

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Sixteenth Legislature
44th Day

Saturday, April 20, 1968

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

SECOND READINGS

Hon. W.R. Thatcher (Premier) moved second reading of Bill No. 89 — **An Act to amend The Legislative Assembly Act.**

He said: Mr. Speaker, I thank the House for permission to proceed with this legislation today. We had the Bill printed as rapidly as was possible. Hon. Members will recall that before the last election I indicated to the Legislature on two occasions, if our party was re-elected we intended to increase the indemnities of MLAs and Ministers of the Crown to a more reasonable figure. The Bill which is now before us proposes to do precisely that. As Hon. Members know there has been no review of indemnities since 1962 or six years ago. I think we can all be very certain that there will be no further review for at least another four or five years. Thus we are taking about the only salary increase that will be made over the period of a decade. The question of Members' salary is always a sensitive subject for Members to discuss, because we are of course dealing with our own personal interests. It was because of that fact that a special committee was set up early this session under the chairmanship of Chief Justice Culliton to make an independent comprehensive survey on the subject, and to bring recommendations back to Members of the Legislature. The report of the Culliton Committee has been circulated to all Members of the Legislature, and I don't think it is necessary for me this afternoon to detail some of those recommendations. It is my understanding that there is a fairly universal feeling on both sides of the House that some action should be taken. Now in bringing in this Bill which is now before us, the Government has kept the Culliton recommendations in mind. Those recommendations form the basis of this Bill with some reductions in the increases proposed. Mr. Speaker, as Premier I make no apologies whatever for bringing forth this legislation. The management of the affairs of the Province is the largest and most important undertaking in Saskatchewan. If our people are to have good government, then it must be possible to attract to the Legislature citizens of ability and integrity. If we are to keep such men in public life they must be rewarded economically in a satisfactory, fair and competitive manner. I remind Hon. Members and I remind the people of Saskatchewan that since 1962 salaries of our civil servants have gone up from 20 to 30 per cent depending on the class you choose for comparison. As the Committee pointed out, salaries of a substantial number of civil servants, Crown corporation executives, university personnel exceed the salaries paid to the Premier or

Ministers of the Crown, let alone MLAs. I also remind the House that salaries almost universally throughout industry and business have gone up very substantially in the last few years. Salaries of teachers have gone up very rapidly. The Committee pointed out that Saskatchewan Governmental indemnities were out of line with most other provinces across the Dominion. They are summed up on page 5 of the report and I quote:

It is apparent to the Committee that the salaries paid to the Premier and members of the Executive Council are, on any proper basis of comparison, substantially lower than the salaries paid in the various fields to which reference has been made.

Now as I mentioned earlier the Government is not recommending the full salary suggestions made by the Committee. This Bill provides for the following:

MLAs' indemnity will go to \$6,000, the expense allowance will go to \$3,000. The Members for Meadow Lake, Athabasca and Cumberland will receive an additional \$500 annual expense cheque because of the geographical difficulties involved in visiting such huge areas.

In addition to the changes in the MLAs' salaries we propose, and it must be done by Order in Council and by Estimates, to increase the Speaker's allowance to \$4,500, the Deputy Speaker's allowance to \$2,500, Cabinet Ministers and Leader of the Opposition will be paid in future, \$13,500, and the Premier of the Province will be paid \$18,500.

Mr. Speaker, I ask you to recall that the Commission was set up by a resolution moved by myself and seconded by the Hon. Leader of the Opposition (Mr. Lloyd). I hope this means that the issue can be discussed in a non-political way. The Government is proposing that all provisions be made retroactive to January 1, 1968. I shall, Mr. Speaker, give further details and further explanations when we are in Committee.

Hon. W.S. Lloyd (Leader of the Opposition): — Mr. Speaker, as the Premier has indicated to us that he has indicated to the Legislature prior to the election the intention of his Government in this respect, he has made it quite plain that the Act before us is as such Acts are, government legislation proposed by the Government. I am prepared to discuss and to endorse the general principle of the Bill. I'm not at this point making any comment with respect to the amounts proposed either for MLAs or for Cabinet Ministers. Like the Premier I have no hesitation in endorsing the general thesis that an increase in the remuneration for people who serve the public as Members of the Legislature is warranted and justified. May I add that I can full understand and appreciate the feelings of at least some of my colleagues who may wish to express opinions somewhat different from the one I have just expressed. I think

