LEGISLATIVE ASSEMBLY OF SASKATCHEWAN

First Session — Sixteenth Legislature 43rd Day

Friday, April 19, 1968

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

THIRD READINGS

Hon. G.B. Grant (Minister of Public Health) moved that Bill No. 39 — An Act to amend The Saskatchewan Hospitalization Act, be now read a third time.

He said: Mr. Speaker, I move that the said Bill be now read a third time and passed under its title.

HON. W.S. LLOYD (Leader of the Opposition): — Mr. Speaker, this I think is obviously rather a sad day for Saskatchewan as the Legislature considers the final decision with respect to this Bill. The contents of the Bill in the opinion of those of us on this side of the House constitute a most unfortunate step backwards into history. Even more unfortunately, I think that this Bill comes at a time, when the concept of hospital services for sick people as a right, needs re-enforcing in Canada. We, instead of re-enforcing that right, if we pass this Bill, will detract from it.

I say hospital services as a right for people, a right simply because they are human beings who are unfortunate enough to be sick enough to need hospital care. It seems to me that it is a measure of civilization that we say to them, "That is your right without any hindrance of any kind." May I urge, Mr. Speaker, that rights of people are something more than that which is available at some additional price, some additional payment. The rights of people are something more than that which is available if one is economically unfortunate enough to be able to pass a means test. This legislation which we are considering again here today snips away at rights which have been enjoyed by Saskatchewan people for a period of more than 20 years. It is unhappy legislation. It is unfortunate legislation. It is unconscionable legislation.

I want to read to this Legislature some comments made by Chief Justice Hall in his capacity as chairman of the Federal Government Royal Commission on Health Services. This particular comment we ought to note at this time.

There is no greater challenge to a free society than to provide health services without hindrance of any kind.

SOME HON. MEMBERS: — Hear, hear!

MR. LLOYD: — We in Saskatchewan thought we had reacted rather well to that challenge when we introduced and maintained Saskatchewan Hospital Services Plan as it has been known for more than 20 years.

Let's examine for just a moment what this Bill to which

we are now being asked to give third reading does provide. First of all it removed a very meaningful provision which has been in this Bill since the beginning. That provision was that when the Saskatchewan Hospital Services Plan paid a hospital for care to a patient, then that bill was paid. I am speaking, of course, of payment at the level of the public ward services. The hospital, the Bill said, could not even render an account for any additional payment. The existing legislation went further to say that if a hospital did even render an account, it was guilty of a violation of the law and subject to a fine of up to \$500. Those terms of those conditions which I have just read give something of the dimension of the importance which was attached to the idea of people being able to go to hospital without having to pay additional personal payments for the services which they received there. All of that will be gone as a result of the passing of this unhappy, unfortunate, unconscionable legislation. If it goes, we will have turned the clock back in the Province of Saskatchewan by 20 years.

SOME HON. MEMBERS: — Hear, hear!

MR. LLOYD: — The contents of the Bill provide something more. They provide and they make possible that from Monday through Friday of this week and until Royal Assent is given, the Government has been able to order hospitals to break the law. The fact that this has been the case demonstrates as a very minimum the short-sightedness and the inefficiency of the Government in handling this particular legislation.

SOME HON. MEMBERS: — Hear, hear!

MR. LLOYD: — Surely April 15th was no sacred day. Surely, if the Government was determined as it appears to be to introduce this unhappy, unfortunate, unconscionable legislation, it could have done so in a such a way that it wasn't necessary to instruct hospital boards to break the law of the province for a period of at least a week. Surely, one would have thought that it would have considered the predicament of hospital boards. Instead of planning to do the work of this Legislature in an effective and proper way, it simply tuned up the computers to a certain date and the hospital boards were caught in the machinations of those machines. I think that it is important to note that people should direct computers, that computers should not direct people. This is a further change of course that needs to be noted. That is that this legislation allows hospital boards, if it passes and from the date of passage, to charge for the first time in 20 years utilization fees. Although they are called utilization fees, certain Government spokesmen in their words have measured them not just as utilization fees but as deterrent fees.

SOME HON. MEMBERS: — Hear, hear!

MR. LLOYD: — I say this allows hospital boards to make this kind of charge. But since the Government is evidently going to reduce the Saskatchewan Hospitalization payments, then what, of course, the Government says is that hospitals must make these charges. Sometime in the future an Order-in-Council by the Government added to the contents of this Bill is going to make all of this legal and necessary. What it really means, of course, is that patients are going to pay personally and directly at the time of receiving service and indeed before receiving service. They

are going to pay simply because they are unfortunate enough to be sick enough, unfortunate to be so sick that their doctor says they deserve and need hospital care. This I submit is a retrograde step.

Moreover and unfortunately also, only part of the payment that these sick people are going to pay is going to be available for use in Saskatchewan. This is so because of the nature of the agreement by means of which the Federal Government participates in paying the costs of hospital care. The Federal Government is as a result of this agreement going to deduct from or reduce its payments somewhat in accordance with the additional amounts paid by Saskatchewan sick people. We have this situation then: we have deterrent fees made in Saskatchewan; we have deterrent fees paid in Saskatchewan but deterrent fees which are only partially available for use in Saskatchewan by Saskatchewan people.

Now, indeed, there are some patients who are going to escape the necessity paying directly out of their own pockets these deterrent fees. These are patients who have passed a means test, who have proven that they are sufficiently destitute financially. The Federal Government and the Provincial Government together will pay the deterrent fee on their behalf. But it should be noted that there are a number of patients whose income is very low and who are not sufficiently indigent to qualify for this kind of assistance. These, surely, are those who ought to receive more consideration than they do. Some of these are pensioners, but they are not all pensioners. For many of these, if hospitalization is necessary, their recourse is to try again to pass the means test. If they are successful in passing the means test, then the Government — the generous Government — will pick up the tab for their utilization fee.

I want to draw the Government's attention to a particular group of these people. Someone on our side of the House asked the question awhile ago, with respect to the number of persons receiving the old age security pension and previously receiving some help under the Saskatchewan Assistance Plan, but for whom their assistance had been discontinued. This question was asked for the period from January 1, 1967 to February 1, 1968. The answer appears in our Votes and Proceedings, Wednesday, April 10th. That answer tells us that 3,589 pensioners had assistance provided through the Saskatchewan Assistance Plan cancelled during that period.

Members will recall the circumstances under which that cancellation took place. It took place because the Federal Government, last year, introduced the guaranteed income supplement plan and as a result the Provincial Government was able to reduce its assistance. Some of it took place because the Federal Government this year on January 1st, increased, because of added costs of living, the old age pension by \$1.50 per month and the Provincial Government was again able to withdraw some of its assistance to these people.

Those persons who were so affected, this group of 3,589, as I understand it, also now have to pay their own hospital and medical insurance premiums. They too, will be required — they are just outside the possibility of qualifying under a means test — they too, will have to pay their deterrent fees. They too will have to pay, unless of course they can qualify, under the means test because of the effect of hospitalization on their income. I submit that this is a pretty severe fine on old

people who happen also unfortunately to be sick. Some of these, I believe, are heads of families. I hope that the Government will be extremely lenient and generous in dealing with these people if they are unfortunate to have to go to hospital.

There are a number of others in this same group, 5,620 others, whose income was reduced as a result of those measures of the Federal Government and the action following of the Provincial Government to which I referred. I understand — and I hope I am right here — that they will have the deterrent fees paid for them.

A particularly regrettable feature of the legislation is that which was introduced to us under the change in The Cancer Control Act. Here patients suffering this disease, subject to very long periods of time in the hospital, are also going to be subject to the deterrent fee. Unfortunately many of these patients go into hospital, come out for while, go back into hospital, come out for awhile, go back into hospital. Each time they go back in they start over again at the highest rate \$2.50 a day. This has been regretted, this must be emphasized as a most regrettable and regressive act. It is quite true as the Member for Regina Centre (Mr. Blakeney) pointed out the other day that we have a high utilization rate with respect to patients suffering from this disease and being treated for it. It is quite true, also, as he pointed out that we have the lowest death rate in Canada from persons suffering with that disease. All of us will hope that this retrograde and regressive and oppressive step with regard to patients so suffering will not change our position as having the lowest death rate from cancer patients in the Dominion of Canada.

The Bill and the Orders of the Government, which will follow, bring to Saskatchewan a rather unenviable distinction. If it is passed we will have the distinction of having the highest deterrent fee in all Canada to be paid by sick people who are sick enough to be ordered to go to the hospital by their doctor. This is a doubtful distinction at best. Saskatchewan had the distinction of introducing the first publicly supported hospitalization plan on the entire North American continent. After this Bill we will be first only in that our deterrent fees will be the highest in all of Canada. I want to assure the Government that the protest against this Bill will continue. My morning mail brings more letters today, brings added petitions from groups of people saying, "Please stop the Government from passing this Bill if it is at all possible." I want to read again the comments made by Chief Justice Hall because they are so pertinent and so appropriate.

There is no greater challenge to a free society than to provide health services without hindrance of any kind.

Mr. Speaker, and Members of this Assembly, this Bill orders and erects a hindrance to this kind of service. This Bill backs away from the challenge to a free society. This Bill destroys the rights which have been available for all of the people of Saskatchewan for a period of 20 years.

SOME HON. MEMBERS: — Hear, hear!

MR. LLOYD: — Mr. Speaker, this Bill ought not to pass this morning or at any time.

SOME HON. MEMBERS: — Hear, hear!

MR. A. THIBAULT (Kinistino): — I just want to add a few words to the comments made by our Leader, a Leader that we have never been ashamed of.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAULT: — A Leader that we have always been proud to follow. It is a sad day for Saskatchewan this morning and I am sure that when we vote on this Bill, I feel that we should vote with bowed heads.

I have heard from the Members of the Government that we have offered no solutions. When you look at the empty seats there this morning, on third reading, the people who should have been listening don't want to listen. I wonder what they are being paid for.

HON. D.G. STEUART (Provincial Treasurer): — We heard it ten times already!

MR. THIBAULT: — We offered solutions. The Member for Regina Centre (Mr. Blakeney) gave you a lot of offers of solutions to this problem, if there is any. The problem is that their minds are made up and they are just not prepared to listen.

Now when people visit Saskatchewan they talk about Saskatchewan in this light. They are a friendly people. When one has trouble along the road whether it is night, or day, rain or shine, in a matter of a few minutes if a car goes by they will stop and help you. The rural areas will leave their lights burn all night to guide someone who might be lost in a storm. I attended several openings of hospitals and I always on occasions of that kind reminded them of the teachings of the Good Samaritan. And when we had openings of hospitals I said, "If the Good Samaritan was going through this town today he would find things as he wants them." The inn is open and the Government will pay the bill. The people of Saskatchewan will pay the bill.

This, as our Leader said a moment ago, puts an end to 20 years of this attitude. Why has it come about? It has come on account of selfish greed on the part of the rich, and nothing else. This Bill is immoral. And this morning we have forsaken the principles of the Good Samaritan.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAULT: — I will make another challenge this morning. I challenge the Member for Prince Albert West (Mr. Steuart) to resign his seat and I will resign mine.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAULT: — And we will go to the people for an expression of opinion. Whatever the vote is in those two constituencies — they are very close to each other — we will accept the result. If

you want to do this hold this Bill up and we will go to the people with it.

MR. STEUART: — I've never seen so many brave people.

MR. THIBAULT: — This is a step backwards and at no time have I felt so strongly within my heart to speak the way that I do.

SOME HON. MEMBERS: — Hear, hear!

MR. THIBAULT: — And if you would give your Members a free vote on your side this Bill would not pass this morning. I noticed that some of the Members had to be chased in by the whip to vote the last time we had a standing vote on this question. With this, Mr. Speaker, I am sure that the people on this side of the House will vote with bleeding hearts this morning.

Some Hon. Members: — Hear, hear!

MR. A.E. BLAKENEY: — Mr. Speaker, I want to add a very few words to those which have been already stated. I simply want to add a few comments on the Bill itself and more particularly on the precise contents of the Bill. Members on this side have already expressed, I think with some accuracy and some feeling, the opinions and beliefs of the Members on this side of the House. I simply want to point out some of the more minor follies of this particular piece of legislation. Firstly, I want to emphasize again that the definition of authorized charges which is contained in the Bill and which has been unaltered in Committee, means that for every dollar paid in utilization fees by our citizens, not less than 25 cents and something more than 25 cents is lost in the sense that it benefits the Government at Ottawa and not the Government in Saskatchewan.

