

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fourth Session — Fifteenth Legislature
21st Day

Friday, March 3, 1967

The Assembly met at 2:30 o'clock p.m.
On the Orders of the Day.

WELCOME TO STUDENTS

MR. F.A. DEWHURST (Wadena): -- Mr. Speaker, it gives me a great pleasure at this time to introduce through you and to the Members of this House, a group of students from St. Front and a few from the Perigord district. There are 45 students in the two groups and they are accompanied by their teachers, Sister Helen Marie and Sister Gerard Marie along with another teacher, Mr. Dufault, and also their bus driver, Mr. Moyen. On behalf of the Assembly I wish to welcome this group here today, to wish that their stay will be educational and to wish them a pleasant trip home and a safe journey.

SOME HON. MEMBERS: — Hear, hear!

MR. F. LAROCHELLE (Shaunavon): -- Mr. Speaker, I would like to introduce through you to the Members of this Legislature a fine group of students sitting in the west gallery. Mr. Speaker, it is quite befitting that they would be sitting in the west gallery because they come from the great southwest part of this province. They are students of grades 10, 11 and 12 from the Val Marie High School which I'm proud to have in the Shaunavon constituency. They are accompanied by their teachers, Sister Celestin and Sister Helen, and Mr. Dubé, also their bus drivers, Mr. Janson and Mr. Selander. This group of students left at 4 o'clock this morning, Mr. Speaker, and drove 225 miles to visit the Legislative Building and observe the proceedings of the Legislative Assembly. I wish to join the Members in welcoming them and wish them a very safe journey back home.

SOME HON. MEMBERS: — Hear, hear!

MR. D.W. MICHAYLUK (Redberry): -- I rise to introduce to you and through you to the Hon. Members of this Legislature a fine group of grade 12 students from the Hafford High School seated in the east gallery. They are accompanied by Mr. Walter Daviduke, one of the high school teachers. Hafford High School, Mr. Speaker, has since my election sent its grade 12 students to this Legislature annually. It is for this reason that I'm again privileged to welcome a fine group this afternoon. A number of citizens from the Hafford area volunteer every year to make it possible for the students to be here. This group today are Mr. Pat Bohun, Mr. Bernie Vinnick, Mr. Lawrence Kohut and Mr. Bronnie Grabowski. I trust, Mr. Speaker, that their two-day stay in the capital city will be educational and informative and we all wish them a safe return home tomorrow.

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SOME HON. MEMBERS: — Hear, hear!

MR. A. MITCHELL (Bengough): -- Mr. Speaker, it is my pleasure this afternoon to introduce to you and the Legislature a brilliant group of students in the west gallery, 43 in number of grades eight and twelve students from Ogema School in the Bengough constituency. The students this afternoon are under the guidance of their teacher, Mrs. Iverson, and I know all Members of the Legislature join me in wishing them an informative and enjoyable afternoon and a safe journey home.

SOME HON. MEMBERS: — Hear, hear!

HON. G.J. TRAPP (Touchwood): -- Mr. Speaker, I wish to introduce a very fine group of high school students from the Kelliher High School in the Speaker's gallery. They are accompanied by their principal, Mr. Herman and their bus driver, Mr. Creps. I hope that these young people will enjoy their visit to the Legislative Building today and that they will have a very enjoyable trip home.

SOME HON. MEMBERS: — Hear, hear!

MR. B.D. GALLAGHER (Yorkton): -- I know that you would not forget to welcome a group of students from your own constituency, Mr. Speaker, the group of high school students from the McNutt High School. However, some of these students are also from my constituency -- McNutt is in the Yorkton School Unit. I want to welcome not only the students from my own constituency, Mr. Speaker, but also my good neighbors to the south of me. They are accompanied by Mr. Andreas, Mr. Cornelius and Mr. Wagner, I believe and I'm sure that all Members want to welcome all these students, and to wish them a most profitable and enjoyable afternoon.

SOME HON. MEMBERS: — Hear, hear!

HON. G.B. GRANT (Regina South): -- Mr. Speaker, not to be outdone by the Hon. Member from the southwest part of the province, I understand there is a group of students from just west of here on Robinson Street, the Assiniboine School in the House today. It is doubtful whether they can crowd into that west gallery, though, with the number of other visitors that are present. Through you, Sir, I am very happy to welcome these students to the House today.

SOME HON. MEMBERS: — Hear, hear!

MR. A.E. BLAKENEY (Regina West): -- Mr. Speaker, I would like to welcome on your behalf and on behalf of all Members of the House, a group of students, a very interesting group of students from the Regina public schools. They are a special interest group in French from grade eight classes at the Regent Park, Al Pickard, Rosemont, Wascana and Benson schools. They are here under the guidance of one of the

consultants for the Regina Public School Board -- consultant in the French language, Mrs. Debiene and I regret that we can't offer them very much instruction this afternoon in the French language, but we certainly hope that in other respects their visit here will be enjoyable and helpful to them in their studies. And I wonder, Mr. Speaker, while I'm on my feet if I might also add my greeting to the Assiniboine School. They are not in my riding, but that school is very close to where I live and both of my children who have gone to school have attended the Assiniboine School. I would wish to join them in the welcome which I'm sure all Members will extend to the students here today.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: -- May I draw the attention of the Hon. Members to the fact that the town of McNutt is named after the first Speaker of the Legislature of this province, the Hon. T. McNutt. I'm sure all Members will wish to join with us in extending a very warm welcome to both the students and to those who are accompanying them and to wish them a wonderful afternoon and a very safe trip home.

