

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session - Sixteenth Legislature
33rd Day

Monday, April 1, 1968.

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

CORRECTION OF STATEMENT IN PRESS

Mr. Speaker: — Before the Orders of the Day I wish to correct a statement which appeared in the press. Yesterday I was reported in the press as having said in the House that the loudspeaker in the Members' lounge was definitely illegal. I did not either in my ruling or at any other time state that the loudspeaker referred to was illegal. The test of illegality is whether or not a charge could be laid under common or statute law. There being no grounds for such a charge, the use of the word "illegal" was incorrect. The matter is as I stated one of propriety for the House itself to deal with. I trust that the press will make the proper correction.

QUESTIONS

WEST BANK

Hon. W.S. Lloyd (Leader of the Opposition): — Items during the weekend indicated discussions which the Premier had had with certain persons with respect to the West Bank and its possible continuation and extension here. As I recall the news items, they indicated the Premier had made or was willing to make extensive commitments with respect to what Saskatchewan, i.e. the Government, might do. I wanted to ask whether the Premier is in a position to indicate the extent of the commitments he has made with respect to this venture?

Hon. W.R. Thatcher (Premier): — There have been no specific commitments made because, until the Bank is in a position where it can indicate clearly that it can be allowed to proceed, we are not in a position to make commitments. I have told him that we would be sympathetic to the Bank locating its head office here, just as we would be sympathetic to any industry or branch coming to Regina. We would probably put deposits with the Bank. If they had any money to lend us I am sure we would be willing to borrow money from them. Whether or not SEDCO would put any equity capital into the Bank would have to depend on The Bank Act. We are not sure legally whether we could follow such a procedure or whether we couldn't. We would have to see the balance sheet to make certain of future action. We are not in a position to give specific assurances at this time.

MOTEL – HOTEL TAX

Mr. Lloyd: — Mr. Speaker, I rise again with a question for the Provincial Treasurer (Mr. Stewart). I was informed over the week-end that motel operators and hotel operators had as yet, as at that time, no information from the Government with respect to the new tax which they are expected to start collecting today. I want to ask the Provincial Treasurer whether he is

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taking steps to inform these people about the effect of this tax and how they should apply it within their industries?

Hon. D.G. Steuart (Provincial Treasurer): — Yes, Mr. Speaker, one of the problems was the exact form that the Bill would survive or be finally passed in, and our officials felt we couldn't finalize the regulations or it wouldn't be good to finalize the regulations until they were absolutely positive. We are hopeful that these new regulations and the instructions are in everybody's hands this morning. They were working on them on the week-end to get them out. So I hope they will either have them today or tomorrow.

SECOND READINGS

Hon. D.V. Heald (Attorney General) moved second reading of Bill No. 17 — **An Act to amend The Saskatchewan Insurance Act.**

He said: Mr. Speaker, all the amendments contained in this Bill have been recommended by the Association of Superintendents of Insurance of all the Provinces of Canada for enactment in all of the common law provinces as uniform legislation. This Bill contains a revision of Part VI of The Saskatchewan Insurance Act which relates to automobile insurance and also amendments to other parts of the Act necessitated by the revision of Part VI. This revision is the result of five years' study and consultation by the Association of Superintendents of Insurance, with the Automobile Insurance Industry and with members of the Canadian Bar Association and with other interested parties. This legislation, Mr. Speaker, has already been passed by the Legislatures of the Provinces of Ontario, Nova Scotia, Alberta and Manitoba. It is expected that the legislation will be passed by other Provinces at the current sessions of the Legislatures and be proclaimed in force in all of the common law provinces on January 1, 1969. As a result of this revision, new automobile policy forms will have to be prepared. Unless uniformity is maintained, the industry will be required to use a different set of policy forms in any province that is not uniform with the others.

The main purposes of the revision are, (1) To bring within the scope of automobile insurance certain medical payments which are included in the definition of automobile insurance. Now this isn't too important, this particular clause, in Saskatchewan where we have The Automobile Insurance Act and medicare. (2) To extend automobile insurance to include uninsured motorists' cover in the form of basic accident compensation irrespective of fault. This will enable the industry to provide protection similar to that provided in our Province under the AAIA. The third purpose of the revision is to provide for those cases where an application for insurance is not made in writing and signed by the applicant. The present Act does not make provision for the issuing of a policy where no signed application is received first from a prospective policy holder. The fourth purpose is to transfer to the substantive portion of the law certain statutory conditions dealing with the appraisal of damages where there is disagreement between the insured and the insurer. In addition certain prohibited uses of the automobile have been removed from the statutory conditions, so that coverage will be provided unless specifically excluded by the current Act. (5) To widen the scope of a driver's policy by eliminating the

definition thereof and substituting therefor, the non-owner's policy. The insurance will cover not only the insured driver, but also anyone who drives on behalf of the insured. This kind of insurance is purchased by employers who have employees driving their own cars on business for the employer. It is also purchased by individuals driving non-owned cars. For example, the Federal Government does not insure its cars so the drivers thereof might take out this kind of insurance, non-owner's policy. (6) To provide for variations in policy limits in respect of a person named in the policy, subject to the requirements that the limits shall not be less than \$35,000. This provides for a measure of flexibility in the policy and may benefit the insured premium-wise. (7) To provide statutory authority for the automobile policy. (8) To provide statutory authority for a side agreement between the insured and insurer whereby the insured agrees to reimburse the insurer for an agreed amount in respect to third party claims. This will assist the insured premium-wise. An example of this is taxi companies who might want to take advantage of this provision. (9) To facilitate settlements of third party claims after judgment against the insured, in cases where there are or may be other claims or where there is difficulty in obtaining a valid discharge. In these cases, this will make provision that the insurer can pay the money into court. (10) These amendments will provide a more logical rearrangement of the provisions dealing with automobile insurance and for improvements in the wording of these provisions.

