the buildings. I hope that in the future that I might be contacted about this type of a move. I certainly don't object, but I would like to remind the government that I am also in this legislature and I would like to know what is going on before a move such as this is made.

Mr. Thatcher: — Mr. Speaker, the hon. member has a point well taken. This was only agreed upon about 2:15 today, I think, and I must say that I did not do it deliberately. I did not think of mentioning it to the hon. member and I apologize to him.

Motion agreed to.

QUERY RE NEWSPAPER REPORT ON PRINCE ALBERT PULP MILL

Mr. E. Kramer (The Battlefords): — Mr. Speaker, before the Orders of the Day I would like to draw the attention of the house to yesterday's Leader Post and under the headline "Pulp Mill Tax Schedule Interpretation Query"; now, I am sure this must be a misprint because our August reporters certainly would never have written anything like this. It says, (after mentioning a few things that went on):

Earlier the committee approved the preamble of the Bill after three hours of debate, two and one half of them last Friday.

Well, Mr. Speaker, we in the committee passed seven Bills before we got to the Bill 07. When we got to Bill 07 it was 12 o'clock. There was less than half an hour, as my memory serves me, spent last Friday on Bill 07. Mr. Speaker, I think it is only proper to point out that after a great deal of crying "Obstruction" by government members, probably our obstruction saved the city of Prince Albert \$700,000 as we discovered on Monday.

I only want to add, Mr. Speaker, that I hope this will be corrected and that we can expect something better in setting up the print in the Leader Post, because, as I say, I doubt very much if this was reported this way by the people who were taken down the notes in the house.

RESOLUTIONS

MOTION RE ESTABLISHMENT OF A DEPARTMENT OF CONSUMER AFFAIRS

Mr. W. A. Robbins (Saskatoon City) moved the following resolution, seconded by Mr. Willis (Melfort-Tisdale):

That this assembly

- (1) Urges the government of Saskatchewan to give consideration to establishing an active program of consumer protection along the lines advocated by the Canadian Association of Consumers; and
- (2) Urges the government of Canada to establish a Department of Consumer Affairs which would (a) protect the interests of Canadians with respect to the value, utility and safety of all commodity items offered for sale, (b) enforce limitations on and disclosure of interest and other consumer credit charges, and (c) produce and disseminate authentic information based on effective commodity research and testing.

He said: Mr. Speaker, perhaps I should preface my remarks with a brief statement with respect to reasoning related to a resolution concerning consumer problems and the theories related to consumer economics. The world in which we live is changing very rapidly. Almost ten years ago, in fact, it will be ten years on December 8th of this year, I left Sydney, Australia by air after attending the 1956 Olympic Games in Melbourne, and I arrived in Hawaii some 6,000 miles away, 15 minutes after my departure. Now, unless some one is about to pronounce that such a feat is not possible, I hasten to add that I gained one full day by crossing the international Date Line in that flight. However, Mr. Speaker, if one travelled the same route today by jet, one would arrive in Honolulu sixteen hours before he left Sydney. The world in terms of communication and transportation is appreciably smaller than it was even ten short years ago.

This is not the only thing in the world which is changing and changing very rapidly. Man's entire economic role in society has appreciably altered since the termination of hostilities at the end of World War II. Automation and cybernation have appreciably reduced man's importance as a producer, and as this trend develops man becomes increasingly important as a consumer. This is illustrated in terms of comparison in modern day manufacturing, and I would like to cite, Mr. Speaker, only one example in this instance. I imagine most of the members of this assembly are very familiar with the Consumers' Co-op Refinery on the outskirts of this city. This refinery employs in round figures 200 people. This refinery in round figures produces about 150,000,000 gallons of gasoline per year, yet there is in production today in Cardiff in Wales, a refinery owned by British Petroleum with five employees that produces 150,000,000 gallons of gasoline per month. The productivity in that plant is 480 times the productivity in the plant on the outskirts of Regina. I am positive that any member of this assembly who took the trouble to go to the refinery on the outskirts of Regina would find that it is a competent, efficient, well-operated plant. As I said at the beginning, Mr. Speaker, the world is changing very rapidly.