It seems to me that it is regrettable indeed that the Government opposite in choosing a method of financing our Hospitalization Plan would select a way which so discriminates against citizens of Saskatchewan, that payments by Saskatchewan citizens will benefit the Government at Ottawa in a way which citizens of Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, Newfoundland and Prince Edward Island are not called upon to do. This is a contribution by the Government sitting to your right, Mr. Speaker, to the Government at Ottawa.

However inefficient the Government at Ottawa has proved itself in managing its financial affairs, I hardly think that this is a reason why the people of Saskatchewan ought to make a contribution to that Government.

SOME HON. MEMBERS: — Hear, hear!

MR. BLAKENEY: — A small item that I think has not received the attention that it might is the fact that the Minister is going to deny us the Annual Report of the Saskatchewan Hospital Services Plan for the month of March in each year. We know that this Report is, and ought to be, a key-point of discussion, in discussing the Estimates for the Department of Public Health, and in discussing health legislation which comes before this House. We know just how much we have relied upon it in this debate,

Mr. Speaker, to get the information which we believe ought to be laid before the people of Saskatchewan. We know just how difficult a time we had to extract from the Minister the copy of the Report which he was bound by law to table by the last day of February.

He has by this legislation guarded himself against being placed in the embarrassing position of having to face the facts, by substituting the 31st day of March as the day upon which he will table this Report. In this way I suggest, Mr. Speaker, he has left it open to himself to delay laying before the House information which the House ought to have.

We have not heard any defence of this. It is possible that the last day of February was too early a day. I am convinced that the 31st day of March is a date later than necessary in order to lay before this House the Report. It is true that some other Reports, and notably the Report of the Medical Care Insurance Commission provides, I believe, for tabling by the 31st day of March. But I believe that it has been uniformally the policy of the Government to table the Report before that time now that we know that the data for this program can be readily obtained prior to the 31st day of March, as we did not know when the Medical Care Insurance Act was introduced. It seems to me that each of these dates ought to be changed and made either the end of February or the 15th day of March, some attainable date, which will still make this information available to the House.

The other point I wanted to make is the very vagueness of the Bill itself. It provides that deterrent fees shall be levied but it provides that these shall be levied at a figure prescribed by the Lieutenant Governor in Council. Therefore we have no reason to believe that when we assemble next, Mr. Speaker, the deterrent fees will not be \$4 or \$5 if the Provincial Treasurer continues to be in extremis for funds, as his Budget would indicate he is now. We are advised by the Bill that the Lieutenant Governor in Council will pay the deterrent fees for certain classes of beneficiaries. We have not been advised in any way of the identity of these classes of beneficiaries. Mr. Speaker, when, in Committee, we attempted to extract from the Minister an undertaking that Treaty Indians might be included in this class, we asked, and asked, and asked and met comments which were certainly not a precise answer to our question. Even after all the discussion in Committee, all we received was an assurance, not that Treaty Indians would be included in this class, but that they would not have to pay the fees themselves. It seems clear, therefore to me, Mr. Speaker, that if the Government had not made up its mind on such a defined group, it has in fact not made up its mind on any group and we are therefore giving a straight open-ended authority to the Government to decide that whole groups of people or in fact no groups of people will have their fees paid for them by the Government. Similarly the Bill provides that the Government may exempt classes of people from the authorized charges. We have had some suggestion that certain recipients of welfare programs might be included in this, but we have had no definite explanation of the application of this clause of the Bill.

So in fact, Mr. Speaker, we are left with a Bill which will have the effect of delaying information which the Legislature needs for its proper consideration of the affairs of the Health Department, which will mean that deterrent fees of an unspecified amount will be levied or can be levied, that fees

can be paid by the Crown with respect to unspecified classes of people, that fees can be waived for further unspecified classes of people, and levies deterrent fees which so far as the people of Saskatchewan are concerned will mean a gratuitous contribution of not less than 25 cents on the dollar to the Federal Government. These technical objections to the Bill together with the fundamental objections to the Bill which have been voiced by my colleagues seem to me to make the case overwhelming for the fact that this Bill ought to be defeated on third reading.

SOME HON. MEMBERS: — Hear, hear!

MR. W.G. DAVIES (Moose Jaw South): — Mr. Speaker, this morning I have only a few words to add to what has already been said by my colleagues on this side of the House. I have no doubt, Mr. Speaker, that the Government will use its majority this morning to ensure the passage of this Bill. I say that by that action it will have taken the longest step backward in health matters that has ever been undertaken in this province.

SOME HON. MEMBERS: — Hear, hear!

MR. DAVIES: — Mr. Speaker, this is a time when Saskatchewan should continue to give leadership in the field of health matters, not only in this province, but in all of Canada. This is a time as everyone knows of indecision in health matters all across Canada. Instead of providing the leadership that has always been looked to from this Province, Mr. Speaker, our leadership, the kind of leadership that I have suggested has always come from this area has been miserably absent from our spokesmen in Government. Our leaders have taken their place among the ranks of those groups who have erected obstacles against the institution of a full health program for the citizens of Canada; the kind of principles that are contained in the Hall Commission proposals about which we have talked so much about with respect to this Bill. I say that the significance of this Bill before us is that it will give aid and comfort to all of those who, for various reasons of privilege or personal interests or narrow backward philosophy in this country, are withholding the benefits of a full public health plan for all Canadian. In this Bill instead of looking to the thing that I believe Saskatchewan citizens were expecting from the Government, that is, an improvement in our present health plans, we have erased and withdrawn benefits and we have eroded very badly principles that were built in the plans that we have known for over 20 years in this province. Instead of maintaining the principles of these services we have forsaken them. This is not an ill day for Saskatchewan, it is an ill day for Canada.

SOME HON. MEMBERS: — Hear, hear!

HON. G.B. GRANT (Minister of Health): — Mr. Speaker, much that has been said this morning, naturally has been a repetition of what has been said earlier and I think this is to be expected because if any Bill has ever been talked through to completion, I would say this one is approaching that stage. I have no intention of endeavoring once again to satisfy the Opposition with answers to all their questions. I think these have been dealt with to some degree at least by previous speakers and by myself.

Quite a point is made of the loss of Federal money. One would think that the Federal Government got its money from Europe or South America or some place else rather than from the taxpayers' pockets. I don't think we should necessarily apologize because action that we take here is going to save the Federal Government some money. I think we are all too guilty of looking to senior governments for assistance. The cities look to the Provincial Government and the Provincial Government looks to Ottawa and we seem to justify unlimited demands purely because it's a higher level of government that is being asked to produce those funds. This is true of the previous Government and probably true of our Government as well.

It was suggested by the Hon. Leader of the Opposition (Mr. Lloyd) that in addition to the loss of the Federal money some will escape paying out of their own pockets. Well of course the whole principle of social aid and welfare provides for this group of people, and I see no reason why they shouldn't escape under this particular Bill the same as anyone else.

Emphasis was placed on the burden that it was going to impose on the low-income groups and particularly the cancer patient who is a long-stay patient. The Hon. Leader of the Opposition (Mr. Lloyd) indicated that the utilization fees would be the highest in Canada. This is all a matter of viewpoint. A long-stay patient in Alberta will pay considerably more than here in Saskatchewan.

The Hon. Member for Kinistino (Mr. Thibault) suggested that the Opposition had offered solutions. Possibly they should have undertaken some of these solutions themselves when they were the Government rather than knocking them now. In every case they were suggesting that specific problems should be dealt with where the problem is. I assure the Hon. Members that this was being done as well as the imposition of utilization fees. I doubt whether he is factual and completely honest when he says that we are suddenly going to see a disappearance of the friendly attitude of Saskatchewan people, this wonderful atmosphere in Saskatchewan has been suddenly brought to an end. I think this is a little far-fetched.

A word of two about the Hon. Member's remarks concerning the Saskatchewan Hospital Services' Plan Report and that now we are going to deny it to the Members until the end of March. This is a misstatement. We will table the Report as early as we can. It will be on or before March 31. He admitted the difficulties of tabling this Report by February 29. He indicated that possibly March 15 would be better. And I can assure him if the Report can be physically prepared by March 15, it will be tabled by March 15. He knows as well as I do the problem of tabling this Report; the amendment had no intention whatsoever of delaying this information. It was done purely and simply to facilitate the preparation of the Report and overcome the problems in the preparation of that Report.

It is suggested that the lateness of the Bill was to be regretted and that since the rates are to be prescribed by Order in Council they could be changed at any time. Let me say that there are many Acts on the statutes of this Province that action can be taken or changed by Order in Council and their own MCIC is one of them. I regret that they had to open up the subject again of the Treaty Indians. I think that I answered that adequately and under the circumstances they know perfectly well that there is no indicated change. I assured them it

wasn't up to me to tell the Treaty Indians or the hospitals what the Federal Government was going to do. Until the Federal Government does this, they naturally would not be included in that excluded group and I hope they are satisfied with my statement that they would not be asked to pay regardless of what happens.

Mr. Speaker, in summary, we feel that this is one way in which we may bring about more responsible utilization of our hospital beds. We feel that it is reasonable to expect the consumer of any service to pay a portion of that cost and we are suggesting somewhere in the neighborhood of 6 or 8 per cent. This is not unreasonable. We have given the people of Saskatchewan assurance that these fees will be assessed regularly to ascertain the effect of them, the defects of them and the impact on the segments of our population that the Opposition had referred to. I can assure the Hon. Members that every consideration will be given to any hardships that will or might be created. As far as hospitalization fees are concerned, I have not been able to ascertain that undue hardships have existed in our neighboring province and I doubt very much whether we will see any undue hardships here. To date the plan is operating fairly well. The acceptance seems to be reasonably good considering all the noise that has been raised. I have had no complaint from any single hospital. I have had a few complaints about the billing under physician's care but no complaint from any hospital whatsoever since last Monday. I wouldn't say that I don't anticipate some. I think it is only reasonable that there will be some difficulties encountered. But once again I ask the people of Saskatchewan to give this major change a fair trial and demonstrate their willingness to co-operate and make this plan work even better than it has in the past. I have faith in the citizens of this province that they will rally to the cause or the call and respond in a responsible way.

SOME HON. MEMBERS: — Hear, hear!

MacDougall

Motion agreed to and Bill read a third time on the following recorded division:

YEAS — 31 Messieurs

Thatcher	Grant	Mitchell
Howes	Coderre	Larochelle
McFarlane	Bjarnason	Gardner
Boldt	MacDonald	Coupland
Steuart	Estey	McPherson
Heald	Gallagher	Charlebois
McIsaac	Heggie	Forsyth
Guy	Breker	McIvor
Barrie	Leith	Schmeiser
Loken	Radloff	

Weatherald

NAYS — 24 Messieurs

Lloyd	Meakes	Brockelbank
Wooff	Berezowsky	Baker
Kramer	Romanow	Pepper
Willis	Smishek	Bowerman

WoodThibaultMatsallaBlakeneyWhelanMesserDaviesSnyderKwasnicaDewhurstMichaylukKowalchuk

WELCOME TO STUDENTS

MR. B.D. GALLAGHER (Yorkton): — Mr. Speaker, I wonder if I could interrupt the proceedings just for a minute or two to welcome to the Legislature a hockey team from my home city of Yorkton. They are the Tom Thumb Hockey team and they are down here to play in the Provincial Finals. They won their game this morning against the Saskatoon team.

SOME HON. MEMBERS: — Hear, hear!

MR. GALLAGHER: — They are accompanied by two good friends of mine, Mr. Gerald Barrett and Mr. Reg Hares. They won their game this morning and they are waiting to defeat the winner of Saskatoon-Regina and they will be playing again tomorrow morning. I know that all Members in the House will want to welcome them here and wish them luck. I don't suppose the Saskatoon and Regina Members will wish them any luck but I'm sure the rest will.

SOME HON. MEMBERS: — Hear, hear!

MR. F. LAROCHELLE (Shaunavon): — Mr. Speaker, I would like to introduce through you to the Members of the Legislature, a fine group of young people in the Speaker's gallery. They are sitting in the two front rows. They are a group of Columbian Squires from my home town of Ponteix and they are in town to visit points of interest in Regina. This morning they visited the RCMP barracks and the Museum. They are accompanied by Rev. Strohofer and Mr. Luron, their leader and also their bus driver, Mr. Dureault. I hope their visit will be educational here in the Legislature this afternoon and I wish them a safe journey back home.

SOME HON. MEMBERS: — Hear, hear!