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that it is also easy to understand why a number of people throughout the province may not fully understand the good reason and justification behind a movement of this kind. It is probably the fault of many of us who have had opportunities to explain in more detail to them just what the responsibilities of a MLA are and just what the demands on the time and attention of a MLA are as well. It is sometimes overlooked I think that an MLA's duties do not cease when we finish our business in this Legislative Chamber. I know that many of our MLAs who work hard at being good MLAs spend not two months or three months but four or five months at least. This is time taken away from their other occupations and it is sometimes forgotten that while time is taken away from other occupations, income in varying amounts is lost as a result. That income has increased substantially since that time in 1962 when the last adjustment was made. I don't want to go into detail in that, Mr. Speaker, at this time, but I do think it is important that Members of the House and the public generally be reminded of the costs of paying attention to public business over a period of four or five months probably, that this is time taken away from earning in the ordinary occupation. I think it needs to be reminded also that this frequently interferes with the progress which would otherwise be made in one's occupation. I think of people who are in the teaching profession who probably forego the possibility of being appointed as a principal because so much of their time is taken up as an MLA. I think of those of my colleagues who are engaged in building practices of various kinds, who simply can't build the kind of practice they otherwise could because four or five months of their time are taken in respect to doing public business. On the whole, however, Mr. Speaker, I am prepared to endorse the idea of an adjustment in these for this simple reason. I think that government is important. I think that the work of this Legislature is exceedingly important and that the people of the province and our economy generally must be prepared to carry a proper expense for doing an important business on behalf of all the people of the province.

Some Hon. Members: — Hear, hear!

Mr. G.T. Snyder (Moose Jaw North): — Mr. Speaker, it isn't my purpose to speak at any length on this Bill. I don't intend today to speculate about the proper level of remuneration for either Cabinet Ministers or the Premier or MLAs. My first comment must be with regard to the Premier's statement when he made the motion to have an independent committee reassess Members' indemnities. At that time and again today he recalled that he had given this House the assurance that the matter would be reviewed if his Government was returned to office following the 1967 general election. I personally, Mr. Speaker, don't recall this statement, but I do distinctly remember his assurance that Members' indemnities would be reviewed prior to a general election in order that Members would not be charged with raising their own stipend, but they would be setting a level of indemnities for those who were fortunate enough to survive that next general election

campaign. In my opinion, Mr. Speaker, that proposition would have been looked upon with a good deal more favor at that time than it is today. We were at that time according to all Government sources in the midst of an economic boom. It was claimed that taxes were being lowered and the economy was thriving and that Saskatchewan people never had it so good. That's a story, Mr. Speaker, that won't wash today. We find ourselves in extremely unhappy circumstances in many ways as they relate to matters that have been discussed at length in this House during this current session. Without further explanation, Mr. Speaker, I intend to vote against the Bill on second reading.

Mr. W.E. Smishek (Regina North East): — Mr. Speaker, since the Government introduced its Budget and since the Culliton Report tabled in this Assembly on the matter of MLA indemnities and Cabinet Ministers' salaries, I have checked the matter with some of my constituents to get an expression of opinion from them on the matter of MLA indemnities. In general, their view is that an increase in MLA indemnities to the tune of say 25 per cent or something near to the rise in the cost of living since the last increase may not be out of keeping. There are those who oppose any increase at all at this time, and there are a few who have indicated support for the recommendations of the Culliton Committee or something close to it respecting MLA indemnities. However, the number is small.

Mr. Speaker, the clear impression that is left with me is that an increase of say 50 per cent or adopting the recommendations of the Culliton Committee at this time in their opinion is much too large. Mr. Speaker, I believe that I know the arguments and reasons to justify an increase in MLA and Cabinet salaries and indemnities. I know from my personal experience that out of the present \$6,000 gross indemnity, half or more than half is outright expense. Therefore the net amount realized is \$3,000 or less and certainly in election years it is much less. Then in my own case my wages are reduced proportionately had I not been an MLA.

But in my constituency, Mr. Speaker, a large proportion of the population are low-income earners. As I have indicated I have checked with them to get their views. I also know that a great majority of Saskatchewan wage earners, farmers, teachers, senior citizens and others have not had an increase of 50 per cent in their income since 1962. The Saskatchewan minimum wage is only \$1 per hour in cities and less than \$1 per hour in the rest of the province. An increase in the minimum wage is slow in coming. Part-time minimum wages have not increased in Saskatchewan since prior to the 1964 election. There are many people in my constituency who are very much dependent on the level of the minimum wages that are established by the Province.

I have asked the Government during this session to increase food and living allowances for welfare recipients but none is forthcoming this year. I well know the living standards of the people I represent in Regina North East. Many live under the

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poverty line. For almost 20 years, Mr. Speaker, I have had the privilege, as a union representative, to work for employees in the service industries. Their wages, their standard of living is generally low.