Members of the assembly will note from the resolution that it requests consideration of the approach and active program advocated by the Canadian Association of Consumers, and urges the federal authorities to establish a Department of Consumer Affairs which would do three things: (a) Protect the interests of Canadians with respect to the value, utility and safety of all commodity items offered for sale, (b) Enforce limitations on and

disclosure of interest and other consumer credit charges, and (c) Produce and disseminate authentic information based on effective commodity research and testing.

Mr. Speaker, I would like to deal with these in that order. I think we might very well ask ourselves certain questions as consumers. A few of the pertinent questions that we might very well ask are, "How observant and how alert are we?" and "How realistic are we in relation to economic affairs?" There is an old adage, "caveat emptor — let the buyer beware". I suggest, Mr. Speaker, this has lost some of its validity. I would not suggest that it does not still have considerable bearing on what you and I as individual consumers do in relation to our own needs in an economic sense. I realize, of course, that a lot of it is dependent upon interpretation, and because we are different individuals we interpret differently. Something perhaps like the stenographer who failed to send out the circular letters because she couldn't find any round envelopes to put them in. Inflationary factors are inherent in our economy today and I think as individuals and consumers we should take particular notice of this fact. The demand-pull inflation which was evident at the end of World War II has given way to a cost-push inflation which indicates some probability and possibility of developing into hyperinflation such as was witnessed in Germany after World War I and in countries like Brazil and Greece after World War II.

As consumers we are all too often, I contend, easily misled by advertising. Now, Mr. Speaker, I am not one who argues that we should not advertise. I think it is absolutely essential in modern day economics that people who have goods and services to sell to the general public must make those goods and services available and must make information available to the general public with respect to them.

However, I would suggest that we are often confronted with advertising which is rather unsound in its approach to consumers in terms of economics. Might I illustrate with one or two examples? Mr. Speaker, I stress again, I hope there will not be any misinterpretation of what I am saying here, I am not criticizing the advertising associated with it. I don't know whether members of the assembly can see this or not, but this is an ad in the Financial Post. It is a well-known publication across this country. It is an ad with respect to a Ford compulsory arbitration. This ad costs approximately \$450 for one insertion, and although some people will contend it increases the volume of the cars, I think there is no doubt about this. However, it must be construed that this is part of the cost of a Ford car. My criticism of the ad is linked solely with this approach. The ad tells you practically nothing about a Ford car. It says it is a glamour car, it is a comfortable car, it is a performance car, and it ends up at the bottom and it says, Mr. Speaker, "Ford Quietly Takes Your Breath Away". Now, who wants to be strangled, quietly or otherwise: To me this is utterly ridiculous. It provides no essential information of any value to the consumer as such.

In case members of the assembly think I am being unfair to one particular company, I would like to use a second one. This is in a magazine which is fairly well known, "Sports Illustrated". I didn't really buy this particular magazine because I was interested in the ad. I bought it because I was interested in sports and I was interested in the statistics available in regard to certain people who have excelled in this particular year with respect to their sporting achievements. I bought this magazine some four years ago. I have kept it for a reason. It contains an ad, which

to me is one of the most utterly ridiculous types of ads I have ever read in my life.

It is about a General Motors car. Again I want to stress that I am not being critical of the product. It is a perfectly good car. I'm criticizing the advertising approach. It starts out "To a Man at that Dangerous Age". I don't know what age that is as yet, but nevertheless this is the caption on the ad and I would like to read a bit from this ad with respect to the fact that it really tells you nothing about a Buick car. It starts out like this:

When life goes stale and you are building up to an explosion, this is the time to go out and buy a Buick. If your common sense tells you, you really don't need a luxurious car like a Buick, tell your common sense to be quiet".

Now, isn't that reasonable?

Look, you can say to yourself, you have worked hard enough, you deserve a little fun. After you have agreed with this undeniable truth, daydream a little; you are behind the wheel of this tailored beauty; you ride in elegance, pleasantly conscious of admiring looks. The bucket seats, the rich appointments add to your big-time feeling. You are quite a guy, successful and if you aren't exactly handsome this compulsory arbitration can do a lot for almost any face.