MR. F.K. RADLOFF (Nipawin): — Mr. Deputy Speaker, and Members of the Legislature, I would like to introduce to you a group of grade eight students from the thriving and prosperous community of Codette, part of the Nipawin constituency. There are some 22 students and they are accompanied by chaperones, Mrs. Harris, Mrs. Griffin, Mrs. Harder, Mrs. Dawes, and Mrs. Sholter, and their drivers, Mr. MacCoshin and Mr. Street. I would like to wish for this group on behalf of the Legislature that they will have a very educational and an enjoyable trip and that they will have a very safe journey home.

SOME HON. MEMBERS: — Hear, hear!

MR. C.G. WILLIS (Melfort-Tisdale): — Mr. Speaker, this is northeast Saskatchewan day. The group I'm welcoming today comes from Ridgedale which is just south of Codette who were welcomed by the Member for Nipawin. The 23 grade eight students from Ridgedale school are accompanied by their teacher, Mr. Hollingshead; two parents, Mrs. Myers and Mr. Swanson; and their bus driver, Ivan McCullough. I

welcome them here on your behalf, Mr. Speaker, and I'm sure that this will be a highlight for the pupils from Ridgedale school, a highlight for their entire school year.

SOME HON. MEMBERS: — Hear, hear!

INTRODUCTION OF GIRL GUIDES

HON. L.P. CODERRE (**Gravelbourg**): — Mr. Speaker, may I draw to the attention of this House, a group of 18 Girl Guides from the big metropolis of Coderre. They are accompanied by their leader, Mrs. June Gaucher. Also accompanied, in driving for them, is Mr. Armand Gaucher, and Mr. And Mrs. Lepine. Of course, I must not forget Master Lepine who is with them. I would like to welcome them to this House. I am sure that the Members of this Assembly will join with me in giving them a welcome.

SOME HON. MEMBERS: — Hear, hear!

SECOND READINGS

HON. J.C. McISAAC (Minister of Education) moved second reading of Bill No. 65 — **An Act respecting Teachers' Salary Agreements**.

He said: Mr. Speaker, Bill No. 65, the Bill that is before us for second reading, is a Bill that while given the title of The Teachers' Salary Agreements Act, was originally passed in this Legislature in 1949 under the name of the Teachers' Salary Negotiating Act. I might say at the beginning that the basic reason for the rewriting of this Bill stems from the one major provision that is in it; namely, that provision which provides for collective bargaining between teachers and trustees on a regional or zone basis or better known as area bargaining.

Before going into the details of the Bill before us and the principles, Mr. Speaker, I think a brief review of the history of legislation dealing with collective bargaining rates for teachers is in order.

Twenty-five years ago there was no legislation on the Statute Books of this province dealing with teachers' salary negotiations. Salaries at that time were arrived at mainly through direct contact between the individual teacher and individual school board who happened to be employing that teacher. And at that time there was something in the neighborhood of 4,000 school districts in the province, most of them, of course, operating one-room schools. The passing of The Larger Unit Act in 1945 brought about probably the first major change with respect to negotiating teacher's salaries. The number of school boards hiring teachers was reduced very substantially. Salaries were still arrived at by direct dealing with the individual teachers. 1949 saw the passing of The Teachers' Salary Negotiating Act which gave teachers in the Province of Saskatchewan the right to bargain collectively for salaries. And that particular Act also provided for a Board of Conciliation to be appointed in cases where school boards and teachers were unable to reach an agreement on their own. Since that time there have been many changes in procedures and methods of negotiations in almost all sectors of the economy and in every other area of the country.

During the past several years the Provincial School

Trustees' Association which is a body organized to represent school trustees of the province has approached the Provincial Government with resolutions and proposals for Government action in various fields. Many of these requests, of course, are designed to enable school trustees to more effectively manage the school affairs. It should not be necessary to remind Members of this House that school boards are like municipal councils and they derive their powers and their limitations from this Legislature. I think, Mr. Speaker, when we consider the size and the scope of the sum total of our local school systems, it is obvious that this Government must give serious consideration to requests coming from trustees when they are basically asking us to enable them to do their job more effectively. Certainly, of course, the same can't be said, and I will say so, of requests coming from the teachers' organization who are also very directly involved in our education system.

Now one of the major requests of the trustees of this province over the past years has been for changes to the present negotiating Act. I should point out to Members of the House that while this Bill is an answer to some of their requests, certainly it does not meet all of the requests that have been made of the Government in this regard. Two years ago this Government established the Moore Committee to investigate present negotiating procedures and to report back to the Government. And that Committee did report back approximately one year ago.

Now the Bill before us, Mr. Speaker, embodies practically all of the recommendations made by the Moore Committee, the one major exception being that area of regional bargaining will be established under the provisions of this Act rather than being left for development on a voluntary basis. The Moore Committee Report found, for example, while there are differences in the salary levels among school districts of the same general type in the province, that local conditions as such have very little effect on the actual salaries paid. Therefore, I suggest to you, Mr. Speaker, that the grouping of districts for salary negotiating purposes will streamline the negotiation process and save time and effort.

I am convinced that this legislation that is before us, Mr. Speaker, will improve and work to the betterment of teacher-trustee relationships in the Province of Saskatchewan. Too often in the past, salary negotiations have tended to dominate the whole area of teacher-trustee relationship and it has resulted in many cases in an adverse effect in other relations concerning the broader aspects of education.

This Bill also provides for the use of bargaining agents. An area committee of teachers or an area committee of trustees may negotiate by themselves, through a small committee, or with the help of agents. I think that nearly everyone recognizes in the past 15 to 20 years the fact that negotiations for salaries at salary levels or wages have in itself become an art of its own. Surely there is no reason why bargaining agents should not be permissible in teacher-trustee salary negotiations. I would remind the Members that the hospitals of this province have used bargaining agents for many years, that practically all of the Crown corporations, that the Government itself makes use of experienced people in the field of negotiating. City councils are another example.

Now, Mr. Speaker, I would like to spend just a few moments on that section which deals with the question of the establishment

of the negotiating areas in the province. This section states that the Lieutenant Governor in Council shall establish negotiation areas in the province upon the advice and consultation of the School Trustees Association and of the Saskatchewan Teachers' Federation.

We have already had one joint meeting with both of these groups and the Department and of course we have had a number of consultations with each group on an individual basis. I think that Members will want to know something of the criteria that are being used or being considered at this time in establishing negotiating areas. First of all we feel that the areas must be large enough to bring about a meaningful reduction in the number of negotiations that are now going on. The areas should also be large enough so that it is practical to negotiate all of those basically negotiable items at the area level if desired.

Districts in a given negotiating area should have some identity or some "commonness" to them. Now this may well be geographic; it may be related to the type of district as well; or a combination of the two will probably be used in establishing the areas. And within the limits of practicality there should be on the average no major type of school district deliberately placed in a minority or even a majority position in a negotiation area. If at all possible, Mr. Speaker, and I think it will be in almost all cases, the areas to be established should have a broader educational significance as well. Quite obviously, when you look at a map of the province, not all of these criteria can be met in each of the negotiation areas which will be established.

Members of the House, I think, are probably well aware from the press and other reports of the stand of both groups involved in this question as far as establishing negotiation areas is concerned. The Teachers' Federation officially are opposed to any change from the present arrangement, but I can tell Hon. Members that they have given me their assurance that they will co-operate in establishing areas for negotiation purposes. The Trustees' Association officially this winter have pointed out that they favor negotiations on a province-wide basis. In other words one area. Now this Government, Mr. Speaker, which pays approximately 50 per cent on an average across the province of the total operating costs of our school boards is definitely in favor of a major reduction in the present number of negotiations that are going on. If I were to give Hon. Members today a round figure as a Government objective, I would say in the neighborhood of a dozen areas or so.

Again I would point out that this question will be settled with all possible consideration being given to the various objectives that I have outlined, and again with the full consultation and advice and guidance of both of the parties involved.

Some of the other main points in this legislation should be pointed out. Matters other than salaries may be handled at the area level. In previous legislation there was no reference to any matters other than salaries. A provision to give some recognition with respect to administration and with respect to certain of the recognized practices particularly in the city administrations is included in this Act. A formula is spelled out in the legislation which takes into consideration the size of the district, the number of teachers employed and so on.

I would point out that no group of teachers, or no classification of teachers, is excluded by this particular legislation. Salary agreements will be switched to a calendar year basis from the present school year basis. At the moment, Mr. Speaker, we have the situation that the school board fiscal year is of one set of dates, the fiscal year of the Government of Saskatchewan is another set of dates and the teachers' salary agreements come due on the school year basis. All three are different. This is an effort to bring about possibly better budgeting procedures insofar as the school board are concerned.

There is not now in this legislation, Mr. Speaker, nor has there ever been, any question of any salary freeze. And any suggestion is an excellent example of some of the exaggerations that were associated with the development of this legislation. Mediation and voluntary arbitration provisions are contained in this legislation. A Teacher Classification Board is established, and a Board of Review. Specific dates for all of the various stages in negotiation are clearly spelled out in the legislation. At the same time there is ample provision for the various committees to make changes by mutual consent. In other words, I believe, that there is a real good degree of flexibility built into this legislation. I believe that it is good legislation, Mr. Speaker. I believe that it will result in an improved relationship between teachers and trustees in this province. I believe that it will result in avoiding for example, a situation such a arose in the Province of Quebec a year or so ago and which to some extent still exists.

There have been a number of criticisms directed to me and to the Government prior to the introduction of this legislation, Mr. Speaker, and I would like to comment on one. That is the criticism that there has been insufficient consultation with the parties involved prior to the introduction and the development of this legislation. It has been quite erroneously stated that no consultation was given the parties prior to the development of this Bill. I think that such statements are very misleading and in this case certainly incorrect. People making these statements apparently forgot that the Moore Committee Report had been in the hands of the Government for about a year, that during the hearings leading up to the publication of the Moore Committee Report, both teacher groups and trustees from all over the province had very clearly made their views and their wishes known to the people conducting that inquiry.

Now the essential benefit of consultation as such is to obtain the views and the opinions of the parties involved. Even after consultation, the Government is certainly still faced with making decisions and taking action, which may or may not please everybody involved. Now may I suggest that the views and the opinions of both the teachers of the province and the trustees were adequately heard before the development of the first draft legislation. Virtually every major bone of contention in the Bill and in the draft was dealt with by the Moore Committee. The views and the opinions of both the teachers and the trustees were clearly spelled out and expressed in briefs to that particular committee. Incidentally I would say that we must have had about 10 or 12 drafts before we finally came up with the draft which has been brought into the Legislature.

Now, Mr. Speaker, I suggest that this legislation reflects a serious look at all of the evidence that we were able to gather on this particular subject. I am convinced that it will

be workable. I am convinced, also, that there will probably be some kinks uncovered in it in the first year of operation. I believe that it will facilitate and that it will streamline the negotiation and the bargaining process between teachers and trustees in the province. I would remind Members once again that it would result in no loss of rights presently enjoyed by the teachers of this province. Therefore, Mr. Speaker, I urge all Members of this House to support this legislation.

SOME HON. MEMBERS: — Hear, hear!

MR. W.E. SMISHEK (Regina North East): — Before the Hon. Member resumes his seat, would he permit a question. Mr. Speaker, I would like to ask the Minister that he made a statement that the Government very definitely is in favor of reducing the number of negotiations, but he didn't give any reasons or Government explanation of why is the Government really interested in reducing the number of bargaining agreements, if the Government is not directly involved in negotiations and in the light of very few disputes that have really occurred in some 20 years of bargaining?

MR. McISAAC: — Mr. Speaker, I thought that I had dealt with that very adequately in my remarks, but perhaps not so. I could have gone into further detail. There are presently something like 160 series of negotiations going on, all discussing and dealing with the same thing — the salaries for teachers. Surely it seems reasonable to believe that fewer sets of negotiations would suffice. After all the school trustees are people who have other duties besides negotiating teachers' salaries, other duties and obligations to the broad field of education. For this reason because they have asked us for it, because they have said that this has tended to dominate teacher-trustee relations to the detriment of the development of other areas of education, we certainly do believe and do agree that the number of negotiations going on in the province could well be reduced and reduced substantially.

SOME HON. MEMBERS: — Hear, hear!

MR. M. KWASNICA (Cutknife): — Mr. Speaker, in rising to take part in this debate on area bargaining, I, too, would first of all like to give a background of events of items that I feel are rather pertinent to the case, somewhat different to the background that the Minister just gave.