SOME HON. MEMBERS: — Hear, hear!

SECOND READINGS

HON. W. ROSS THATCHER (Premier), moved second reading of Bill No. 35 -- **An Act to amend An Act to provide a Superannuation Allowance for a Certain Former Member of the Legislative Assembly.**

He said: Mr. Speaker, the purpose of Bill No. 35 is to adjust the pension of a former Member of this Legislature, the Hon. W.J. Patterson. In 1958 the former Government passed legislation providing a pension of \$3,000 per year, and at that time it was a very fair pension. However, some circumstances have changed. The amount is today, we think, inappropriate in the light of present day living costs. The purpose of this Bill is to increase the annual pension from \$3,000 per year to \$4,200 per year. I would point out in passing that the Hon. W.J. Patterson was a Member of this Legislature for 28 years. When he had left the Legislature, he served as Lieutenant Governor for seven years. I hope that this Bill will find favor with the majority of the Members of the House.

HON. W.S. LLOYD (Leader of the Opposition): -- May I very briefly say that certainly so far as we are concerned we warmly endorse the action which is being proposed by the Government. The Bill was passed some years ago certainly for the best and most justifiable of reasons. I'm pleased as are all Members that the amount is being advanced to compare with that which is provided by the present legislation. While I'm on my feet, Mr. Speaker, I would suggest to the Premier

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that perhaps the Government might give some consideration to the fact that a number of other former Cabinet Ministers have been caught under the later ceiling as well. A number of them superannuated after many years of service when the ceiling was \$3,000 instead of the present \$4,200. I simply commend, Mr. Speaker, that some thought be given to this by the Government at an appropriate time.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: -- Mr. Speaker, I thank the Leader of the Opposition (Mr. Lloyd) for his comments and I may say that we have had representations from other Cabinet Ministers and also from some of our Crown corporations in the civil service itself to review the whole matter of pensions. All I can say is that we on this side of the House would certainly be agreeable to do that if we happen to be here a year hence.

SOME HON. MEMBERS: — Hear, hear!

MR. THATCHER: -- And we will be.

SOME HON. MEMBERS: — Hear, hear!

Motion agreed to and Bill read a second time.

HON. W. ROSS THATCHER (Premier) moved second reading of Bill No. 41 — **An Act to amend The Members of the Legislative Assembly Superannuation Act.**

He said: Mr. Speaker, this amendment is a minor one. The proposed amendment will authorize the Provincial Treasurer to purchase debentures issued by the World Bank in Canadian or US funds, for the investment portfolio of the MLAs' superannuation fund. The Act presently authorizes the Provincial Treasurer to invest in securities issued by first, the Government of Canada; secondly, any province; thirdly, any securities guaranteed by the Government of Canada and the province; fourthly, any municipal corporations, school district or school unit of any province; fifth, Saskatchewan Rural Telephone companies. The World Bank makes loans to its member countries for development projects such as electric power, transportation, irrigation, communications, education and water supply. The Bank's membership consists of 103 countries. As of June 30, effective loans outstanding total \$6,300,000,000. The Bank finances most of its loans by borrowing in the capital markets of the world. By June 30, 1966, the Bank had an outstanding debt of \$2,800,000,000, mostly in US funds. In Canada the World Bank has issued six debentures. The proposed amendment does not commit the Provincial Treasurer to purchase World Bank securities. The decision to invest in World Bank securities would depend upon its effective yield in relationship to other high-grade securities on the market. Diversification of the investment portfolio and other factors which are taken into account in the normal investment management of public funds — I might say that

the Government of Canada has asked us to take a very serious look at such action. This Government believes that we would be helping many of the under-developed nations of the world if we were able to purchase some of these bonds. The Bill as I have already indicated does not mean that we have to buy them, but it would give us permission so to do if we felt they were a reasonably good investment.

Mr. W.A. Robbins (Saskatoon City): — One or two comments if I may. I feel that this is a wise move and I think we should support the Government in its Bill with respect to the widening of the investment possibilities for the MLAs' Superannuation Act. This is a wise move in terms of the possibility of improving returns in terms of the pension fund; and secondly, I think it has merit in relationship to the fact that it may be of some value in helping under-developed countries throughout the world.

Motion agreed to and Bill read a second time.

HON. W. ROSS THATCHER (Premier) moved second reading of Bill No. 42 -- **An Act to amend The Treasury Department Act.**

He said: Mr. Speaker, the Attorney General's department has advised us that special warrants may be issued by the Lieutenant Governor in Council only when the Legislature is not in session. The amendment proposed is to provide the Lieutenant Governor in Council with authority to issue special warrants when the Legislature is in session but is adjourned for an indefinite period or is adjourned for more than two weeks. This Act does not specifically provide authority to issue special warrants when the Legislature is in session but is not sitting because it has been adjourned for an indefinite period. Last year this situation arose when a special session of the Legislature was called in September for two days and adjourned until December. It is contemplated that in the future the complexities of government in a fast-changing environment may require the holding of more special sessions of the Legislature. The proposed amendment is similar to the provision in the Financial Administration Act of the Government of Canada. An examination of the Federal Finance Administration Act also suggested two additional minor amendments; (a) to make it clear that a special warrant which is issued is deemed to be an increase in the appropriation for the fiscal year in which the warrant is issued and (b) to clarify that a special warrant which has been issued is included in the Appropriation Act and is not to be considered over and above the amounts appropriated by the Act of the Legislature. Secondly, The Treasury Department Act is amended to authorize the increase in the salary of the Provincial Auditor from \$16,000 to \$16,800 retroactive to October 5, 1966. This is in line with the standard wage increases of the past year. And three, the investment power of the Provincial Treasurer has been amended to provide the Provincial Treasurer with authority to purchase securities issued by the World Bank. The World Bank makes loans to its member countries as I said a moment ago for various purposes.