There is an old saying, Mr. Speaker, that "clothes do not make the gentleman". I suggest that "Buicks do not either". The individuals shown here, a lady got in the act; I don't know how she got in there, a bit extraneous perhaps. This ad actually costs, for one insertion in that magazine, almost \$20,000. My criticism is that the ad tells you nothing about the product. It provides no basic information in terms of getting good results, in terms of this expenditure of money.

I might cite two other examples, Mr. Speaker, to stress my point. Last year during the session, I had occasion one night to go to Winnipeg. I have always made a practice of travelling very lightly. I walked into a drug store down here in Albert Street. I walked up to a counter and asked for a small tube of Colgate's toothpaste. I did this purposely. The girl said there are lots of them over there on the counter. I went over to the counter, looked, came back and said, "I cannot find it". She said, "Well, I am sure there are lots of them there". I asked her if she would get one. She went over to the counter, picked up an obviously small tube of Colgate's toothpaste and handed it to me. I said, "On the end it says 'Large'". She said, "That's right. If you want the small size you have to ask for large". Isn't that reasonable, Mr. Speaker?

What is the reasoning behind this approach? It is basically to make you and me believe that we are getting something for nothing. It is a wrong approach, economically, and I am suggesting it is wrong morally and socially. A fourth example, I wish to cite, perhaps, is a more difficult one, but I think members of the assembly will get a clear picture of this because it is something that if you check on it you will fully realize that as consumers we pay a tremendously high price for products without realizing that we are doing it. My desk mate, the hon. member from Pelly (Mr. Larson) recently was using a cartridge type pen. I told him this story because he was having difficulty with the thing leaking all over the place. I had an experience a few years ago when my

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eldest daughter was in grade eight. She was sitting at the table one night doing homework and I was doing some homework. She said, "I have run out of ink" and she had one of these cartridge type pens. They are something like a ballpoint pen but they have an insert which is a plastic vial containing liquid ink. She secured sufficient funds to go down to the drug store to buy some and came back. She had a small package with five cartridges in it; 49 cents was the cost. She inserted one in her pen and went back to work. I got hold of one of these; I began to look at it and I got a bit curious. The fellow who was living next door to us was a person who had access to laboratory equipment at the university and I went over to him. I said, "Bill, I would like to go up to the university and conduct an experiment". He was agreeable and we went. We took this small vial of ink. We extracted the contents from it and found we had 1.4 cubic centimetres of ink. That is an infinitesimally small amount if you are familiar with this measurement. Since there are five of them, five times 1.4 would give you seven cubic centimetres of ink. Then we went across the street to a place, I believe it is called Wallings, and we bought a small bottle of ink. Mr. Speaker, it didn't even say "large" on it, it was a very small bottle of ink. We extracted the contents from that bottle of ink, and we found we had 118 cubic centimetres of ink. We paid 29 cents for the bottle.

Now, if you divide the seven into the 118, you will find that we got 16.85 times as much ink out of the bottle as we got out of the cartridges, or the five plastic vials if we had extracted the ink from all five of them. Mr. Speaker, 16.85 times the 49 cents means that as a consumer I was paying \$8.25 for a bottle of ink.

I have heard of people that pay \$8.25 for a bottle but it usually doesn't contain ink. This is a ridiculous thing in terms of consumer economics. It makes no rhyme or reason whatsoever. I suggest that there is no justification for the modern schizophrenia, that ideals are ideals, and business is business, and never the twain shall meet.

In no field of consumer activity or economic activity today, Mr. Speaker, do we find that consumers need more education and more information than they do in the field of consumer credit.

The second part of my resolution deals with this and I would like to spend a little bit of time on this particular section. I suggest that in no field of economy activity are consumers so completely at the mercy of those who may exploit them as in this particular field. Mr. Speaker, money is a commodity. I believe it was George Bernard Shaw who once made the remark, "Money does not make you happy but it quiets the nerves". Perhaps there is a good deal of truth in this because I find in terms of consumer counselling that a goodly number of people who come to me are in very bad condition in terms of their nervous systems. This is directly related to the fact that they have not made reasonably wise utilization of the resources at their command, and that they have been exploited very badly in terms of consumer credit extension. Ads which exhort us to borrow with brash claims of "five years to pay, no down payment, no carrying charges", simply do not meet the demands of reason. They create a "something for nothing" attitude which is economically wrong. This "pie in the sky" approach is a creature of our modern commercial world. One or two illustrations perhaps will suffice. I have numerous examples in my personal files in relation to counselling people that could be utilized in this respect. Mr. Speaker, perhaps one of the best examples I could cite is the example of a young teenage boy. I don't know how many members of the assembly happen to

have teen-age boys but they will certainly experience this if they have. Once a boy is 16 and can get his driver's license he is interested in getting a car of his own.