Sure, we all agree that the background to this inception of the Act started in 1965, when the then Minister of Education (Mr. Trapp) decided to set up a committee to study the current Teachers' Salary Negotiation Act, and for this committee to recommend possible changes. I would like to point out at this point that the Saskatchewan Teachers' Federation were generally satisfied with the salary Act as it was, as it still remains in force today. Well, the Moore Committee was set up and headed by Judge B. Moore and two others on December 1, 1965. All throughout 1966, the Moore Committee heard briefs from local school boards and local teacher groups — 82 meetings across the province in eight centres. They also heard briefs from Provincial organizations of the Saskatchewan Teachers' Federation and the Saskatchewan School Trustees' Association. The Moore Committee presented its Report to the Minister of Education on January 9,

1967 — slightly over one years after its inception.

Now on January 24, 1967, some 15 days after the Moore Committee Report was made public, the Saskatchewan Teachers' Federation notified the Minister of readiness to enter into negotiations and discussions with the Department and the Saskatchewan School Trustees' Association. That was January 24, 1967. Now it wasn't until January 3, 1968, almost one year after receiving the Moore Committee Report, that the STF officials were called to a meeting by the Minister of Education.

At this meeting on January 3, 1968, a draft Bill was presented to the STF officials and it had five major points, but among which, one of them was compulsory area bargaining. When questioned by the STF officials, the Minister stated that the draft Bill had already been approved in principle by caucus. One year gone by, no negotiations, a draft Bill presented to the STF and said, "Look this has been approved by our caucus." Now this draft Bill presented to the . . .

MR. SPEAKER: — Order, order!

MR. McISAAC: — On a point of privilege I would like to correct my Hon. Friend from Cutknife. There were two major points in that Bill which had been approved by caucus and of which the members of the STF were informed. They were well informed also that all of the rest was purely in the development stage. Those two points, for the sake of the records . . .

MR. F.A. DEWHURST (Wadena): — Mr. Speaker, I rise on a point of order. That is not a point of privilege. He is answering the debate which he can do when he closes. A point of privilege, he must realize, is something personal.

MR. SPEAKER: — Order, order! I draw to the attention of all Members of the House that, when a Member is making a speech, it isn't proper to interrupt him except on a point of privilege, on a point of order, or to correct a statement. Now, if a Member rises to try to correct a statement which has been made by a Member who is speaking, it would be better if he waited till the Member's speech was finished. It calls for the correct and proper method and form for correcting statements that are made by Members. If a Member thinks that he has been improperly quoted, then the correct thing for him to do is rise, but if the Member who is speaking doesn't take his seat, he can't make the correction until the Member's speech is over. I hope that I have explained that.

MR. KWASNICA: — Now let's get back to this draft Bill. In this draft presented to the STF officials were contained four out of eight recommendations suggested by the Saskatchewan School Trustees' Association and zero, none, out of the six recommendations suggested by the STF. I want you to keep that in mind, Members of this House. Four out of eight of the recommendations suggested by the Saskatchewan School Trustees' Association in this draft Bill and zero out of six suggested by the Saskatchewan Teachers' Federation, that were in this Bill.

January 16, 1968 was the first meeting of the Department of Education, Saskatchewan Teachers' Federation and the

Saskatchewan School Trustees' Association, since Mr. Moore reported on January 9, 1967. More than one year and one week had gone by since the Moore Committee Report was made public. The Minister at this meeting reiterated his view that compulsory area bargaining was a sound principle. I am not quarrelling with that, I am just saying that this is what he said.

As we know the following two weeks after this January 16th meeting, the teachers held meetings across the province, after informing the Minister in plain language that the Saskatchewan Teachers' Federation executive would make the facts known to its members. We all know what the reaction was of the teachers upon hearing of this draft Bill.

Now on January 22, 1968, a press statement made by the Minister accused the STF of unprofessional tactics, extreme exaggerations, and a totally unwarranted propaganda campaign. I would like to quote from that press statement of January 22nd in the Star Phoenix, Mr. Speaker. The headline says, "McIsaac accuses STF of gross exaggeration."

Education Minister McIsaac today accused the Saskatchewan Teachers' Federation of unprofessional tactics, extreme exaggeration in discussion of proposed changes in teachers' bargaining procedures. In spite of the Government's efforts to have reasonable mature discussion, we have been presented with the unseemly spectacle of a totally unwarranted propaganda campaign. Threats of action that would jeopardize the welfare of our children and gross exaggerations of what the Government is proposing.

He goes on in this article to say, Mr. Speaker:

It apparently came as a shock to the Federation that requests of the trustees should be considered on an equal basis with those of the STF.

That's the point — on an equal basis. Four out of eight recommendations made by the school trustees in this draft Bill — zero out of six of the recommendations made by the STF. And this he terms equal, on an equal basis.

With the background of this, nine days later, January 31, 1968, the Minister of Education (Mr. McIsaac) backed down on all proposals of the draft Bill except compulsory area bargaining. Well, February 7th came along and in jumped the Minister of Natural Resources (Mr. Barrie) and suggested that the teachers broke faith with the Minister of Education. And I would like to quote a bit from that article too, Mr. Speaker. This is Wednesday, February 7, 1968, Star Phoenix: "Barrie charges STF broke confidence."

Natural Resources Minister, Mr. Barrie, has accused Saskatchewan Teachers of breaking faith with the Minister of Education, Mr. McIsaac, by making public a draft of suggested legislation governing teachers' salary negotiations. He said that teachers used unethical methods to oppose the proposed legislation. Mr. Barrie said that the Government had asked the STF and Saskatchewan School Trustees' Association for draft Bills which would bring teachers' salary negotiation legislation up to date. This is something that teachers won't tell you. The trustees had submitted a draft but the teachers didn't, he said. And the proposed Bill first criticized by the

STF was the trustees' draft and not a Government Bill.

Mr. Speaker, regarding this press statement which should be the facts. I have here one brief submitted by the Saskatchewan Teachers' Federation on November 14, 1967, but that's not what the Minister of Natural Resources was saying. He said that they presented none. Here it is and I would submit it to the Members to read it. A second brief was submitted as a draft Bill and here it is: Submitted to the Minister of Education by the Saskatchewan Teachers' Federation, January 9, 1968.

So, in this article he said that the teachers didn't submit a draft Bill. I would like to recommend this draft Bill to the Members of the House and particularly to the Minister because it is very interesting. In this draft proposed on January 9, the statements of concerns and views re area bargaining and a complete new draft Bill were presented. Here we have, some days later, February 7, a Minister making a charge that no draft was presented. Well, Mr. Speaker, this is typical of Liberal party tactics. Slam the institutions concerned, slam them because they don't know anything. Degrade or ignore commissions. Look at the Moore Committee Report and I'll be quoting it, Mr. Minister is just a minute. He ignored the Moore Committee recommendations specifically about compulsory area bargaining — I'm talking about the recommendations not the fine print. If you don't know the difference between a recommendation and the fine print, I'll have to explain that too. Slammed the Batten Committee Report — that's another report — label it insignificant as the Premier did. What about the Carter Report — they don't matter you spend millions, you set up committees, but that doesn't matter. This is the old vicious method of driving a wedge between teachers and trustees and the people of Saskatchewan, an old method you know of divide and rule — we took that way back in our History. What a mockery of democracy, using compulsion to ram compulsory area bargaining through, especially, Mr. Speaker, when it wasn't in their election platform of 1967. Never heard a word about it. What freedom is left for teachers when they lose their right to bargain locally with school boards who hire them. I know I enjoy that right — and I won't deny it at all — to bargain with the board that's going to hire me.

Now contrast this, Mr. Speaker, this method of bringing this legislation in with the method used by the CCF when they were in office bringing in The Teachers' Salary Negotiation Act in 1949. With the permission of the House, I would just briefly like to review that method because I think there's something to be gained by Members of this House from the method used in 1949. Now under the CCF, prior to that Teachers' Salary Act of 1949, boards and teachers in some of the larger school systems of the province had carried on negotiations for teachers' salaries for many years before the Salary Negotiating Act was passed in 1949. Though there had been no legally established machinery for these negotiations, they had been carried on in many units before 1949. In 1945 and 1946 salary schedules agreed to by representatives of the Saskatchewan Teachers' Federation, Saskatchewan School Trustees' Association and the Department of Education were placed before teachers and boards as a guide in their local negotiations. Further thought, experience and study resulted in unanimous agreement in late 1946 on the procedure to be used in salary negotiations. There was further discussion between all parties and The Teachers' Salary Negotiation Act became law in 1949 by unanimous vote of the Members of the Legislative Assembly — a unanimous vote. This

Act, a very workable act, provides for fair collective bargaining between teachers and school boards. It is absolute folly to think that this new Act which incorporates a basic principle which is in direct opposition to the recommendation made by the Moore Committee and unacceptable to at least 98 per cent of the teachers of this province could serve the interest of education in Saskatchewan. Why should the people of this province be faced with educational confusion and ill-will that will result from this hasty, ill-conceived legislation?

Now, Mr. Speaker, in reviewing the method carried out by the CCF to bring in a brand new Act, we mentioned the co-operation, the consultation that went on previous and the number of years of study before the Bill was brought in. Now with regard to the method used by this Government, I have another interesting clipping here just yesterday from the Saskatoon Star Phoenix in which Education Minister, J.C. McIsaac, Tuesday asked Members of the Saskatchewan Teachers' Federation for their co-operation in operating the new Teachers' Salary Agreement Act. And going on in the article it says:

However the co-operation of school boards and teachers was essential to its success, he told the annual STF Easter Council.

Now, that's a strange thing, Mr. Speaker, for the Minister to start asking for co-operation now when the Bill is before us and being rammed down their throats. This is a strange time to ask for co-operation. The co-operation should have been asked for before, not after the Bill is before the House. And I mean by co-operation, I mean consultation and I mean good, long consultation. I am certain, Mr. Speaker, that Judge B. Moore foresaw the danger in drawing up hasty legislation regarding compulsory area bargaining and that is why in this report he said, and I would like to quote what the Moore Committee Report said regarding compulsory area bargaining. I quote page 23, regarding compulsory area bargaining:

Your Committee is in some doubt as to the feasibility of the suggestion under the present administrative organization of school units and school districts. Your Committee is however sympathetic to the recommendations of the trustees but feels it is a matter which should be given further and intensive study. In view of the interest shown in area bargaining, your Committee recommends as follows: (1) that further study by a committee consisting of members of your Department, the Saskatchewan School Trustees' Association and the Saskatchewan Teachers' Federation be made to determine the feasibility of a system of compulsory area bargaining under the present system of school administration.

So, a further study — first recommendation.

(2) that present legislation make provision for area bargaining on a voluntary basis.

The Moore Committee Report recommends, I want to repeat, a further study on compulsory area bargaining; secondly, that the present legislation provide for area bargaining on a voluntary basis. Does this Bill 65, Mr. Minister, provide for voluntary area bargaining?

Now, Mr. Speaker, I would like to at this time, and I think

it is very important, make our stand in the New Democratic party clear to this House, the press and the people of the province regarding area bargaining because I don't want to be misinterpreted in this House after this speech is over. First of all, we have no quarrel with the Saskatchewan School Trustees' Association, none whatsoever with their ideas or their idea of compulsory area bargaining. We have no quarrel with the Saskatchewan Teachers' Federation. Our quarrel is with the Government and with the Minister of Education (Mr. McIsaac) who has seriously mismanaged the whole business of teachers' salary negotiations. We are not necessarily opposed to area bargaining as such, provided it is carried out in a voluntary basis as suggested by Moore Committee Report. But compulsory zone bargaining is in direct conflict with any concept of logical, area formations. A bargaining area should be formed only because several school boards and teachers' groups have common interests, problems or needs.

For example, four units, I can visualize this type of thing, four units that find themselves unable to attract degree teachers that they desire could join together and set high salaries for class four teachers way above their neighboring units and therefore achieve their purpose. Or for example, three units surrounding a city with a comprehensive high school may form an area to deal with other problems such as school closures, teachers' salaries, etc. therefore, we feel that the voluntary method would best serve the educational needs of our province. If arbitrary geographic areas are imposed, they would bring together many administrations with dissimilar problems, therefore, conflicts will result. This is our major concern. We don't need conflicts, we can do it in a better method than you have chosen, Mr. Minister.

Now, I would like to put on the records of this House what others have said about compulsory area bargaining. My first item is a quotation from a news release again in the Saskatoon Star Phoenix on January 13, 1968. The heading of this article: "Teacher legislation said reactionary." I'd like to quote a bit from it, it is very important:

Premier Thatcher would not be heading Saskatchewan Government today if recently proposed education legislation had been indicated during the election campaign last fall, John Ignatoff, public school trustee and former Liberal MLA said Friday.