Mr. Speaker, I know that the actions of this Government of sharply increasing taxes generally and imposing the deterrent fees for hospital and medical care, in particular, will have an adverse effect on the people I represent and will further reduce their standard of living. Accordingly Mr. Speaker, I find myself in a position of opposing this Bill.

Mr. J.A. Pepper (Weyburn): — Mr. Speaker, I can assure the Hon. Members that I will endeavour to be very brief with my remarks, but I do feel in all fairness to myself, my conscience and my people to whom I am responsible in the constituency of Weyburn that I must make a few remarks and try to explain my stand on this Bill No. 89, which will, if and when it is passed increase the allowance of Members of the Legislative quite substantially. I will not debate or argue that a reasonable increase would not be welcomed by all Members, chiefly due to the increase in one's cost of living, along with the many extra duties that a Member is responsible for within his constituency. After sitting as a Member for some four years, I believe I have had opportune time to recognize these responsibilities that one must look after if he endeavours to serve his constituency well. But I also realize, Mr. Speaker, that the general public is facing an increase in their cost of living as well, and particularly so since the Government sitting opposite chose to bring in such drastic tax increases this present session while introducing their Budget. This is affecting and will affect in no uncertain terms, Mr. Speaker, all the people of the province, and if I might again suggest, it is affecting in many cases those that are least able to pay. I feel that the timing of an increase in our allowance is very poor when you consider the whole situation. Voting for an increase in one's allowance or indemnity is a very unpleasant thing to do at any time, but at this time, as I earlier mentioned after having spent hours of debate which has ended by increasing a financial burden on many of our citizens of the province by increasing their taxes in some six different fields of taxation, I find, Mr. Speaker, that I have no alternative other than to oppose this Bill at this time.

Mr. Thatcher: — Mr. Speaker, I repeat again that before the last election I indicated in this House in no uncertain terms that we would take some kind of action along the lines that we are proposing today. I remember very well the former Attorney General (Mr. Walker) debating with me on this subject. He said that he hoped whichever side was in power, would take some action on salaries. I can understand the reticence of some Members in hesitating to proceed in the manner that we have been doing. If their conscience is such that they feel they shouldn't take a raise in pay, then I don't think they should take it. I don't think that this House should oblige them to take it. May I

suggest that in the weeks ahead, the acid test will not be the way that all Hon. Members have talked, but the way they act. I notice that the three Members, who have spoken and indicated that they felt we should not proceed, in no instance said they would not take the increase. Again I say, Mr. Speaker, I have no apology in bringing forth this legislation. If we want men in public life to serve the public generally, then we must pay them fair and reasonable salaries. I hope this motion can now be passed and we will get into details in Committee.

Motion agreed to on the following Recorded Division.

YEAS — 44

Thatcher	Estey	Lloyd
Howes	Hooker	Wooff
McFarlane	Gallagher	Willis
Boldt	MacLennan	Blakeney
Steuart	Heggie	Dewhurst
Heald	Breker	Meakes
McIsaac	Leith	Whelan
Guy	Weatherald	Michayluk
Barrie	Mitchell	Brockelbank
Loken	Gardner	Baker
MacDougall	Coupland	Bowerman
Grant	McPherson	Matsalla
Coderre	Forsyth	Messer
Bjarnason	McIvor	Kowalchuk
MacDonald	Schmeiser	

NAYS — 5

Wood	Smishek	Pepper
Davies	Snyder	

Motion agreed to and Bill read a second time.

Hon. W.R. Thatcher (Premier) moved second reading of Bill No. 90 — **An Act to amend The Members of the Legislative Assembly Superannuation Act.**

He said: Mr. Speaker, as Hon. Members know many years ago a contributory pension scheme for Members of the Legislature was established. This scheme was somewhat along the lines of industrial pensions. There has been a feeling again, I think on both sides of the House, that changing conditions have rendered some of the provisions inadequate when compared to similar provisions in other jurisdictions. Thus at the beginning of the session, the Culliton Committee, an independent body was asked to look into this matter and report back to the Legislature. The Bill which is now before us is for the most part based almost completely on its recommendations. In the report, the Culliton Committee stated and I quote from page 9:

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That improvements can be made therein to the scheme without any appreciable increase in cost to the Province.