One of the things that attracts teenagers in this category is the fact that they can go down to almost any used car lot and pick up a 1951 to 1956 model of popular makes like Fords, Chevs, Plymouths, etc. for no down payment whatsoever. A compulsory arbitration in this category could be purchased for about \$300. The usual procedure is that they buy a compulsory arbitration on a no-down-payment basis. The finance company picks up the paper and they commit themselves to a certain monthly payment over a specified period of time.

The examples I am giving you are specific examples which I have extracted from people who came to me wishing financial advice with respect to their own personal affairs. Let's take this example then of a boy, we'll say 17 or 18 years of age, who goes to a used car lot, purchases a car with no down payment. He purchases it at \$300 and commits himself to make payment for 12 months at a certain specified rate. The particular one I am quoting, I can give the name if anyone wishes to have the name of the particular company but I do not wish to disclose this unless it is necessary. It can be in the category of companies like Commercial Credit, household Finance, Niagara Finance, etc. He commits himself to a payment of \$28.37 a month for 12 months. Obviously Mr. Speaker, \$25 of this \$28.37 per month payment is principal. He borrowed \$300; \$25 a month for 12 months will pay off the \$300 debt. By taking the \$25 away from the \$28.37 we realize that he is committing himself to a monthly payment of \$3.37 on interest or service charges or whatever you may wish to term it. Mr. Speaker, it's easy to take \$3.37 and multiply it by 12. You will find 12 times \$3 is \$36; 12 times 30 is \$3.60 and 12 times 7 cents is 84 cents. Add them together and you have \$40.44. The point that should be remembered here is that this individual did not borrow \$300 for one year. He actually has that \$300 for only one month. At the end of that month he has \$275 principal. After the next month, assuming he meets his payment, he has \$250 principal, and so on down through the year. On that basis, in actual fact, he only has \$150 cash in his hand for one year. And he pays \$40.44 for it and if you divide \$150 into \$40.44 you will find the true annual rate of interest is almost 27 per cent per annum. Mr. Speaker, this is illogical in terms of good consumer utilization of resources and is illogical in terms of sound consumer economics.

Might I cite one or two other examples to further illustrate the point comparable with this one. Let's assume that a second individual, a teenager wanting a compulsory arbitration the same as the first fellow, instead goes to a credit union and joins it and pays \$5 on share capital, and borrows \$300 and goes and buys the car for cash in terms of the \$300 being available. He will also commit himself to make payment over 12 months. He will, therefore, pay \$25 per month in terms of principal, and based on the interest charges available in my own credit union, which is eight per cent on the unpaid balance, this individual will pay \$13 in that year for his interest costs. But you must also remember that he has \$5 in the credit union and he will earn four per cent on this money. Now, it's only 20 cents, admittedly, but if he hadn't placed it there he would not have earned it. The 20 cents is a deductible item in terms of the \$13 cost and he has a net cost of \$12.80 compared with \$40.44, roughly 30 per cent of the cost. I contend that this individual does not really understand consumer economics and has not made the best utilization of his resources but is much better off than the fellow in the first example.