And he must have been shocked because he says and I quote:

I find it difficult to believe that a Liberal Government would try to enact such reactionary legislation. He said that as an individual Liberal and a former school principal, he had strong feelings about the Government proposed Bill which would enforce area bargaining for teachers. Mr. Egnatoff said he thought compulsory area bargaining was premature. It should have been tried on a voluntary basis first he said. He said compulsory area bargaining would inevitably lead to bargaining in a province-wide basis and more centralization.

The second item I want to put on the records of this House regarding what others have said. I want the Member for Hanley (Mr. Heggie) to listen closely, Mr. Member for Hanley. Another news release here in the Star Phoenix and it says:

Heggie backs teachers, urges education overhaul.

SOME HON. MEMBERS: — Hear, hear!

MR. KWASNICA: — A very nicely done up press release. I'd like to quote it though:

Liberal MLA, R.A. Heggie of Hanley, said Wednesday if proposed Government legislation changing teachers' salary negotiations is an attempt to victimize teachers it wouldn't be worthy of his support in the Legislature. Mr. Heggie told a special meeting of Saskatoon East and West school unit teachers he would take their views to caucus where he said his voice had been heard before and it would be heard again. Mr. Heggie said the loss of many teachers because of the proposed legislation could be a nightmare and he would have to draw this forcibly to the attention of caucus.

SOME HON. MEMBERS: — Hear, hear!

MR. KWASNICA: — I wonder what happened to the Member for Hanley (Mr. Heggie) — did he lose his voice in the Liberal caucus? Or was he browbeaten into silence by someone? I wish he would get up and speak in this debate, I would like to hear what he has to say. If the present Government assumes that it has the complete backing of school trustees across the province, they had better check twice. Just because the President of the Saskatchewan School Trustees' Association said trustees will back the legislation one hundred per cent doesn't necessarily mean it's true and I want to qualify that and prove it. I have proof to the contrary that school trustees will back this legislation one hundred per cent.

The first proof in this regard I would like to bring to the attention of the Minister — he already has it anyway but I'd like to quote parts of it — this is a letter to the Hon. Mr. McIsaac and to all Members of the Legislative Assembly from a school trustee for 14 years and I would like to read a bit of it:

One of the things I have found in my experience as a trustee is that advances made in conflict lost a great deal of their significance. They are prime reasons for feelings of insecurity in the profession and have resulted in the development of negative attitudes in trustees and teachers alike which have had serious detrimental affects on professional growth and consequently on the education of our youth.

Going on:

The proposed legislation for area bargaining has accelerated and carried the conflict to a governmental level and has already done inestimable harm. If this legislation is allowed to become law it will create an intolerable situation in education in the province. Not only will we lose the cream of the teaching profession now in the province, we will also find it exceedingly difficult to attract teachers and educational leadership to the province. For these and many other reasons I would

urge the Government to set this proposed legislation aside pending a thorough and comprehensive study of education in the province, a study involving recognized leaders in education in Canada and on this continent, looking into the effect of the conflicts on the school and recommending immediate and long-range goals to which both teachers and trustees may subscribe.

SOME HON. MEMBERS: — Hear, hear!

MR. KWASNICA: — Secondly, a letter from the Neilburg central board, Neilburg, Saskatchewan — it's in my own constituency — and I'd like to read this letter into the records of the House.

Neilburg, Saskatchewan, January 22, 1968, and it's addressed to the Lloydminster School Unit No. 60, Lloydminster, Saskatchewan:

Dear Board Members:

A central board writing to the school unit board.

The following resolution was passed by the Neilburg Central School Board on Saturday, January 20, 1968:

Whereas we understand that the proposed legislation on teachers' salary negotiations removes the rights of teachers to bargain for fringe benefits and statutory bargaining rights from principals and makes area bargaining compulsory, and

whereas we feel that the lack of fringe benefits will drive teachers to other provinces or other professions, aggravating an already serious teacher shortage, and

whereas we understand voluntary bargaining as recommended by the Moore Commission could be instituted without teacher unrest and would probably be equally as effective.

Be it resolved that the unit board urge the Government to discuss this situation further with the members of the Saskatchewan Teachers' Federation and the Saskatchewan School Trustees' Association before any changes in the present Teachers' Salary Negotiating Act are made.

Yours truly,

Signed by the secretary of that board.

Well, continuing the truth that school boards are not all one hundred per cent in favor, let me quote to you from a news item in the Star Phoenix, February 12, 1968, headed "Unit board teachers oppose area bargaining." I'd like to quote:

Trustees and teachers of Kindersley superintendency have combined in their opposition to compulsory area bargaining. At a joint meeting of the Kindersley School Unit Board and the executive of the Kindersley Superintendency Teachers' Association members were unanimous in their opposition to the proposed legislation. A resolution passed at the meeting said teachers and trustees were convinced the interests of both groups were mutual

concerning provision and ensuring of staff. Members voted to go on record as opposing compulsory area bargaining.

Teachers and units and unit boards working together in this regard.

Continuing this proof, Mr. Speaker, another news release of January 26, 1968, also of the Star Phoenix. The heading "Elrose-Eston teachers voice protest to Bill." And I would like to quote from this article as well. However, since it is close to 5:30, Mr. Speaker, may I call it 5:30.

The Assembly recessed until 7:30 p.m.

MR. KWASNICA: — Mr. Speaker, when I called it 5:30 I was giving proof contrary to the fact that the school trustees were less than one hundred per cent in favour of this proposed legislation and I had read a letter from a school trustee who was a trustee for 14 years. I had read a letter into the records from the Neilburg Central Board. I had also read a news release, February 12, 1968 from the Star Phoenix stating that the Kindersley teachers and board were against compulsory area bargaining and just as we left at 5:30 I was about to quote another situation, another case showing that all the school boards are not really all that much in favour of this legislation. I was about to quote the release in the Saskatoon Star Phoenix, January 26, this year, which is headed "Elrose-Eston teachers voice protest to Bill."

Two resolutions opposing the Provincial Government's proposed Teachers' Salary Negotiations Bill were passed at a public meeting here after more than 175 people heard discussions from both trustee and teacher representatives. The first resolution asked that teachers continue to oppose the legislation and that everything possible be done to convince the Government to accept the proposals of the Saskatchewan School Trustees' Association.

And further on in this press release:

George Leith, MLA for Elrose said that he would make no apologies for the actions of the Education Minister.

So here we have another case of boards and teachers both not being too much in favour, not being in favour at all of this legislation. Another case has come up lately in the area of Carnduff and here we have an article from the Leader-Post, February 2...

MR. LEITH: — Mr. Speaker, I wonder if the Hon. Member would permit a question?

MR. KWASNICA: — No, I'd like to continue please if you don't mind.

MR. LEITH — Will the Member permit a question.

MR. KWASNICA: — No, I'd like to continue.

MR. LEITH — Oh, all right.

MR. KWASNICA: — Another situation arose in Carnduff. This is a quotation from the Leader-Post, February 2nd:

Members of the Carnduff school board have joined its teachers in opposition to the proposed Salary Negotiating Act. In a letter sent recently to Education Minister McIsaac, Premier Thatcher, I. MacDougall, MLA for Souris-Estevan, The Carnduff Gazette Post News and the Leader-Post, the trustees asked that further consideration be given the proposed legislation.

May I add here — I hope to hear what the MLA for Souris-Estevan (Mr. MacDougall) will have to say in regard to this.

The trustees said they oppose the Act because it suggested a further removal of local autonomy and would have a detrimental effect on the welfare of Saskatchewan children. The letter said the Board did not favour area bargaining, but if this was to be then it would prefer area bargaining on a voluntary basis. Legislation that would cause a further teacher shortage should receive serious consideration before being enacted the trustees said.

No, Mr. Speaker, I'd like to point out also, what about the two units and teachers in the province that have already gone ahead with this year's salary negotiations in spite of this Government's proposed compulsory area bargaining. The Govan school unit settled in January 1968 — I think the average overall salary increase for the teachers there was 7.6 per cent. The other unit that has already settled is the Humboldt School Unit. Now, doesn't the fact that two units have already settled salaries tell you something, Mr. Minister? Doesn't it tell you perhaps, "To heck with your compulsory area bargaining; we are settling on our own."

If the above six examples aren't enough to show the Minister of Education that he is completely out of tune with the educators and the school boards in the province then we bring to his attention, Mr. Speaker, the results of a survey I carried out in my own constituency in Cutknife and I'd like to point out this survey now. I had a questionnaire sent out to every school teach individually, to every board member individually, this is unit and local boards in the constituency. There were three questions in the questionnaire. Question No. 1 simply asked, "Are you in favour of compulsory area bargaining, yes or no?" And I said if yes, tell me why, if no, tell me why. Question No. 2 of this questionnaire, "Are you in favour of area bargaining on a voluntary experimental basis, yes or no?" Question No. 3, "Are you in favour of following the recommendations of the Moore Committee Report on area bargaining which states, 'that further study by a committee consisting of the Government Saskatchewan Teachers' Federations, the Saskatchewan School Trustees' Association be made to determine the feasibility of a system of compulsory area bargaining under the present system of school administration,' answer yes, or no." Point 4 asked for any other comments they wished to make. I would like to remind the House that I sent this questionnaire to every individual teacher and to every individual board member to avoid group reactions.

Now, what were the results of this questionnaire? The

replies were quite heavy. I wouldn't say a hundred per cent but they were well over sixty per cent. Results of this survey: 63 per cent of board members who replied were in favor of following the Moore Committee recommendations regarding area bargaining.

SOME HON. MEMBERS: — Hear, hear!

MR. KWASNICA: — I never told them what to say. They told me frankly what their reactions were.

HON. D.V. HEALD (Attorney General): — Try it in the rest of the province.

MR. KWASNICA: — The second major point of the results. No need to mention the fact that in my constituency 98 per cent of the teachers favoured the Moore Commission recommendations. Only three teachers, that's 2 per cent would favor compulsory area bargaining. So, Mr. Speaker, I ask this House, how do Members opposite, how does the Government expect an Act that has so little support from both the Saskatchewan Teachers' Federation and the grass roots of the Saskatchewan School Trustees' Association to work? Mr. Speaker, this Act, if introduced at this time and passed will not work smoothly. It is one of the most objectionable, ill-conceived and hastily drawn up Bills that's hit this Assembly for a long time.

SOME HON. MEMBERS: — Hear, hear!

MR. KWASNICA: — Now in listening to the Minister this afternoon I will be very happy to relate to my trustees and my teachers back home that the Attorney General thinks my survey was absolute nonsense.

MR. HEALD: — Absolute nonsense!

MR. KWASNICA: — I didn't have time to go throughout the entire province.

AN HON. MEMBER: — Come on, tell us they are all true.

DEPUTY SPEAKER: — One speaker at a time.

MR. KWASNICA: — Now just a word about the Minister's remarks he made when he introduced the Bill. I agree with the Minister when he said the Moore Committee did mention area bargaining. The Moore Committee did not recommend compulsory area bargaining, so he is off the Moore Committee report almost entirely then because a recommendation is a recommendation. One doesn't read the fine print and the preamble, one must follow the recommendations and these are the key points of it. On that point I am sorry to say that he did not follow the advice of the Moore Committee. The second point that the Minister was making about the full consultation regarding areas, I only hope that this will be the case. But how do you expect to form logical areas in the time that you have left? This will take a good deal of time. The teachers in the province will want to know, I am sure, well in advance what the areas are and what the attitude will be

of school boards regarding salaries before they decide to stay or move on, or teachers coming in will want to know the climate before they come in. The Minister stated that by presenting this Bill to the House at this time he was trying to avoid a situation like there was in Quebec. Trying to avoid it! I am afraid, Mr. Speaker, this could well bring about a situation just like there was in Quebec. I am not saying it will but I think it well could be. No doubt there are many things in this Act that I think are being brought in too hurriedly. As far as teachers losing no rights, he mentioned this too. Nowhere in the Act is there a guarantee that there will be negotiations regarding fringe benefits. When we come to the Committee of the Whole I would like to see this somewhere. Why isn't it then spelled more clearly? But we'll come to that a little later.

AN HON. MEMBER: — . . . 20 years!