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The proposed amendment does not commit the Provincial Treasurer to purchase World Bank securities. I commend this Bill to the attention of the House.

MR. A.E. BLAKENEY (Regina West): -- Mr. Speaker, I wish to make a few very brief comments. Firstly, with respect to the raising of the salary of the Provincial Auditor, I have nothing to say except to agree with that. Secondly, with respect to the provisions to buy World Bank securities, I am similarly in agreement with that. I was a little puzzled by the wording of The Treasury Department Act which provides that the Treasury Department will buy World Bank securities only where they are payable in currencies of Canada and the United States. All of the other Acts dealing with World Bank securities and, there are about four of them on the Order Paper, including the one we just considered. The Members of the Legislative Assembly Superannuation Act, provide for securities payable in the currency of Canada, the United States and the United Kingdom and other members of the Commonwealth. I wondered whether there was any particular aversion in the mind of the Premier to the United Kingdom or other members of the Commonwealth which wasn't shared by his colleagues.

With respect to the other items, I will ask in Committee because I think I may not have understood the Premier. As I understand it where a special warrant is issued, it acts not to increase the appropriation but is simply included in the appropriation. If I properly understand that provision -- and obviously I can take steps to improve my understanding better in Committee than I can at this time -- I have no quarrel with it. Accordingly, Mr. Speaker, I will be supporting the amendment.

I agree with the comments made by the Premier that the provisions with respect to special warrants were not intended to apply to a session which has been adjourned for a long period. While ordinarily I might have a comment with respect to retroactive legislation, I can see why this is here and I have no quarrel with it.

MR. J.H. BROCKELBANK (Kelsey): -- Just for the purpose of giving notice to the Provincial Treasurer about a question which can either be answered now or when the Bill is in Committee in regard to the salary for the Provincial Auditor, is this a salary for the position or for the specific person who is there at the present time? The present auditor is, I'm sorry to say, getting near retirement. Is this salary fixed for the position?

MR. THATCHER: -- Well, Mr. Speaker, I think probably I would like to answer most questions in Committee. There are two perhaps I could say a word about. First, the Hon. Member for Regina West (Mr. Blakeney) asked me why the United Kingdom was not included as one of the currencies. That's certainly a good question and I agree it should be. I'll check in and find what is the reason for its omission. In regard to the salary for the Provincial

Auditor which the Hon. Member for Kelsey (Mr. Brockelbank) asked me, my offhand opinion, and I'll have to check this, would be that it is the salary for the present auditor. I believe this is an Order-in-Council appointment and if we appoint a new one, I do not think he would commence at the same salary that Mr. Smith is ending his career upon.

Motion agreed to and Bill read a second time.

HON. J.W. GARDINER (Minister of Public Works) moved second reading of Bill No. 52 -- **An Act to amend The Water Rights Act.**

He said: Mr. Speaker, in rising to move second reading of the Act to amend The Water Rights Act, the explanation of the changes to be made are very brief. The existing provisions of The Water Rights Act do not permit the licensing of projects until the licence fee has been collected. The Water Resources Commission has advised that there are some 153 small water development projects authorized and constructed prior to 1945 for which this fee has not been collected. The total amount of fees that are outstanding for these projects is \$208. Periodic requests have been made to the owners to secure the fees. The Commission is anxious to have all existing projects properly licensed but advised that the public cost of collection of fees for these projects may well exceed the amount outstanding. The proposed amendment will authorize the waiving of the fees for these 153 projects, thereby allowing the projects to be licensed. In the course of its 1967 field inspection program, the owners of projects and the areas inspected will be contacted and a further attempt made to collect the fees. It is my intention to waive those fees still outstanding, following this inspection, in order that these existing projects may be licensed and these matters cleaned up as most Members know these projects have been constructed for probably 25 years. The Water Resources Commission feels that it would be much better if they would be cleaned up and licences issued.

MR. BROCKELBANK (Kelsey): -- Am I correct in taking it from the Minister's explanation that this applies to thousands of small dams on waterways? Does it apply to dugouts too to get a licence or would it apply to dugouts as well as dams?

MR. GARDINER: -- Well, it would apply to any project for which a licence is required whether it is a small dam or whatever developments.

MR. BROCKELBANK (Kelsey): -- I think any other questions I have on it could be asked in Committee.

Motion agreed to and Bill read a second time.

HON. J.C. McISAAC (Minister of Municipal Affairs) moved second reading of Bill No. 18 -- **An Act to amend The Rural Municipal Secretary Treasurers Act.**

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He said: Mr. Speaker, this is an Act to amend the Rural Municipal Secretary Treasurers Act. The RM Secretary Treasurers Association has negotiated for an insurance plan that will provide a guaranteed monthly payment to a Secretary Treasurer until age 65, equal to 60 per cent of his salary, if he is unable to continue his work because of action or because of sickness. In other words it is what is commonly known as an income disability plan. It provides for a one-year waiting period before the secretary can collect. In the meantime it is hoped that in another Bill that is being brought before this Legislature that the municipalities will implement a plan to look after these secretaries for the first ten months of that first year. These amendments have been requested by the Municipal Secretary Treasurers Association, approved by them and the municipalities and I think that any further questions can quite easily be dealt with when they get to Committee. Accordingly I move second reading of this Bill.