Now those are the basic changes that are being made. As I say this was recommended to me by my officials last year in the interest of uniformity with the other provinces, but it was too late in the year to get it passed last year. The Superintendent is most anxious that we have these changes made this year so that all of the Provinces can have a uniform policy commencing on January 1, 1969.

So with that explanation, Mr. Speaker, I would move second reading.

Mr. E. Whelan (Regina North West): — Mr. Speaker, I think there are some advantages to having similar clauses in this section of the Act right across Canada. Some of the changes are a definite improvement. New sections will require some clarification, but there will be ample opportunity to ask for clarification in Committee. We on this side of the House are in favor of the motion to approve second reading.

Motion agreed to and Bill read a second time.

Hon. C.P. MacDonald (Minister of Welfare) moved second reading of Bill No. 57 — **An Act to amend The Saskatchewan Assistance Act, 1966.**

He said: Mr. Speaker, in moving second reading of the amendments to The Saskatchewan Assistance Act, I would like to point out that there are just two very brief amendments that are routine or housekeeping in nature. The first amendment is designed to give municipalities, which form units to administer the Saskatchewan Assistance Plan, the authority to borrow money to finance the operation of the program pending reimbursement

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by the Province. As the House knows there are two local units in the province, one in Moose Jaw and the other in the city of Prince Albert. Since the former provisions of The Municipal Act, providing for assistance to persons in need, were rescinded, the authority for borrowing contained in municipal legislation no longer covers borrowing to finance welfare expenditures.

This power used to exist in The Municipal Act but with the coming into effect of The Saskatchewan Assistance Act, this was rescinded and now we find ourselves in a position where these local units no longer have the legal authority to borrow money. Officials of the Department of Municipal Affairs agreed that the necessary authority should be included in The Saskatchewan Assistance Act.

The second amendment is an amendment designed to overcome problems we have encountered where local or regional appeal committees have made decisions which are in conflict with the provisions of the Act or regulations. The legislation presently provides no recourse to the Department. The amendment will permit the Director of Public Assistance to appeal in these cases to the Welfare Board. There is the odd occasion where the Appeal Committee, which is a local committee and not professionals, makes a decision on an appeal that is against the regulations or the law of this province. In order that there be a process for appeal we are now putting in this amendment.

Mr. A. Matsalla (Canora): — Mr. Speaker, this is a short Bill, but the three amendments I would say are quite significant. The first one, Section 10A provides for the borrowing of funds by the administrative unit as mentioned by the Hon. Minister. To exercise the powers of administering public assistance, I believe that the provisions here are of a practical nature. Its purpose, I am sure, will facilitate administration of assistance at the unit level.

Now in Section 13 it would appear that this amendment would remove the making of the final decision at the local or unit level to the Provincial level. I believe that this provision would tend to weaken and provide for the removal of the powers of the committee to make final decisions. Under the amendment, the Director of Welfare, if dissatisfied, would appeal a decision of committee to the Welfare Board and its decision would then be final. In other words it would appear that the final decision is final at the Provincial level rather than at the local level as previously.

Under the Act a local unit enters into an agreement to administer aid. Now with this responsibility it is only fair that administrative decisions be kept at the local level. By removing responsibility of making final decisions from the local level, local units for the administration of aid, as I mentioned before, would be weakened.

With reference to the third amendment, Section 20A, the clause as it stands to me isn't quite clear. I would ask the Minister to provide me with regulations respecting this clause, clarifying the words 'urgent but temporary'. In other words I would like to know how long is temporary? I agree that assistance shouldn't be provided if the person has the means. Now it appears to me that this clause would eliminate the extreme hardship provision which served the need covering destitute circumstances.

I am wondering, too, with this amendment there seems to be a change here particularly in two words. 20 refers to that a person in need 'will' within a short time acquire resources. 20A says a person in need 'may' within a short time acquire resources. I am just wondering what would be the difference here. In one case we have the word 'will' and the next we have 'may'. I am also concerned, too, whether the security that the Minister would take with the reference to the repayment of the assistance granted would be applied to the property of the recipient.

Mr. MacDonald; — Mr. Speaker, in reply to the Member's question, the final decision being Provincial rather than regional. As you know we do have a Provincial Appeal Board, whereby if the client is turned down at the regional level by an appeal, he can therefore apply to the Provincial Board. It is protection for the client as well as for the Department of Welfare. This is no attempt in any way to take regional authority away from the Appeal Board. But occasionally the Appeal Board in ignorance, because they are lay people and not professionals, may make a decision which is contrary to law. Therefore some provision must be made whereby there can be an appeal to the law. This is the purpose of it.

The second, your request regarding the clause on urgency and temporary assistance, the problem here is that sometimes a family, for example, has a will to be probated and there is a person that is going to receive — and we will take an extreme case — the sum of \$25,000. This means that this person has assets and resources whereby they are wealthy. But in the meantime there may be two or three months whereby they have no resources and no means of assistance, so we have put this clause in so that the Department may help out that individual over that interim period and make him pay it back when he gets the \$25,000.

If there any other questions, I will be very glad to answer them in Committee.

Motion agreed to and Bill read a second time.

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