MR. KWASNICA: — Now, Mr. Speaker, may I just take a minute to explain again and point out why I feel this Act will not work smoothly. This Bill to impose compulsory area bargaining is objectionable for several reasons. First, the Act does not clarify who can be designated as administrators. Can administrators be principals who resigned their positions to accept an administrative position, or can an administrator be a librarian, or a guidance counsellor or whom? This will be very contentious. The Act fails to assure that certain supervisory personnel will continue to be in the teachers' bargaining unit as recommended by the Moore Committee Report.

The second reason I feel that the Act will not work smoothly is that the Act makes no statement as to how many areas will be established. These areas according to the Act will be prescribed by the Minister in regulations. It will take a good year at least in my estimation to sit down and work out with the Saskatchewan Teachers' Federation and the Saskatchewan School Trustees' Association and the Government the areas that would be workable, meaningful and acceptable. Areas must be chosen wisely on the basis of similar problems.

The third reason why I don't think this Act can work smoothly is that the Act does not set up machinery for negotiating at the local level for benefits other than salaries. It makes only loose reference to this level of negotiation, only loose in one general statement. It does not mention specifically what matters other than salaries could be discussed. For example, such matters as sabbatical leave, accumulated sick leave, compassionate leave, scholarships and bursaries, teacher workload, or secretarial help for teachers. Nor does the Act make any provisions for procedures to resolve this agreement at the local level should they arise. If this Government is sincere in saying that fringe benefits will be able to be negotiated for teachers, why isn't there a specific section set out clearly to deal with this very vital concern. The same machinery for this purpose regarding fringe benefits, as for salaries as a whole in the Act.

The fourth reason I feel this Act will not work smoothly at this time is that — I think this is the biggest one — there is an element of compulsion here, which no one lies. It smacks a little bit of dictatorship. Oh yes, the Government will say and it has said this compulsion will lead to less ill-feeling

between teachers and boards. I have been in the teaching profession for many years, I didn't see that much ill feeling. Really, there are at times, at some places, absolutely none, but that much ill feeling across the Province I don't agree with. But the human element of local freedom to bargain with your employer for wages will be lost forever, that is at the local level. There will be loss of local autonomy for boards and teachers without a doubt. Now the Member for Milestone (Mr. MacDonald) I can recall in a previous debate saying how democratic the Government was in demanding that local school boards get six months' notice before a school is closed, and praising how democratic that was. Now if local school boards need six months' notice before their school is closed, then surely the teachers and boards of this province need at least six months to decide whether they want compulsory area bargaining or not and then to negotiate for these logical areas.

SOME HON. MEMBERS: — Hear, hear!

MR. KWASNICA: — How much time have they had to take a look at this situation? Since January 3, three months. This is not fair. I urge the Government to give at least this much consideration to the teachers and the boards of this province, especially since this Act replaces entirely another Act which everyone has become very familiar with. This is a big step and you have got to take a real good look at it. I am very surprised to see that this Act makes no provision for a school district or for a unit to be excluded from this compulsion, even if both the board and the teachers express their wish to opt out.

In concluding, I cannot support this Bill, first of all, because I don't see how Members opposite really could support it at this time, because it is dictatorial in nature. Secondly, we fell there has not been enough study done and that the legislation is hastily drawn up. This is a repetition of the deterrent fee debate which we have just seen. No homework down, basic homework to know how this thing would work or even to give it time to work. Thirdly, I feel it will lead to greater ill will, if introduced at this time without this further study. I cannot support this Bill either because of the method used by the Government at bringing about this legislation. The method is most deplorable. It smells of meddling and causing division among the people of Saskatchewan, driving a wedge between teachers, boards and the taxpayer. If imposed at this time upon Saskatchewan teachers and board members, I am afraid will cause a greater exodus of teachers in Saskatchewan. It is something that we can ill afford today in this province. Saskatchewan lost 489 teachers to other provinces last year. 489, the largest number ever to leave the province since 1958. The main reason we know is the low pay. Teachers' salaries in Saskatchewan will not likely improve that much this year to keep our teachers. I would like to quote an article, a very recent one in the Regina Leader-Post, Saturday April 13, 1968. The heading of this article, "Saskatchewan Teachers attracted to Alberta, survey shows." This one is not entirely an STF release.

AN HON. MEMBER: — What if it's CCF!

MR. KWASNICA: — I would like to quote you some of the parts here, it says, Saskatoon CP.

A survey taken at the faculty of education of the

University of Saskatchewan indicates that two of every three-diploma students who have accepted teaching jobs for the fall will leave the province.

The survey found that of 123 diploma students, 49 have jobs outside the province, 23 have jobs in Saskatchewan, 28 will return to university.

The survey found the four top students in the class are all going to Alberta.

In this same article:

The deplorable climate that has been created in education in this province is reflected in the loss of top-notch education students to other provinces, Dr. Stirling MacDowell, Saskatchewan Teachers' Federation, General Secretary, said Saturday.

At present 31 per cent of the teaching force in Saskatchewan is earning a salary of less than \$100 a week, or \$72 take-home pay, Dr. MacDowell said.

So the article here gives proof and this is no myth, 40 per cent of the diploma students at the University of Saskatchewan in Saskaton are leaving Saskatchewan for other provinces. Now all these things added together, the low salaries in Saskatchewan, the policies set in education by the Minister, such as increasing student-teacher ratio this year and compulsory area bargaining and I am sure we will have the greatest exodus in the history of our province. Then we can see that Saskatchewan will once again be in the limelight as the main exporter of two major items in 1968, wheat and teachers. Mr. Speaker, I cannot support this Bill. I want to point out once again our stand. Our stand is we are not opposed to area bargaining as such, but compulsory area bargaining, no! I can't see how this House can go through with this legislation at this time in regard to the compulsion. I will vote against Bill 65.

SOME HON. MEMBERS: — Hear, hear!

MR. W.A. FORSYTH (Saskatoon Nutana South): — Mr. Speaker, the speech which has just been delivered by the Hon. Member from Cutknife (Mr. Kwasnica) is the type of speech which I was hoping would not be heard in this debate. These without any doubt are the types of inflammatory remark which will not help the cause of education in Saskatchewan. It was, Mr. Speaker, a very negative approach, it was a one-sided approach. If there is any responsibility on the part of this Government, I believe it is to stay in the position of legislators and not to be in a position of siding with any organization, be it teacher or trustee.

In my opinion the proposed Act can and will provide a better climate for education in this Province. It can only perform this function with the co-operation of the two groups of citizens to whom our society has delegated primary responsibilities for schools — the teachers and the trustees. As a former school trustee, I have taken part in some 13-salary expenditures of over \$40 million. At no time during those sessions did I feel adequate in my role or satisfied that I was

properly discharging my responsibilities towards the taxpayers who had elected me. At one time or another, almost all the trustees with whom I have served have expressed similar sentiments. I am convinced that under the terms of this Act, I would have been able to do a better job both for the citizens, the taxpayers, and for the teachers. During my service as a trustee, I valued most highly my relationship with teachers. Without any hesitation, I would say that the opportunity of associating closely with members of the teaching profession has been one of the richest experiences of my life. During the same time I have also enjoyed the friendship of a large number of trustees, both rural and urban, and in my estimation, these men and women, trustees and teachers represent some of the most devoted and selfless public servants in Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. FORSYTH: — To me it would be an unforgivable insult to both teachers and trustees if one were to suggest that their first concern was for anything less than the best education of our people. Because, and only because, I believe that this Bill will provide a climate in which this concern can be more fully expressed, I strongly urge its adoption by this Legislature.

Now I would like to suggest briefly some of the reasons why I support this Bill. In the first instance Section 5 has been the subject of considerable criticism. This is the section which provides for a limited number of administrative personnel to be out of scope of salary negotiations. To me this is a necessary move. I would be the first to admit that the method of running a school system must and should be somewhat different than those employed in many business enterprises. On the other hand, the principles of good administration are the same regardless of the organization which they serve. I cannot see how a legislative body such as a school board can function properly unless it has the freedom to deal with the salaries of administrative officers at the policymaking level. On checking the enrolments of Saskatoon public and high school systems in relation to the number of out-of-scope employees allowed by this Act I find that there will be little or no change in the number whose salaries are not negotiated. At no time have Saskatoon boards negotiated salaries of their superintendents or department directors. So in effect the present Act merely acknowledges past practice. Indeed I would have hoped that the Act would have given a little more latitude in this regard. I would like to mention that at no time has the Saskatchewan Teachers' Federation directly challenged the Saskatoon Board on this basis. I think we are all satisfied with the type of thing that has gone on and as I say, the present Act will not change the number of out-of-scope personnel to any extent.

The concept of area negotiation which is contained in Section 6 of this Act is fundamentally sound. It follows the trend of greater co-operation between administrative units in this province. I am no advocate of centralization just for the sake of centralization. But whether we like it or not, our population is centralizing itself, and with improved communication the day is almost past when an isolated community can efficiently run its own affairs without reference to its neighbouring communities. I am looking forward to a time when it will be realized that a teacher in the far southwest or the extreme northeast of this province is worth just as much in equivalent

salary as a fellow teacher in one of our city school systems.

SOME HON. MEMBERS: — Hear, hear!

MR. FORSYTH: — Now to occupy the time of teachers and trustees in 126 separate negotiations, as was done last year, seems to me to be the height of folly. This is particularly evident when one realizes that the majority of salary, schedules negotiated through such a lengthy process bear a remarkable resemblance to one another. I have no desire to see every school system become identical to other school systems in philosophy and mode of instruction. There are many ways in approaching the standard of excellence which we want in our schools. This variety of approach is protected by Section 3(2). This section provides in my opinion for the discussion of the type of things which the Hon. Member from Cutknife denies. This section will allow the teachers and the trustees to sit down with each other and discuss what are called fringe benefits. I think there is a better term, those things which contribute to better relations between the board and its teachers on a non-salary level. As I suggested at the beginning of my remarks, Mr. Speaker, there has been considerable discussion of this Bill by teachers and by trustees. It is unfortunate that scare tactics have been employed and I don't in this connection condemn either group. I think it is most important that the role of Government in this situation is not one of taking sides with either one of the major organizations who are involved. In theory and in fact, the school trustees and the Teachers Federation and the Government are all on the same side, the side of young people in Saskatchewan.

SOME HON. MEMBERS: — Hear, hear!

MR. FORSYTH: — I believe it's the job of all of us to see that our education system functions well in the administrative sense so that it is free to perform its true function, that of providing our society with citizens who have an education which will allow them to realize their full potential as individuals. I believe that the legislation before us is going to give us freedom from administrative troubles which have plagued us for many years and which have been increasingly evident in the last decade. I really believe that we should take a quiet, calm look at this. I don't believe we should be involved in the pursuit of a political cause and certainly not of any political motives. Some of the questions raised by the Member from Cutknife I find most interesting. I would like to pursue them further and because of this I would at this time ask leave to adjourn the debate.

Debate adjourned.

Hon. C.L. Estey (Minister of Municipal Affairs) moved second reading of Bill No. 74 — An Act respecting the Sharing of Rural Municipal Tax Levies on Potash Development with Municipalities Located within an Area of Influence of the Potash Development.

He said: Mr. Speaker, the purpose of this Act is to provide legislative machinery for the distribution of the municipal tax levies on potash mines. This distribution is to take place among the rural municipalities and urban centres within what is called an area of influence.