MR. E.I. WOOD (Swift Current): -- Mr. Speaker, I confirm what the Hon. Minister has said in this regard. I have been in consultation with the municipal people on this. I realize that this is brought in to be used in conjunction with the plan that is being proposed by the rural municipalities and it looks to me like a very sound procedure.

MR. W.G. DAVIES (Moose Jaw City): -- Mr. Speaker, I too think that the object of the plan is a good one and I rise here to say that I would commend a general plan to the consideration of the Government. I have on other occasions suggested that a sick pay plan, a maintenance of income plan of this type might be an excellent thing for consideration of this Government for general application. I'm glad to see that it has been applied at least so far as this legislation before us indicates. It seems to me though that what is good here can be good for a much broader section of people and I just want to say briefly that I hope that the Government will take into consideration what has been urged by myself and others at various times on the need for a general income protection bill for all employed classes.

Motion agreed to and Bill read a second time.

HON. J.C. McISAAC (Minister of Municipal Affairs) moved second reading of Bill No. 19 -- **An Act to amend The Municipal Corporation of Uranium City and District Act, 1956.**

He said: Mr. Speaker, this is an Act respecting the Municipal Corporation of Uranium City and District. The Municipal Corporation of Uranium City and District Act was passed originally in 1956 and it provided generally that the city and district would be governed in accordance with the provisions of a charter to be approved by the Lieutenant Governor in Council. Now there has been some doubt raised as to the validity of that charter and the purpose of this amendment is merely to ratify the charter and all of the subsequent Orders-in-Council and to consolidate

them all into one. This Uranium City charter is patterned after the Town Act. No amendment to the charter is authorized unless it's been passed in the House as amendment to the Town Act or has been requested by the Council of Uranium City. It is not providing for any change in policy but confirms the validity of the charter and consolidates the charter as well. So I therefore move second reading of this Bill.

MR. WOOD: -- Mr. Speaker, as I look at this Bill, I understand that it is incorporating into the Act certain amendments that have been approved through the years by the Ministers of the Department of Municipal Affairs in regard to the charter of the Municipal Corporation of Uranium City and District. It is my understanding that the Minister did have complete powers to do this as is set out in the Act. I don't think that there was anything out of the way in these orders being passed this way through the years, but I do think it is a good principle that the Minister is using here in bringing these back for the consideration of the Assembly and having them actually incorporated into the Act and letting the Assembly have a look at these amendments that have been made from time to time.

But I would like to say, Mr. Speaker, that in order for the Assembly to know what they are passing and to which they are giving their approval, I think it would have been advisable to have copies of these orders tabled or to have them distributed to the Members. Now, I made it my business to look up what they were and I do concur in passing them myself. I don't think there is anything out of the way with them, but I do think that in asking the Legislature to give their approval and their stamp of approval on these amendments that they should at least be aware of what they are giving their approval on. I would ask the Minister if he does not think it's wise to adjourn the Debate and possibly distribute a few copies of these amendments, which are extensive so that the Members might know to which they are giving their approval and know what the Bill is all about.

MR. J.H. BROCKELBANK (Kelsey): -- Mr. Speaker, before the Minister gets up to close the Debate, I would like him to tell us if there was some pending legal action or something like this that brought the matter up?

MR. McISAAC: -- Mr. Speaker, in reply to the question raised by the Hon. Member for Kelsey (Mr. Brockelbank) this was exactly the case. There was apparently a ruling brought to our attention from the Attorney General's Department where the Corporation tried to collect taxes and the judge ruled that it was impossible to do so under the Act and they couldn't enforce it. So this is what brought this about and as far as the comments made by the Member from Swift Current (Mr. Wood), it is a good suggestion and possibly it could have done it. I'll be prepared to get copies of those and distribute them in Committee but as I said in my original remarks, any amendments that were made by Order-in-Council to this charter were those that were approved, most of them through

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this House as amendments to the Town Act and several that came direct from the Corporation up there pertaining to that particular area so I don't think there's any question but that they will be ratified. I would be glad to bring in copies of those for anyone wanting them.

Motion agreed to and Bill read a second time.

HON. J.C. McISAAC (Minister of Municipal Affairs) moved second reading of Bill No. 20 -- **An Act to amend The Local Improvement Districts Act.**

He said: Mr. Speaker, this is an Act to amend The Local Improvement Districts Act. For many years now it has been customary by the Government which was in power to amend the LID Act, generally speaking along the lines of the rural municipalities. The aim of my Department and the Government is to have the LIDs, as they are known, administer it as nearly as possible in the same manner as the Rural Municipalities. Members will recall that three years ago provision was made for elected committees in the LIDs and this has worked out very well. A council of the rural municipality exercises its powers by a resolution of council and this amendment here would permit the Minister of Municipal Affairs to exercise the same powers in the LIDs by issuing a Minister's order. I think that this amendment will facilitate the operation of the Act and for that reason I move second reading of this Bill.