Let us now assume a third person in this category accepts the disciplines which are necessary in life, both in economics as well as socially or morally, and saves in his credit union \$300. I am not the slightest bit interested whether it takes him one year or five years, or ten years, but at least he should have this as his goal. Let us assume that he was successful. He saved this \$300 and then went and borrowed against it. Some people are going to say this is not logical or reasonable. I contend you can prove it is completely logical. It is completely sound. In fact, it is the only proper economic approach under this kind of a circumstance. If he goes and borrows the money, he also pays it off in one year's time. He, therefore, pays \$25 a month on his principal and he ends up with a cost of \$13 in interest charges but he earns \$12 on the other side in terms of his \$300 earning four per cent which, he having put a discipline upon himself saved. And his net cost, Mr. Speaker, is one dollar, and he gets more for that one dollar than the individual who went and bought the compulsory arbitration with no down payment and an interest cost of \$40.44. Why? Because his position is such that he has insurance on both sides, on both his savings and on his loan. In actual fact he has \$400 of savings insurance. He has \$150 average loan protection insurance which gives him a total of \$450 of insurance plus an average of \$150 utilized resources in cash available to him and his net cost, Mr. Speaker, is one dollar. He is at least 40 times better off and in actual fact, in terms of what he receives much better off than that.

Now, Mr. Speaker, I would like to cite one or two other examples to illustrate this point. I contend in the field of consumer economics it is completely logical to say that you can have your cake and eat it too. It does not mean, of course, that it is something for nothing. It is not. You must put the discipline on yourself or your family. In conjunction with your family you can achieve appreciable results. I cannot divulge information with respect to any individual credit union member except my own personal position. I happen to be the member of a board of a credit union. I simply cite this to illustrate reasonable utilization in terms of consumer economics. We planned when our family arrived that we would save all our family allowance cheques in our credit union. We have consistently done that. As of this morning, Mr. Speaker, we had \$5,763 so saved. I have three children, one in university, one in high school, one in public school. It is not unreasonable, based on the procedure we have used in relation to this saving, to realize close to \$8,000 by the time all of these accounts are completed. I am not suggesting that we left all the money in the credit union entirely. The Provincial Treasurer might be interested to know that some \$4,600 of that is in Saskatchewan Savings Bonds at the present time. Mr. Speaker, all I am suggesting here is that if the discipline is applied, if logic is utilized in relation to consumer economics, families can become financially independent in the short-term credit field. By using the figure of \$2,000 which we aimed for as a goal in terms of the credit union share savings account, we consistently go annually and borrow about \$1,800 against that sum. By so doing, I automatically place on my own life \$3,800 of insurance averaged throughout the year. I also have available to me in ready cash or service we may wish to buy and the net cost, in a year to me, approach. We could use the approach of the finance companies where we borrow in effect, \$150 for one year, no insurance coverage, and end up with a cost of \$40.44.

I would like to conclude this particular section of the

discussion I have in relation to consumer economics with one further example. We often hear people say that you are involved in risk, for example, in terms of life insurance. Now, I hope again that people will not misinterpret what I am saying. I contend that on an actuarial basis, in the final analysis, there is not real risk in the field of life insurance. Every person in this assembly will not be here and he won't be removed by an election, he will be removed by death within the next 100 years. This is a reasonably safe assumption. When that individual may die or any particular individual may die is of no importance whatsoever to an insuring company. They have computed on an actuarial basis the number of persons of any given age that will disappear from the scene out of any given number at any given time. There is no risk in the final analysis involved in this approach. You really have a loading in favour of the insurer in this respect.

I would like to cite this additional example to illustrate and I would be the first to admit, Sir, that this may sound a bit far-fetched, but it is absolutely factual in terms of the results that will be attained. Let's take twin brothers age 35. Let's assume they are very small income earners. Let us assume that each of them can save only \$40 per year, nothing more, nothing less. Let us assume that the first person has had some knowledge in terms of consumer economics and uses the credit union approach in terms of utilization of his resources. Let us assume that this individual then also purchases some insurance because he requires some. I'm not suggesting this will meet all his needs, by any means, but I am suggesting that he should go for the lowest cost type of insurance. In other words, he buys a renewable type of term insurance which I readily admit will not meet all his needs, but in terms of his capabilities of purchasing this is all he can do. This will cost him about \$10 for a \$1,000 policy at age 35. Let us also assume that he takes the difference, the additional that he is successful in doing this for 19 years. Nineteen times \$30 will give you \$570, projected at four per cent average return compounded will find him with about \$700 or slightly better at the end of the 19th year. Let us assume that his twin brother, Joe, also saves only \$40 annually. He has no approach in terms of consumer economics. He simply does not know anything about this approach. He is frightened and quite frankly this is what happens all too often, into purchasing an endowment life insurance contract on his own life. I am not condemning endowment life insurance. It has its place. I am suggesting that this person is making very poor utilization of his resources in this regard. What he, in effect, does is save his \$30 per year inside his insurance policy. The cost of carrying the insurance is roughly \$10, based on the term insurance rate and the excess of \$30 represents an overpayment on which he will build up a cash surrender value and earn interest return.