At the outset, I want to point out that this program was devised in the main by the Saskatchewan Association of Rural Municipalities and I think that that organization is to be congratulated for having come up with this program. I am not contending that this proposal or program is perfect, but the Government feels that it represents a step forward and that we should implement it by legislation. Now prior to commenting on the Act which is before this House, I would briefly like to outline the program which has been devised by the SARM and will be put into being by the Act and Regulations made thereunder. Initially there is an area created in the Act and known as the area of influence. This area of influence under the SARM scheme encompasses an area of 20-miles radius from a particular potash mine. To ascertain the mill rate which you will levy against the particular potash mine you take the number of square miles in each municipality within this area of influence and multiply the number of square miles in each municipality by that particular municipality's municipal rate without taking into consideration the hospital mill rate, thereby you obtain what you might call an average municipal rate throughout the area of influence. Now the municipal tax is then calculated against the assessment of the particular potash mine and there is another formula dealing with the distribution of that tax amongst the municipalities and urban centres up to 5,000 population within the area of influence. For example, it is estimated, and this is only an estimate, that there will be approximately \$922,000 available from the potash municipal tax throughout the Province of Saskatchewan when all mines are in production. By that I mean taking the Belle Plaine area, the Esterhazy area and what we call the Saskatoon-Lanigan area. From that amount the program calls for a reduction of five per cent for discount on prepayment of taxes. Then the SARM allots an additional 10 per cent to be distributed on the basis of population amongst the urban centres within the area of influence. This amount available for distribution to urban centres is calculated on the basis that an urban centre in excess of 5,000 population would not participate in the distribution. In other words when all potash mines come into production, it is anticipated that there will be an excess of \$700,000 available for distribution amongst the various rural municipalities who happen to be within the area of influence. Now when you come to determine the method of distribution — I'll deal with this shortly because we will come into it in Committee — but when you come as I said to deal with the distribution within the area of influence you create another area having a 10-mile radius from the particular potash mine, then you ascertain the number of square miles each municipality has within the 10-mile radius circle, the number of square miles each municipality has between the 10 and 20-mile radius. The SARM recognized that those municipal bodies within a 10-mile radius circle probably have to render more services to the potash industry than those between 10 and 20 miles. So their formula is weighted in favour of the municipalities within the 10-mile radius, and the ratio is approximately 4 to 1. That is for every point within the 10-mile radius, you would receive 4 points when you come to divide the tax; between the 10 and the 20-mile area it will be one point. Then you simply divide the total points into the money available for distribution. There is one other point dealing with this formula. That is this that there will be no distribution of potash revenue until the assessment from a potash mine exceeds \$1.5 million. In other words, Rocanville, the municipality in which that mine is located, would not be subject to distribution for I would estimate at least a 2-year period. The formula also calls for no

municipality who has a potash mine located within its boundaries receiving less than \$30,000 a year. We expect that the first distribution will take place in 1969, although that will not be the maximum distribution because it is quite obvious that the mine at Rocanville by that time may have an assessment in excess of over \$1.5 million. The formula will further provide that in the Saskatoon-Lanigan area where you have many potash mines, there will not be a double counting of areas.

Now then, the Bill which is before the House really provides for three things: first it sets out a method of assessing the potash mines; secondly, it sets out the establishment of a board to administer the distribution and the assessment in connection with this Act, and that board will consist of two representatives nominated by the SARM and appointed by a Lieutenant Governor in Council, and one member nominated and appointed by the Lieutenant Governor in Council by the Minister of Municipal Affairs. Any cost in connection with the distribution and the operation of the board will be borne by the fund. The members will, of course, be eligible for reappointment. Now it is estimated that when this program comes fully into effect, 38 rural municipalities and 45 urban centres will participate in the distribution. At the Committee stage I will have some figures which I want to stress are based on estimates as to what we can expect on the distribution, but these figures are only estimates. Just to give you an example of the urban division, it's expected in the Esterhazy area that there will be \$28,000 odd available for distribution among the urban centres. In the Belle Plain area, \$4,600 and some, and in the Saskatoon-Lanigan area an excess of \$54,000. Now there is one aspect of this with which we are not entirely satisfied — but as I pointed out in the beginning we regard this as a tremendous step forward and therefore we are prepared to implement it — and that is this, the SARM's proposal represents only 10 per cent of the gross amount being available for urbans. Some of us feel that figure is low but we must remember that this is rural municipalities' money. It may be that over a period of time and by negotiation between SUMA and the SARM that some better system will be worked out. But as I pointed out we are quite prepared at this time to initiate the SARM program because we believe it is a step forward. So far as I know there is not another example in western Canada of a distribution such as is contemplated by this Act.

SOME HON. MEMBERS: — Hear, hear!

MR. J.J. CHARLEBOIS (Saskatoon City Park-University): — Mr. Speaker, while I am quite prepared to recognize that there is merit in this Bill and that it is a start towards fair distribution of the potash industry taxes, I am sorry to see that it does not recognize the problem that arises for a city like Saskatoon. I think that it is universally accepted that residential taxation alone, the taxes from residences are not enough for a city to supply the necessary services required by the citizens. The taxes from industry are considered to be essential and the fact that this Bill excludes cities completely from participating in this tax distribution puts a city like Saskatoon at a distinct disadvantage. I am citing Saskatoon as an example because there is an increasing tendency there towards a dormitory city. Speaking in terms of the potash industry alone and assuming a minimum number of four mines in the immediate area of Saskatoon, with an average of 300 workers in each establishment, by this I mean, once the mines are in

production, we have 1,200 workers. Our estimate is that 80 per cent of these workers will live in the city. This means 1,000 residences representing 3,000 to 4,000 residents. Using the normal ratio of commercial and industrial taxation, as approximately 15 per cent of the total, we can properly assume that the city loses about \$75 in taxes for each residence each year. Now this may not seem to be a grave problem to a city like Saskatoon at this particular time. But with the increasing growth of industry and a tendency to establish outside the boundaries of this city, this dormitory situation is obviously going to set up a very real drain on the financial resources of a city like Saskatoon. I think we should therefore recognize the need for a formula that will broaden the base of the principle recognized by this Bill and give cities like Saskatoon a fair share of this kind of tax distribution. Mr. Speaker, I am in favour of this Bill only because it is a start in the right direction.

SOME HON. MEMBERS: — Hear, hear!

MR. R. HEGGIE (Hanley): — Mr. Speaker, I rise in support of the Bill for distribution of taxes arising out of potash mines, commonly called windfall taxation, as introduced by the Minister of Municipal Affairs (Mr. Estey). Speaking as a representative of the seat which has three potash mines within its borders, I think that I can speak with some authority and some experience in dealing with the potash mines particularly with the municipalities within which the mines are situated. Within the boundaries of Hanley are the three mines, Potash Company of America, the Allan Potash Mine of Allan and the Duval Potash Mine on the western outskirts of Saskatoon. The municipalities affected are the RM of Vanscoy which has another mine not mentioned so far, the Cominco Mine at Delisle within its boundaries, the Cory municipality which contains the Duval mine and the RM of Blucher east of Saskatoon, which has the Potash of America Mine and the Allan Potash Mine within its boundaries. So far as speaking from the point of view of the Hanley constituency I am particularly interested in these three municipalities which can be called the have municipalities in that area. They have the mines. Now when you go to share taxation which comes from natural resources occurring within those municipalities, then of course you are opening up a whole new field of taxation which is something new to this area and this province. Now I think on the whole that the legislation is non-controversial. It is merely the Government acting as a sort of an arbitrator in how to settle a rather thorn problem which the municipalities in fact found they were quite unable to settle themselves. These municipalities, the three I named in particular, and there are others of course, where other mines are found, were quite prepared to share what they called windfall taxation with the towns, villages and hamlets within their boundaries. They weren't sure how they could effect this. So working through the Saskatchewan Association of Rural Municipalities as explained in more detail by the Minister, this body came up with a formula contained in the new Act which you will be asked to decide upon. I don't think that it is controversial in respect that in preparation for this Act we called together the various councils of the municipalities affected and got their viewpoint and explained the legislation. Although it wasn't everything that municipal councils asked for, they agreed that it went a long way in correcting a situation which they knew existed in their municipalities. It is not very hard to imagine that where you have a potash mine and a large concentration of labour and

labouring people these people need and demand services, so that extra burdens are put upon the municipality itself and the towns and villages with its boundaries. It even extends over to the dormitory city represented by the member from City Park-University (Mr. Charlebois). These extra problems consist of all the usual things, the building of roads and highways, maintenance of roads, additional housing in these small urban areas, the acquisition of sewer and water programs, by the towns and villages, police protection throughout the towns and villages and throughout the municipality. With this newfound prosperity comes a lot of problems. The local governments, the municipalities have felt in working with the Government that they have a formula by which a reasonably equitable distribution can be made of this extra windfall taxation. I don't need to explain how that works, because that has been adequately done by the Minister. But I thought the Members on both sides of the House would appreciate knowing that this isn't legislation brought in without consulting those concerned. After all it is the municipalities that have these mines, who should be consulted and asked whether they are prepared to share this extra taxation with the towns and villages that surround them within their boundaries. A formula has been worked out and I don't suppose that by any stretch of the imagination that it will be perfect. In fact it will be quite imperfect, I am sure for the first year or two until the kinks, to use that term, are worked out. Then it ought to work more smoothly and to the benefit of all the municipalities and the other municipal bodies. The fact that a \$1.5 million assessment is put on a mine before the taxes can be shared, with the surrounding areas, means that the have municipalities (the municipality that has that mine) know that they get all the taxation while it is building up to the \$1.5 million assessment and thereby can use the early taxation to offset additional expenses, with respect to roads, maintenance and police protection and the other problems. I hope that in saying these few words I have made the situation just a little clearer for the Members of the House so they will get the idea that this legislation is pretty well permissive legislation, brought in after consultation with the various bodies concerned. It merits the support of the House because one has to recognize that to divide local taxation up with other municipal bodies which do not have that assessment is a new principle altogether and likely will take some measure of trial and error to make it work successfully.

SOME HON. MEMBERS: — Hear, hear!

MR. R. ROMANOW (Saskatoon Riversdale): — Mr. Speaker, I want to say at the outset that the independent sector never fails to amaze me. I am particularly amazed tonight because it is the first evening, in a long, long series of evenings, that two spokesmen of the independent sector have at long last spoken on some measures that have been placed before this House. That surprises me firstly. Secondly, I am surprised, I must also say pleasantly surprised that I find myself in one of those rare moods where I am in agreement with my Hon. Colleagues from Saskatoon City Park-University. He's a little more independent than the friend of mine from Hanley because I think that he took to task the Provincial Government more properly, in the proper field of criticism. The Hon. Member from City Park-University said that he thought in effect that this Bill ought to be extended to include the services

provided for by the cities and an extension of the Act generally. Those are pretty strong words from the Member from Saskatoon City Park-University. I want to say that we on this side whole-heartedly agree with the very courageous words spoken from the Hon. Member back there. It is correct to say that in Saskatoon, because of the burgeoning potash mines in and around, most of which brought and started by the New Democratic party prior to 1964 . . .

SOME HON. MEMBERS: — Hear, hear!

MR. ROMANOW: — ...and now coming to fruition there have been increased costs lying to the individual taxpayer of the cities. I am thinking of the very obvious things such as schools, housing, maintenance of roads and the like. I am very proud to be a representative, at least one of the representatives from Saskatoon City. We're a growing city because of this and other industries. I want to agree with the Hon. Member from City Park-University when he chastises the Premier and his Cabinet in saying that this Government and this Bill just doesn't go far enough. The citizens of Saskatoon will be looking forward to a little more courageous and bolder action as far as the Premier and his Government are concerned with this potash sharing arrangement. It is a very lucrative and thriving industry, we are told by the Minister of Mineral Resources.

AN HON. MEMBER: — Can't sell it!

MR. ROMANOW: — Can't sell it, but it's a booming industry and it ought to be paying its fair share of the tax-load and helping to carry those services that are provided by the major cities of the Province of Saskatchewan.

MR. W.A. FORSYTH (Saskatoon Nutana South): — This being Saskatoon night, Mr. Speaker, I cannot be left out.

AN HON. MEMBER: — If you say anything you may be left out.

MR. FORSYTH: — I would like to comment briefly on this Bill and certainly not in any spirit of criticism. I would like to congratulate the Association of Rural Municipalities and the Minister of Municipal Affairs (Mr. Estey) for the progress which they have made in recognizing the problems which exist in the carrying of municipal tax revenues from potash development. I know that the present Bill reflects a genuine concern and a commendable measure of co-operation on the part of responsible rural municipal authorities. These people have done something that is most commendable. They have got together, realized there was a problem and have made the first step towards solving it. This is a very worthwhile beginning and now I must say it is only a beginning. As the representative of a constituency which has in its borders a large number of potash workers I feel I really must express my concern for the apparent lack of appreciation for the problems of the city of Saskatoon.

Our city is becoming a dormitory city, with the majority of the employees of four mines and a considerable number from two others, likely to become permanent residents. In addition

we have other major industries being established just outside of Saskatchewan where employees are almost all residents of the city, but from which industries we receive no industrial tax revenue. All of us like to boast about the population and growth of our hometowns and I am no exception. Unfortunately, Mr. Speaker, when such growth occurs without a corresponding increase in industrial assessment, the municipal tax structure becomes unbalanced. This produces an anomalous situation in which every new resident family has the effect of increasing the tax-bill of every other resident. Saskatoon certainly welcomes new residents, but it must have a broader tax-base to provide the municipal services which these new residents require. This is one of the major problems of urbanization which must be faced on a province-wide and even a nation-wide basis. I realize that the funds available for urban municipalities under the proposed Act are very limited. In fact, so far as the larger urban municipalities they just don't exist. However, I am disturbed at the principle which is being established and the method of dispersement of these monies. And this principle does ignore the problems of the city which I represent.