MR. WOOD: -- Mr. Speaker, I agree. I don't think this amendment is putting anything into the Act that wasn't already there in principle. I think it was mutually agreed that the Minister of Municipal Affairs did have these powers in regard to The Local Improvement District Act. But there is one little item that I would like to point out to the House at this time -- I can't refer to it in another Debate but there have been said some things in the House from time to time in regard to the extension of the democratic principles to the Local Improvement Districts. Now, the Hon. Minister who just sat down said this was done three years ago. I would like him to bear in mind that it was three years ago, four sessions ago, that this was brought in by the former Government. And I'd like to point out for the edification of the Members opposite that if they have anything to think about or to say about the extension of democratic principles to the LIDs that this change in the Act was done by the former CCF Government. I brought in these amendments myself to the Act in the 1964 Session, which is three years ago, that is, it was four sessions ago and I may point this thing out to the Minister in passing.

Motion agreed to and Bill read a second time.

HON. L.P. CODERRE (Minister of Labour and Minister of Co-operation and Co-operative Development) moved second reading of

Bill No. 21 -- An Act respecting Pension Benefits.

He said: Mr. Speaker, the Pension Benefits Act which is before the Legislative Assembly is fairly simple and self-explanatory. I do not propose, therefore, to discuss any of its provisions or to go into the technical details. However, in moving this Bill to be read the second time, I would like to say a few words on the main advantages of introducing this legislation at the present moment and on the progress it represents when compared to the existing situation. As is well known, provisions of an adequate income upon retirement from employment has been a problem throughout Canada for many years. Attempts to solve this problem in the past have been made on various occasions by professional organizations and private companies as well as by the Federal and Provincial Governments. The results of these efforts have been a complicated system -- if it could be called a system -- in which some people participate in several pension plans, others in just one and still others in none. Under these circumstances, not only the cost of administering these plans has been high; what is worse is that many pension-plan beneficiaries have been losing acquired pension credits when they have found it necessary to change jobs. It is understandable, therefore, that professional and labor organizations have often campaigned for legislation which would ensure the portability of pension credits. I do not suppose that I would be revealing any state secrets by saying that the portability of pension credits is a principle to which all enlightened governments today subscribe. Undoubtedly it is a recognition of this principle which inspired the Federal Government to introduce recently the Canada Pension Plan. In the meantime, numerous private pension plans remain in operation throughout the country, which are under Provincial jurisdiction. Thousands of Canadian citizens have made contributions to these plans which entitle them to certain benefits. As I said a moment ago, some of these benefits are lost when the individuals concerned move from one job to another. Furthermore the contributions of employees to pension plans are not protected at present from seizure or execution. The Pension Benefits Act which is now before this Assembly represents a step in the direction of universal portability and at the same time it aims to ensure the solvency of existing pension plans. Similar acts are already effective in the Provinces of Ontario, Quebec and Alberta. Manitoba is considering the same kind of legislation. The provisions which this Assembly is being asked to approve in passing the Pension Benefits Act are thus in harmony with the thinking of a large number of Canadians in four other provinces. And I venture to predict that after Saskatchewan, other provinces are likely to introduce such legislation especially in the Maritimes. You will have noticed that the Bill which is before you, retains some of the provisions of the old Employee Pension Plans Registration and Disclosure Act. We believe in the old saying, Mr. Speaker, "Try all things and hold on to that which is good." We are fully aware that even after the adoption of this legislation, further action will be required at the right time to achieve the universal portability of pension credits. Some problems remain, owing to the complexities which result from our Federal structure

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and the great distances with which we in Canada have to cope. Some companies have plans in several provinces while their financial affairs are managed from one head office which may be located, for example in Saskatchewan or in a neighboring province or somewhere else in eastern Canada. However, the most important thing is to protect the acquired rights of the men and women who have contributed to the plan. The Act we are asking you to approve provides a deferred life annuity equal to the pension benefits of every member of the Pension Plan who has been in the service of the employer for a continuous period of ten years or has been a member of the plan for ten years, and who has attained the age of 45. I humbly submit that this is a guarantee which many working men and women in Saskatchewan will appreciate. In the past, when no such provision existed in our statutes, the maximum the individual concerned could claim upon leaving an employer was his own contribution to the plan, but no pension. It is important to observe in this connection that temporary suspension of employment will not be considered as an interruption for the purpose of the Act. The employee will continue to accumulate pension credits even if he has been laid off temporarily. In this connection, I should like to say that we would be pleased to see a growing number of employers subscribe to one of the so-called multi-employer plans which allow employees to work for various employers without having to leave one pension plan and join another one when they change jobs. You will probably find this more prevalent say in the construction area. The Act before you also provides that both the pension benefits and the deferred life annuity which takes their place are not capable of assignment or alienation. Monies payable under a pension plan cannot be assigned, attached, anticipated or given as security and are exempt from execution and seizure, and any transaction purporting to assign, charge, attach, anticipate or give as security such monies, is void. This means of course that the pension rights acquired by an employee cannot be nullified as a result of a temporary financial embarrassment.