Both of these people need credit. The first fellow goes to his credit union and borrows \$700 against his \$700 of savings. The second fellow has his savings inside his insurance policy and he goes to his insurer as he has every right to do, and he borrows \$700 against the \$700 approximately of cash surrender value inside of his policy. Let us assume that they are travelling together on a particular day and they are both killed by accident. What happened to their families? In the first instance this individual's family will get \$1,000 in cash from his insurer which is payable to him only upon his death, or to his estate upon his death. He will get \$700 in cash out of the savings in his credit union. He will get \$700 on savings insurance from the insurer

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that carries the insurance on his credit union savings. This gives his family \$2,400 in cash. The \$700 debt that he owes, in terms of his loan, will be cancelled automatically by the loan protection insurance carried. This family then has no debt and \$2,400 in cash.

What about his brother and his family? He has a \$1,000 insurance policy. He built his savings inside the insurance policy. He needed credit and went and borrowed \$700 from his insurer and his family will get \$300 in cash. They will get the \$1,000 face of the policy less the \$700 loan against it, in other words, a net amount of \$300. They both saved \$40 a year. The first one made reasonable utilization of his resources in terms of consumer economics. The second one did not. The first family is eight times better off. I suggest, Mr. Speaker, that we need to do something pretty drastic in terms of bringing to the attention of people, the cost involved in terms of consumer credit extension and insurance. We need disclosure of interest and other consumer credit charges. It will not solve the problem completely but it will in probability appreciably alleviate it.

Mr. Speaker, this is no new idea. On February 11, 1966, Reid Scott, New Democratic Member for Danforth, Toronto, introduced a Bill in the house of Commons with respect to disclosure of interest and limitation of interest. This, of course, is not the first time a Bill has been introduced. Senator Croll, when he was a member of the house of Commons; - he was a Liberal member, I believe, for Spadina in Toronto, - on many occasions attempted to introduce Bills of this nature and since he was elevated to the Senate, if we may use that term, he has continuously attempted to get this kind of legislation enacted. Senator Croll has been a pioneer in this respect and I think he deserves a good deal of credit in relation to it.

Mr. Speaker, this is, I think, one of the most vital things in terms of needs in this country today. If you were doing, as I am doing, a considerable amount of financial counselling, you would realize the tremendous problems that confront, particularly, young people who are placed under a tremendous amount of pressure in our society in terms of advertising, and with the keeping-up-with-the-Jones's approach, and fall prey to unscrupulous exploitation in this particular field.

The third particular section of this resolution, Mr. Speaker, deals with the need for the production and dissemination of authentic information based on effective commodity research and testing. I realize that this is a difficult field but nevertheless this is no reason why we should not at least attack it. In the United States the Consumers Union, which is a Foundation, publishes a magazine entitled "Consumers Reports". I am sure members of the assembly have seen this magazine, in which they actually test products and provide unbiased reports with respect to them. This particular one deals with automobile insurance and I wish the member from Rosthern, the hon. Minister of Welfare (Mr. Boldt), the man in charge of SGIO would get a copy of this. He would begin to realize, I think, the tremendous progress made in the province of Saskatchewan in the last 20 years in this respect. I am suggesting, Mr. Speaker, that in this country we are not likely to get a Foundation with sufficient funds to do a creditable job in this particular field. I suggest that in this country the work will probably not be done unless funds are available for this work at the governmental level. Obviously, it should be available at the federal level. There are people, I'll admit, who object to this approach. However, most of the things that we do or must

do to reveal the quality of our society will cost money. It will cost public money. Willingness both to advocate and to pay is the test of whether or not a man is serious in this regard. If we haven't learned to mistrust, Mr. Speaker, indeed to ignore the man who talks about high national purpose and then omits all mention of the price, or rules it must not be done and classifies strict economy of public expenditures as one of his higher purposes, then, Mr. Speaker, our situation is pretty bad indeed.