If we were to take a similar attitude towards the sharing of the costs of education, the city of Saskatoon would indeed be in deep trouble. Again, may I emphasize, I do not oppose this Bill. On the contrary I am delighted with the evidence of forward thinking which it represents. My pleas is for an equivalent degree of understanding of the financial difficulties which face our major cities and having said that, I must say again that I do support this Bill.

SOME HON. MEMBERS: — Hear, hear!

MR. W.J. BEREZOWSKY (Prince Albert East-Cumberland): — Mr. Speaker, I too, support the Bill. I recognize that there is a problem in the Province of Saskatchewan that has to be looked at. The only thing that I care to say about this Bill is that I don't think it goes far enough, because it doesn't take in a whole area of problems. It isn't just potash mines that we are concerned with when it comes down to the distribution of taxes. We have oil wells, we have hard-rock mines, we have industries such as the steel mill near Regina. So all across the province you find industry which is located in rural areas and in most cases paying a very small tax, because of the tax is only assessed at a mill rate to the extent that the municipality requires money for local services.

If the Government had really been concerned, it would have found a different alternative than this Bill. As it has already been pointed out by the Members from Saskatoon, they too are not satisfied because this Bill does not go far enough. There are, of course, other alternatives which could be worse. I can't help when I am standing on my feet to mention what happened in the city of Prince Albert. We have a pulp mill which someday we hope will be paying taxes to the people of that city. I am surprised that the Members for the city of Saskatoon don't ask this Government to do the same thing that it did in Prince Albert and so added the pulp mill to the city of Prince Albert. Why don't you Members from Saskatoon ask this Government to do the same thing with the potash mines and think of all the revenue that you would get for your city.

However, the Government may have had different reasons for doing just that with the pulp mill. As a matter of fact, I understand that it was to give tax concessions to the pulp mill and that is the way that they did it, so the people of Prince Albert are now subsidizing the pulp mill, whereas the mill should be paying fair taxes, as potash mines are paying taxes. You betrayed those people up there.

MR. THATCHER: — In two years we got a pulp mill.

MR. ROMANOW: — We got deterrent fees too, Ross!

MR. BEREZOWSKY: — In all seriousness, Mr. Speaker, what this Government should be doing to this Bill is extending it to all the industries in the Province of Saskatchewan. Surely, when the city of Regina provides services to the people who work in the steel mill that steel mill should be paying some taxes to the city of Regina. Surely when the potash mines around Saskatoon are providing services in education and municipal services to the people that work there, surely then the city of Saskatoon should get a fair share of tax revenue. And the same rights to the city of Prince Albert and any other urban community across the province. So I suggest to the Government, what it really should have done is to take all industries and tax them through a centralized agency of this Government and then distribute the tax money to the different communities, be they urban or rural across the Province of Saskatchewan. That's why I have said that there is a problem and this Government as usual has done no research, has done no thinking about it. It has just taken some suggestions from the Saskatchewan Association of Rural Municipalities and incorporated them into this Bill. This doesn't go far enough, and it's not good enough, nevertheless I have to vote for the Bill, because as the Members from Saskatoon have said, "It's a step in the right direction."

SOME HON. MEMBERS: — Hear, hear!

MR. J.E. BROCKELBANK (Saskatoon Mayfair): — Mr. Speaker, it is very rare when playing cards that you are able to draw a full house. I think that we are going to have a full house for Saskatoon city this evening on this particular matter. If the Hon. Member — the Junior Member — from Saskatoon City checks back in the records he will find that I was sort of the pioneer of this in this House.

SOME HON. MEMBERS: — Hear, hear!

MR. BROCKELBANK: — Two or three years ago, Mr. Speaker, I brought to the attention of this House the fact that the city of Saskatoon was in effect becoming a dormitory city for the potash industry around it and it was not receiving any benefit from that potash industry directly. I invite the other Members from Saskatoon to check the records. It is in the debates.

I realize that the situation is a little different this time. We have one of their Members in the Cabinet, in the circle so to speak. When I wrote to congratulate that Member on

his appointment to the Cabinet and election to the House. I remarked that at last Saskatoon had, after a three years' absence, Cabinet representation. I thought that this was an opportunity for great things for the city of Saskatoon. I want to encourage him at this time to put all his effort behind the amendment, that I have no doubt he will now be bringing into this House for this Bill since he has the full encouragement and support of the other Members from Saskatoon City.

I think that this is a good thing. It took a little time to be brought into the House. But, Mr. Speaker, I think that it is a step in the right direction as the Member from Prince Albert East-Cumberland (Mr. Berezowsky) said. I would encourage the Government Members from Saskatoon city to use their influence in that inner circle to see what they can do about bringing in the proper amendments to allow the city of Saskatoon to reap its just reward from the potash industry.

SOME HON. MEMBERS: — Hear, hear!

HON. J.C. McISAAC (Minister of Education): — Mr. Speaker, I don't want to let this debate go by without saying a word or two, especially after the remarks from my Hon. Friend from Saskatoon Mayfair (Mr. Brockelbank), who takes the credit for initiating this legislation.

Now, I want to congratulate the present Minister for bringing in the legislation. I personally had a good deal to do with the drafting — not so much the drafting but the planning. I want to congratulate the Association of Rural Municipalities for their initiative in bringing in and putting forward a plan of this kind.

Almost one-half of the workers at many of these potash mines that are close to Saskatoon, incidentally, Mr. Speaker, do not live or want to live in the city of Saskatoon. I point this out to my friends from Saskatoon on both sides of the House. I just want to point this out to the Members of this House who may have been overwhelmed by the eloquence of our friends from Saskatoon on both sides of the House here tonight.

SOME HON. MEMBERS: — Hear, hear!

MR. McISAAC: — When I was the Minister of Municipal Affairs, on two potash mines not too far from Saskatoon, a survey of the workers was taken which showed that over half of them did not wish to live and were not living in the city of Saskatoon. So I hope that the Members of the House will remember this. Again, I want to congratulate the SARM for offering to share this municipal tax revenue, not with the city of Saskatoon, but with the surrounding smaller urban centres in their own municipalities. This, I would point out, introduces a new principle in the sharing of municipal tax revenue in this province.

I haven't heard the Mayor of Saskatoon or any other of the city Members here from Saskatoon offer to share the tax revenue from John Deere or from any other of the works and the industries in that city that are there are there only, because of their service to the rural members and to the rural people of the province.

SOME HON. MEMBERS: — Hear, hear!

MR. McISAAC: — So I would just again like to congratulate the rural municipalities for the steps that they have taken. I must say that I disagree with my friends from Saskatoon on both sides of the House, for looking for more help from this source for the city of Saskatoon.

I can tell the Members of the House just roughly how much revenue the city of Saskatoon would derive if they were to have all of the municipal revenue from the mines within the 40 or 50 miles area of Saskatoon. It is something less than one mill. So I suggest that this is not something for either the Mayor of Saskatoon or the Members to get all that excited about.

Mr. Speaker, I completely support the bill.

SOME HON. MEMBERS: — Hear, hear!

MR. E.I. WOOD (Swift Current): — Mr. Speaker, I am reminded of the saying that there's no limit to the amount of good that you can do if you don't care who gets the credit. I am also reminded of the opening of the South Saskatchewan bridge a year or so ago in which the Hon. Member for Regina South (Mr. Grant) was present as well as myself and Mr. MacIntosh, the Member of Parliament from Swift Current; and Mr. Leith was there as well. In speaking at the opening ceremonies Mr. McIntosh claimed that it was a Federal project, that the Federal Government was apparently to be congratulated — the Conservative Federal Government — because it was they who had initiated the project and had started the thing. I got up and I maintained that the former CCF Government was due a great deal of credit, because they were the ones that had designed the bridge and they were the ones that had initiated the project in that regard, although I did say that the present Government was due some credit because it had followed through on our plans. Mr. Grant got up and said, "Well after all it was the present Provincial Government that built the bridge." I think sometimes it is a little hard to know who should get the credit for something.

Mr. Speaker, I think that I agree with the principles of this Bill. There are some things about it that I would like to question. The reason I say that I think I agree with the principle is because in the Bill that we have before us, there is no indication of what the regulations might be under it. These regulations do make a great deal of difference with what the Bill means.

I would like to thank the Minister sincerely for giving us a run-down tonight, brief outline, of what these regulations might contain. I still think that before we are able to give a true opinion of what the principle of this Bill is and whether we should approve of it or not, it would be very good indeed if we had a copy of the regulations before us. From what I have heard of it I think that there is a good deal to be commended in it, although I think that there are some questions, some real questions, to be raised.

The first one, I think, is what the Hon. Member from Prince Albert East (Mr. Berezowsky) had to say tonight. I raise the question as to why this Bill deals only with potash. There are so many other things along this line that have been in the province and, when we are talking about the distribution of funds,

I think that they should be looked at as well.

Out in my country the oil development is one thing. I was the reeve of the municipality there for some years. It was just next to the oil fields where we had lots of traffic crossing our municipality revenue from it. I think that we also have coalmines and many other developments in the province that I think should equally come under this Bill. I question as to why there should only be potash.

I reiterate what the Minister of Education (Mr. McIsaac) had to say, Mr. Speaker. I think that the Association of Rural Municipalities is to be credited and to be admired for their attitude in moving the way that they have on this. They have come quite a way from the position that they took a few years ago at the Municipal Conference which we had here. I think, as some Members have said, that it is only a start, but it was quite a move from the position that they took earlier, although I think that there was still a good deal of backing for the position that they did take on this, because there is a great deal of expense in connection with the municipalities that have these mines within their borders which must not be overlooked. I would like to question at this time, Mr. Speaker, as to whether this move on the part of the municipalities was entirely voluntary on their part. I would somewhat fear, Mr. Speaker, that there was a small gun held at their head to the effect that if they didn't come across with some sort of proposals the Government might be prepared to make some proposals for them. But at any rate whether it was entirely voluntary or not I think that this was a step that they have made for which they are to be commended.

As I say, it is a little difficult to comment on this Bill when we really don't know what it means except for what the Minister has told us here tonight. But there are some things that I have heard about it that I am a little worried about. One had to do with the sharing of funds between the smaller urban centres within the radius of the jurisdiction of these mines. As the Minister has told us tonight, I believe this 10 per cent is to be shared among the smaller urbans, those under 5,000 population, in the area on the basis of population. This gives no consideration whatsoever to the number of people who are working at the mines who are residents of these urban centres. In fact you might have a fairly large urban centre that has only a few residents in it that are actually working at the mine, that are involved in the mine development. This urban centre being a fairly large one may get a fairly good-sized share of the money that is involved, whereas a smaller centre may quite possibly, and in some cases does, have more residents working at the mine than the larger centre had and will only get a very small cut. It seems to me that this basis of dividing the funds from the mine is rather a scatter-shot principle and hasn't been too well worked out, because I don't think in all cases it will be fair at all to some of the smaller urban centres in the area.

Another matter that I think takes a little looking at is the matter of setting the mill rate for the purposes of the mine taxation on the basis of the average of the RMs in the area. If a municipality has a fairly high mill rate and there are other municipalities in the area that have much smaller mill rates, the averaging of these mill rates will possibly, and probably, and I believe in some cases it's quite sure, mean that the mine property in some municipalities will have a lower mill

rate than what is imposed upon the rest of the municipality. Mr. Speaker, I think that you would be well aware of just what this would mean to the residents of that area and to the council of that area, where they find themselves imposing a higher mill rate upon the farmers of the area than they are upon the industrial development. I think that in that instance the municipality would almost be forced to lower their mill rate on the agricultural land of the area. This in turn, in the end, might reflect on the overall average figure and you would have a yet lower mill rate imposed upon the mines working, so that you have a sort of a syndrome developing here which could end up rather seriously for some of the municipalities involved.

These are simply some of the things that I see that could be involved in this Bill, Mr. Speaker. I reiterate what I said earlier, I think that it would greatly facilitate the discussion of this Bill even in principle before it is passed, if we had some indication in writing before us of what the regulations will be or at least a copy of a proposed scheme as set out by the SARM. I again thank the Minister for what he has put before us tonight. I think it would help a great deal in that matter, in that way, but I would like a little opportunity to have a look at them and I would again propose that the Hon. Minister should make something available to us for our study. I would like to ask leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 10:07 o'clock p.m.