To put these and other provisions into effect, the Act requires a Public Service Commission with the approval of the Minister-in-Charge to establish machinery, in the first place, the appointment of a superintendent of pensions who shall be the chief officer in charge of administration of the Act. One of the main duties of the superintendent will be to promote the establishment, the extension and the improvement of pension plans throughout Saskatchewan. Provision is also made in the Act for entering into agreements with other provinces and with the Government of Canada for reciprocal registration, audit and inspection of pension plans, and this is a very important part of this Bill. The superintendent shall submit each year a report of the affairs of his office. This annual report will be laid by the Minister-in-Charge before the Legislative Assembly within fifteen days after the opening of the session. To remove possible misunderstanding, I would like to point out that the Pension Benefits Act is not retroactive. No existing plan is required to make changes in the rules governing pensions for refund benefits arising and contributions made before a certain date to be proclaimed by the Lieutenant Governor

in Council. No one need fear that the benefits for which they have already become entitled will change in any way. In summary, the Act before the House is designed to make pension benefits more secure, more just and more accessible to the people of Saskatchewan. It is a positive step towards generally recognizing the universal portability of pension rights. While it does not pretend to solve all existing problems in the field of employee pension plans, the Act does claim to represent a desirable improvement of the state of affairs that attracted attention many years ago. I hope very much that this piece of legislation will receive the support of every Member of this Assembly. I would like to add at this point that very often this Government, Mr. Speaker, has been accused of being anti-labor, and I'm wondering if this legislation is anti-labor legislation. I could not help but pass this remark at this point. Another remark that I wish to make . . .

MR. R.A. WALKER (Hanley): -- Will the Minister permit a question?

MR. CODERRE: -- What's that?

MR. WALKER: -- Does the Minister really believe all that stuff he is reading?

MR. CODERRE: -- I am not a hypocrite like a lot of people who have spoken from time to time in this House. I say what I believe whether it hurts any one of my good friends across the way or not. The Act is identically the same as the Ontario-Alberta legislation. I think the Ontario Legislature, as I have mentioned, has brought in two pieces of legislation. They changed it and they seem to have a final Act. Alberta has patterned theirs on that and we have done the same. With these few remarks, Mr. Speaker, I move the second reading of this Bill.

MR. ROBBINS: -- Mr. Speaker, I'd like to make a few remarks with respect to this particular Bill. I believe last year and the year before I urged the Government to do something with respect to portability in pensions and I drew to the attention of this Assembly a good number of the clauses and sections of the Ontario Pension Benefits Act. As the Minister has already stated, in large measure this particular Bill before the Assembly does in effect copy the Ontario Pension Benefits Act. I don't think at any time I argued and I hope from his remarks that he was not arguing this afternoon that this is the final end of it at all. This is only a minor step perhaps in the right direction. I think that the major difficulty with respect to pensions lies in the field of vesting and portability and that this legislation is unfortunately on the basis of the lowest common denominator. Although I would say that there is certainly merit in the fact that it does advance the principle of uniformity in terms of regulation of private pension plans, Mr. Speaker, surely if we are talking about anything in this Bill, what we are talking

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about is portability. Uniformity becomes a necessity in terms of regulatory rules to ensure portability across the country. I favor the principle of public regulation of private pension plans as a means of ensuring portability and as a means of providing an assurance of solvency of plans. And Mr. Speaker, I think perhaps the Members of this Assembly realize that I speak with some experience in this field, because I am the administrator of a pension fund and a relatively large one. While it is true with the advent of the Canada Pension Plan we shall see considerable extension of public activity in the pension field, it is a fact that private pension plans will continue to operate on a supplementary basis to the base national superannuation plan. Mr. Speaker, it is highly desirable that the benefits in those private pension plans should be portable. In reality this Bill does not really establish any significant degree of portability although it will have the advantage of uniformity in this field of legislation thereby increasing to some extent portability of pensions across the country as the Minister intimated. I feel that uniformity which does not accomplish very much cannot have too much favorably said about it. I would suggest to the Government, as I did last year and the year before, that contributions made into a pension plan by an employer on behalf of an employee be considered as a deferred wage as they should be. They should be vested in the employee in full when they are made. Now I fully realize, Mr. Speaker, that this is not a one-sided coin. One of the real difficulties in this field is that if you vest the employer's contributions to the employee early, they must make some provision to ensure that that money is used for the purpose intended, that is for pension. I might cite a simple example. We may have a person 18 or 20 years of age who begins employment with an employer who may work until he is 35 years of age and may accumulate a number of thousands of dollars. We have many people in our pension plan at age 35 to 40 who have up to \$20,000 and \$30,000 in their accounts, half of it being employer's contributions and accrued earnings. This money is vested to them -- it becomes their property. However, if that individual leaves the employ of the employer prior to attaining age 45, he can legally take it all out in cash and he may very well spend that employer's contribution and the accrued earnings credited to it for other things than pension. Now it is my feeling, and I feel very strongly about this, that we should attempt to make certain that the employer's contributions and accrued earnings, although they become the property of the employee are in fact used for the purpose intended, that is pension. I do not agree that an employer should be allowed after making contributions for many years in the name of an employee, to deprive him of any of the benefits of those contributions, should he terminate employment.