When privilege no longer equals duty its day, I suggest, are numbered. Mr. Speaker, I'll admit that the food and drug people do some creditable work in this respect but I contend it is not sufficient. We have clear evidence that this is so. Noticeable gaps appear in the program. Thalidomide babies are a stark and grim reminder of serious problems related to the lack of information available to consumers and the utilization of drugs in this particular respect. I doubt again, Mr. Speaker, whether this type of action can be expected in this country unless it is done at the federal level. I, therefore, strongly urge, Mr. Speaker, every member of this assembly to support this resolution which I beg leave of the assembly to move, seconded by the hon. member from Melfort-Tisdale (Mr. Willis).

Some Hon. Members: — Hear, hear!

Mrs. Sally Merchant (Saskatoon City): — Mr. Speaker, this is an area in which I think members on both sides of the house are particularly interested and certainly any elected representative in any level of government because the consumer problem in Canada and around the world at the moment is something that is giving governments at all levels a tremendous amount of difficulty. I would like to be able to speak to the resolution but would like some time to gather together some thoughts in the light of some of the things that the hon. member has said. I agree largely with the basis from which he works. I can't say I agree entirely upon the solutions or with the solutions for which he would settle. So accordingly, Mr. Speaker, I beg leave of the assembly to adjourn the debate at this time.

Debate adjourned.

THIRD READINGS

Hon. D. V. Heald (Attorney General) moved third reading of Bill No. 81 — **An Act to amend the Education and Health Tax Act.**

Mr. W. S. Lloyd (Leader of the Opposition): — I would like to underline again the feelings and opposition of this group with respect to the Bill which is now being proposed for third reading.

This is a Bill to impose a tax on a vital household commodity. We have been unable to discover any reason either administratively or financially that leads up to believe that the Bill is necessary and we have no conviction whatsoever that the Bill is desirable. In a year in which other sources of revenue have improved, as they have, we are at a complete loss to understand the reasons of the government for adding a tax to this essential day-to-day household commodity. It can do nothing but aggravate the problem for thousands of homes across the country who cannot by any means whatsoever

escape the necessary of purchasing this particular commodity. As a result we must express, and we wish to underline at this time, our opposition to it.

We have also expressed opposition to another section of the Bill. We have expressed this opposition because we feel there are unduly harsh measures proposed with respect to overseeing the collection of the tax. Mr. Speaker, for those reasons we register again our objection to the Bill.

Mr. E. I. Wood (Swift Current): — I would like to say just a few words in regard to the content of this Bill. The voting and dealing with this Bill, especially section 2, are something like the question, “Do you still beat your wife?” It’s a little hard to vote on items which put the tax on soap while in the same section of the Act, you have some rebates in regard to taking the tax off some farm items. I notice, however, Mr. Speaker, that the items that are listed in the Bill, of course, are not new items. Simply the ones that are outlined by the Provincial Treasurer in his Budget Address were the ones that are new items. Of these new items we note on going through the Bill today that the item regarding snowplough equipment is not included in this Bill at all. The one on the snowplough attachments for farm tractor and farm trucks is to be brought in by Order in Council in regard to already existing legislation. So that makes this a pretty lean bit of help to the farmers so far as I am concerned. The only one that really amounts to anything in this is maybe the milk and cream cans, and that is a pretty small item with most farmers nowadays.

So I don’t have too much trouble, Mr. Speaker, in making up my mind in regard to this clause 2. Even the farmers are going to lose money on this. They are going to lose more money in tax they have to pay on soap than anything that will be given to them by taking the tax off these exempted items in this Bill. So I have no hesitation at all when you weigh the thing out that this is definitely a Bill that is going to hurt, not only the city people but also the farm people in this province. They are going to be paying a good deal more in tax than they were before. Of course, we have to have taxes to run the province, but I think that when we are taking off income taxes we are in very poor shape to be putting on the kind of taxes that are going to hurt the small people of this province.

Motion agreed to.

On the motion of the Hon. Mr. Steuart, the assembly adjourned at 9:58 o’clock p.m.