the Bill before us proposes certain changes in the Superannuation Act. First of all the cost to all individual MLAs in contributions will go up effective January 1, 1968 from 5 per cent to 7 per cent. This will mean that MLAs' contributions are the same percentage as Cabinet Ministers. The legislation provides that a Member will be able to qualify for a pension after eight regular sessions instead of 10 as at the present time. The legislation provides that in the future the basis of computation of the pension will be one-fortieth instead of one-fiftieth. The ceiling on the maximum pension is being set at \$8,000 rather than the present \$4,200. This is one change we have made insofar as the Culliton recommendations are concerned. We have placed the figure at \$8,000 because we intend to introduce shortly legislation not at the present session but early next session, which will increase the ceiling for all civil servants to that \$8,000 figure. The Bill provides that any Member may contribute to the pension plan for service in the House of Commons. MLAs, who have been defeated, today must drop out of the pension plan. I think as an example the Hon. Member for Touchwood, when he was defeated he had to pick up his benefits, and he was out of the plan. Now we are suggesting that this Bill will permit such a Member if he is re-elected to re-enter the plan, make his back contributions, and become a paid-up Member immediately. On page 10 the Committee recommended the advisability of establishing a Premier's pension and I quote from the report:

This is a matter which has originated solely with the Committee and the Committee accepts sole responsibility both for its consideration of the question and its recommendations thereto.

The Committee gave a series of reasons why such legislation should be provided. As they pointed out, there is now legislation by the Parliament of Canada providing a pension for any person who has occupied the position of Prime Minister. They recommended that similar provisions should be made for a Premier in the Province of Saskatchewan, and this Bill provides for this type of action. The Premier's pension will apply to any individual who has held the office of Premier, who is presently in the Legislature or for future Premiers. It provides a pension of one-half of the annual salary to anyone who has served as Premier from two to four years. It provides for two-thirds of the annual salary payable to any Premier who has served in that office for four years or more. These pensions will commence at age 60 or if the Premier is still in the Legislature whenever he should retire after 60. Again all provisions of the Act are made retroactive to January 1st. Mr. Speaker, I believe the appropriate place to discuss this Bill in detail would be in Committee.

Mr. A.E. Blakeney (Regina Centre): — Mr. Speaker, I am in favor of the principle of this Bill

and I believe that I speak for most of the Members on this side of the House. I believe that it is appropriate to adjust the pensions for Members of the Legislature and for Cabinet Ministers. I am personally aware of some retired Cabinet Ministers and Members of the Legislature — I am thinking here particularly of Cabinet Ministers some of whom gave substantially all of their working life to this Legislature, or all of their earning life, having started their service immediately after the war, who are on pensions of \$250 per month. I wonder whether that is an appropriate pension for a retired Cabinet Minister and his wife. I realize that this Bill won't particularly deal with that situation, and it may or may not be that this matter can be looked after. I am not raising this matter now. The purpose of this Bill is to see that this sort of thing doesn't happen in the future, at least to some extent, and I think that that is an appropriate thing for this Legislature to do.

I may say that there are one or two aspects of this Bill to which I take fairly sharp objection. I think they are largely in the drafting, and I won't raise them here because they are the sort of thing that can be much better dealt with in Committee. I just wanted to give a little forewarning. But I don't think they are questions of principle as I view them.

With respect to the proposed Premier's pension, I have discussed this matter with my Leader who has some reservations about this. I think his reservations are primarily based on the fact that he is involved, and I am sure that the Premier feels the same unease about discussing this aspect of the Bill. However, I think our job as legislators is to lay this aside and to ask ourselves whether or not it is appropriate for a person who has borne the heavy office of Premier of this Province to have some special consideration. I know that I personally discussed this with Judge Culliton and he put up a very strong argument in favor of it. His argument — I don't need to repeat it in the House, he is able to make his own arguments — but the gist of the thing is that he who takes the office of Premier has to make a great number of decisions, not dissimilar to those that a judge has to make. They have to be decisions which sometimes will be very unpopular and will seriously affect his future ability to make a living. We know also that the life of the politician is an uncertain life. Some of us are well aware of that and there is, therefore, a good argument to be made for the fact that some minimum level of security ought to be available to someone who bears the heavy burden of Premier and who had to make these decisions that must, if our government is to operate properly, be made completely dispassionately and completely without thought of the personal welfare of the individual making them. This is the whole principle of the independence of the judiciary; it is the chief reason why we provide pensions for not only Chief Justices or Queen's Bench judges but indeed District Court judges and magistrates. I think some of the same arguments apply with equal force to the office of Premier; in fact with rather greater force I think. I think that we can look at the

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particular details of the pension in Committee, but with respect to the two main principles involved of providing a pension for Premiers who are retired Premiers and for adjusting the level of pensions for Members of the Legislature and for Cabinet Ministers, I find myself in agreement, and I will be supporting the Bill.

Motion agreed to and Bill read a second time.

The Assembly adjourned at 10:12 o'clock p.m.