Now this is what is happening, Mr. Minister, in the pension field and it is consistently happening. In fact I think it is perfectly reasonable to say that it is happening in 90 per cent of the pension plans operating within this province. It is quite possible under the provisions of this Act. This Act is supposed to introduce at least to some degree, portability of pension funds and increase labor mobility which is necessary in a dynamic economic society. It won't accomplish a great deal. There is a

real danger that it may become a bit of window-dressing on which Government Members opposite will make fine speeches. There is a real danger in this because this is only a minor step towards the goal of portability. I contend that this must be done at the legislative level because I could cite many examples where we vest early to an individual the employer's contributions on behalf of that individual and he terminates employment and moves to another employer. And although we are quite willing to move this money on his behalf into that other pension, he later terminates employment from his second pension plan, and he is not able to take those funds with him and in effect loses them indirectly in the second round. It will provide a limited degree of portability for a limited number of people and we should recognize this. It provides it to those who continue to work for the same employer for relatively long periods of time because it is true that many people move long before ten years have elapsed in terms of their jobs in the current labor markets. Genuine portability means employer contributions are vested and locked in and become the property of that employee when they are made. In effect, pension contributions are accepted as a substitute for wages. In actual fact this is done. I cited the case I think, a year ago. If an individual was paid \$5,000 a year, had four per cent deducted off his pay, which would be \$200 a year, and had that sum matched by his employer with another \$200 a year, I contend that that employee should accept and that employer should agree that that man's wages is not \$5,000 a year, but \$5,200 a year, \$5,000 of it is wages paid to him now, with some responsibility on him to set some of it aside for pensions, so that he will have something to live on when he is no longer able to work and the other \$200 contributed by his employer, a deferred wage which will be usable by him as wages when he is retired. People accept lower wages to gain participation in a pension plan. I think it's false pretense to let them believe or even lead them to believe that in effect this money or these benefits are theirs and they terminate employment and lose those benefits. And in most plans if the employee terminates employment for whatever reason, he loses this benefit. It is a form of pretence bordering on the false and, Mr. Speaker, I've seen examples of this in the current year in terms of superannuation plans related to Crown corporations that we have been looking at in Crown Corporations Committee. They have been promised certain benefits which they do not necessarily get. Often the money is used by the contributing employer to reduce his total obligation to the pension setup, as he can all too often use contributions he made on behalf of employee "A" who has terminated his employment to provide benefits previously committed for other employees who may be in his employ. Contributions paid on behalf of employee "A" should accrue exclusively in my opinion, Mr. Speaker, to the benefit of employee "A". Now, in summation I would say that although I agree that the Pension Benefits Bill before us (No. 21) does take step, a rather faltering step in the right direction and I think needs some qualified support on that basis, I would point out a few other things which I think it lacks.

There is no provision for employee participation in plan administration or supervision. And if you check pension plans

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generally you will find that, although the employee is putting up perhaps half the money with his employers putting up the other half, and if we accept the fact that that is a deferred wage, and these benefits should accrue to him then surely the employee should have reasonable participation and supervision in such a plan.

Mr. Speaker, if I might digress for a minute in terms of our own plan we have equal representation of employees and employers. We hold annual elections and the 4,533 persons we have participating in our plan which now has in excess of \$16,000,000 in it do have a say and a control, to a certain degree, with respect to the management and handling of that particular fund. The employer contributions are not required to be matched with the employees' contribution in terms of this particular Bill. You will find many pension plans where people in error think they have a matching plan, when in actual fact they do not. There is no provision for annual reporting to employees as provided for under the Act being repealed. That is The Employee Pension Plan Registration and Disclosure Act. Although I believe, Mr. Speaker, the Minister mentioned some phases of that particular Act which would be retained in this particular Bill, I do think that employees should be informed annually, not only with respect to their equity in any particular pension fund but with respect to any alterations that may occur concerning the regulations of that fund. They should also have representation at an annual meeting to put forth their views in relation to that plan. There's no provision for immediate vesting. This, of course, is the most glaring failure of the Bill. I realize that it is not easy to get to this stage but nevertheless legislative action will accomplish it and perhaps no other approach ever will. Provision for guaranteed benefits for beneficiaries is not mandatory in this Bill, which amazes me. It may come out in the regulations but it is not mandatory in the Bill and I think it should be. Also after January 1, 1967, plans may be changed to the disadvantage of employees in consequence of integration with the Canada Pension Plan. Those are the major criticisms I have to offer, Mr. Speaker, with respect to this particular Bill. I repeat again, I think it is a faltering step in the right direction. I agree that it is of some major benefit with respect to the fact that some uniformity occurs with respect to Ontario, Quebec and Alberta and I hope in all other provinces in Canada eventually. I think I mentioned last year in debate with respect to pensions in this Assembly that in Ontario and Quebec there is a supplementary reciprocal agreement between them with respect to their control of private pensions. Eighty per cent of all the private pension plans in Canada are located in those two provinces and therefore it is reasonable for us to gain some uniformity related to the Acts that apply there. I think that's all I have to say at the moment, Mr. Speaker, with respect to this particular Bill. I give it qualified support, because as I said before it is a rather faltering step in the right direction.

MR. DAVIES:-- Mr. Speaker, I first of all want to endorse the remarks of my colleague from Saskatoon (Mr. Robbins) for the thorough

analysis that he has given to this legislation this afternoon. Secondly, I want to welcome even the limited extent of the Bill before us. I think it is a credit in some ways to the Government for the retreat that it has taken from the position of last year when it rejected the Resolution on this matter which I placed before the Assembly. But I'm always glad to see repentance from anyone, Mr. Speaker, and even although this Bill I suggest is not nearly as far reaching as it should be for the reasons that have already been given to us by the previous speaker (Mr. Robbins) and to which I'm not going to refer at this time in the interest of time. But one thing I do want to say is that I regret that the former Act, The Pension Disclosure Information Act has been essentially nullified during the past two or three years by the actions of the Government.

Question No. 175, Mr. Speaker, as you may know, revealed to the House that the two important sections of the Act were nullified by Order-in-Council for a period of two years. I suggest that this was a very bad thing for the employees concerned and I believe for the plans concerned, because the information that could have been elicited by the procedures that were required by the two sections that were hoisted by Order-in-Council could have been invaluable in the consideration of the regulations which will have to be passed under this Bill.

I want to say that I deplore the fact that the former legislation was not lived up to and that the Government took the action it did in hoisting the two sections concerned. These have to do, as I shall say in a minute or two, with some of the matters that my friend from Saskatoon has spoken about.

Perhaps in the first instance what one must see is that this Bill is very limited. We have simply thousands of employees in this province who change jobs long before they're in their employment for ten years. This means that they will really not benefit from the provisions here, which require ten years' continuous employment and for a person having reached the age of 45 years. Of course, you can take a person who was in continuous employment for a period of ten years that won't qualify by the second provision and therefore the Act for him will be of little use.

One of the things I want to comment on, Mr. Speaker, in which I think this Act is notably deficient, is in the obligation of pension plans to employees. The requirement that employees shall be given a meaningful part in the administration of plans, in the general participation and control of funds and regulations of the plan themselves is absent. I think there must be, and I do not see that the Bill provides for this, an adequate reporting to the members of the pension plans annually as well as for the right of employees to participate. I feel that every member of a pension plan should have the absolute right at least once a year to know the precise position of the pension plan of which he is a member, how the money to which he is contributing roughly 50 per cent is handled, and in general, just what is going on with regard to pension money.

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Now, I thoroughly endorse what the Member for Saskatoon (Mr. Robbins) has said about the objective of full portability. I don't see there is any excuse at all for anyone believing that the pension credits made by the employer on behalf of the employee should be considered other than as delayed earnings. And I think that the legislation here and the legislation in Ontario have proceeded only in a limited way and that it has should very quickly move to full portability. Much of the success of the Act before us, Mr. Speaker, will depend upon the regulations that the Act says will be set up under a superintendent of pensions. And therefore it's very difficult for us to see at this point in time what the Government intends to do. I would hope strongly that the Government would take into consideration in the regulations, some of the matters that are certainly not guaranteed by the legislation and pertaining to the rights of employees. The rights of participation of employees in pension plans are primary to the thing that I have in mind for the most part.

With these few remarks I say again that to a limited extent this Bill will answer some of the problems that I spoke about in the Resolution before this House last year. I can give my support and endorsement to the Bill. I would hope that the Government would tell us this afternoon when it is intended to proceed to expedite the provisions, because I see that much of this depends upon the regulations and indeed upon the appointment of a superintendent of insurance. Before sitting down this afternoon, Mr. Speaker, I would like to pose this question to the Minister, namely, how soon it may be expected that the limited proofs of this legislation will be realized by action of the Government on the regulations and the appointment of a superintendent of insurance?

MR. SPEAKER: -- I must draw the attention to the Members of the House that the Debate is about to close.

MR. CODERRE: -- I'll be quite brief. It's rather difficult to bring in total portability, but I think as I said this is sort of an opening of the door and more will come of it as time goes on. The Hon. Member from Moose Jaw (Mr. Davies) regretted the suspension of Sections four and five of the former Pension Disclosure Information Act. At no point and in no way has the suspension been any hindrance to this present Act. The only part of that particular Act that was suspended at that particular time was the yearly report which was not necessary for the purpose of this Act. This was recommended by the only known authority of the time, that was Mr. Bentley. These are the recommendations that were made by him before he left. I have tabled in this House at one time the letter that he had handed to the Public Service Commission and discussed with me in regard to these Sections four and five. The action to be taken in that respect should be to temporarily withdraw the provisions. We have taken that action because he was the only authority we knew and took his recommendations into consideration. Maybe some Members opposite think they are much more of an authority but apparently

he is the authority in the question of portability of pensions in this country, and this is the basis we've been working on. I'd like to mention to this House as well, that, the Registrars of the pension are forming an association to keep in close touch with one another. This way they know what other provinces do. I believe these are all the remarks I have to make. The rest of the matters have been dealt with by both parties that have spoken from the other side of the House. Mr. Speaker, it will be dealt much more clearly in Committee.

Motion agreed to and Bill read a second time.

HON. G.J. TRAPP (Minister of Education) moved second reading of Bill No. 24 --**An Act to amend The Teachers' Superannuation Act.**

He said: Mr. Speaker, there is no new principle involved in this amendment. It is a matter of correcting certain references that are not correct in numbers, otherwise there is no change in this Act. I move second reading of this amendment.

Motion agreed to and Bill read a second time.

HON. G.J. TRAPP (Minister of Education) moved second reading of Bill No. 25 -- **An Act to amend The Department of Education Act.**

He said: Mr. Speaker, this Bill would give legal status to agreements signed on behalf of the Government of Saskatchewan with the Federal Government. The legal people tell me that really some agreements signed in the past between the Department of Education and the Government of Canada were not legal. They say really we should have this in the Act to make it really binding and legal. So, it's just to do that. The only purpose of this amendment is to make any agreements to be made with Ottawa with regard to education have legal status. I move second reading of this Bill, Mr. Speaker.

Motion agreed to and Bill read a second time.

The Assembly adjourned at 5:27 o'clock p.m.