

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Sixteenth Legislature
24th Day

Friday, March 7, 1969

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

WELCOME TO STUDENTS

Mr. F. Laroche (Shaunavon): — Mr. Speaker, I would like to introduce to you and through you to this Legislature, a fine group of students from the Consul high school. Now for the Members of the Legislature, Consul is just about as far southwest as you can go without taking some pupils from Montana and Alberta. They have come about 350 miles to attend and to see how this Legislature operates and I hope that we will not disappoint them today. They are accompanied by their chaperone Mrs. Kalmering, their teacher, Mr. Daniels and their driver Mr. Harder. They are seated in the Speaker's gallery. I would like to wish them at this time a safe journey home.

Hon. Members: — Hear, hear!

Mr. F. Meakes (Touchwood): — Mr. Speaker, I would like to introduce to you and through you a group of 47 grade eight students from the town of Ituna who are seated in the west gallery. They are under the leadership of Mr. Hudema and Mr. Holowatiuk and their bus driver Mr. Filarchuk. They have already been at the RCMP Museum, they have had a tour of this building and they are going to stay with us for an hour or so. I am sure that all Members wish with me that they have an enjoyable afternoon and a safe journey home.

Hon. Members: — Hear, hear!

Mr. J. Kowalchuk (Melville): — Mr. Speaker, to and through you I also would like to add my voice of welcome to the 47 grade eight students from Ituna and their two teachers Mr. Holowatiuk and Mr. Hudema and their bus driver Mr. Filarchuk. Although Ituna is not in the Melville constituency it is in the Melville school unit of which I have the honor of being chairman. Ituna is the only remaining fourth division high school in the Melville school unit, and we are certainly hoping to accommodate the remaining portion in high school facilities with the building of the comprehensive school in Melville. We wish them a very educational visit in the Legislature and in Regina and a safe trip back home.

Hon. Members: — Hear, hear!

Mr. H.H.P. Baker (Regina South East): — Mr. Speaker, I am very pleased to welcome a group of grade eight students, 42 in number, from Wetmore school in my constituency, Regina South East. They are seated in the east gallery. They are accompanied by their teachers, Mr. Calder and Mr. Horkley. I hope that their visit here will be a fruitful one and that they will have a pleasant visit in Parliament this afternoon. I might say, Mr. Speaker, that this school is one of fine reputation. Even my seatmate, Johnny Brockelbank, who comes from Saskatoon got his basic education there. So I am looking forward to many more being seated in this Chamber as time goes on. Even the Saskatoon Members have to get their basic education in our city. We do appreciate them coming here. This was the largest public school, for the information of this House, in Saskatchewan until Massey school was built and located in the constituency of the Hon. Minister of Public Health (Mr. Grant). So it has been one of great reputation and has had many fine teachers. We welcome you.

Hon. Members: — Hear, hear!

Mr. W. Davies (Moose Jaw South) — Mr. Speaker, it is a pleasure for me to introduce to you and on your behalf to the House, 50 students from William Grayson school in Moose Jaw. They are here with Mr. Fizzum their principal and their social studies and French teacher, Mrs. Verna Heivoth. They are seated in the east and west galleries, Mr. Speaker. William Grayson is on the north boundary of my constituency so that a number of students come from both Moose Jaw North and Moose Jaw South. Of course, Moose Jaw North is the area represented by my fellow MLA Gordon Snyder; so we two express our welcome to you all this afternoon. Mr. Speaker, I hope that our guests will have a very stimulating and rewarding visit with us this afternoon and learn something about the governing process of this province and country.

Hon. Members: — Hear, hear!

Mr. A. Thibault (Kinistino): — Mr. Speaker, it is an honor for me to introduce to you and to the Members of the Legislature a fine group of grade 12 students who are seated in the west gallery. They are from the Humphrey high school in Kinistino, 46 in number. Among them we have three students from Indonesia. I would ask them to stand. They are Miss Fong Sam, Mr. Denny Chung and Miss Ruth Sam. I think that we should welcome them to this country and hope that their stay here will be a pleasant one and an educational one.

Hon. Members: — Hear, hear!

Mr. Thibault: — They are led here by their teachers Mr. Barry Eidness, Mr. Glen Wilton and their bus driver Mr. Len Cox. I am sure

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that you will go along with me to help them make this trip one of the best ones of their lives.

Hon. Members: — Hear, hear!

Mr. W.A. Forsyth (Saskatoon Nutana Centre): — Mr. Speaker, to you and through you I would like to introduce to this Assembly a group of students from Prince Phillip school. I think they have now found seating space in the Speaker's gallery. These students are from Prince Phillip school in Saskatoon. It is one of our newer public schools and serves the area of South Nutana Park and Meadow Lark Park. It is one of our newer schools but it is a school that is building up a very good tradition. We are very happy to have the pupils from Prince Phillip here today and I am sure that they will find their stay enjoyable and their return visit a safe one.

Hon. Members: — Hear, hear!

Mr. A.E. Blakeney (Regina Centre): — Mr. Speaker, it gives me a great deal of pleasure to introduce to you a group of students from the Albert school in the constituency of Regina Centre. They are a group of grade eight students, about 44 in number and are seated in the east gallery. They are led here by their vice-principal Mr. Sandness and by their grade eight teacher Mrs. Gradauer. They are coming here this afternoon as part of their studies in Canadian history, and I hope that we can make the afternoon an enjoyable one for them and helpful in their studies. I thought, as I heard the Member for Saskatoon Nutana South introduce his group from the Prince Phillip school, and we know of course, that Prince Phillip is the consort of the now reigning Queen, that it was fitting that I should call to your attention the fact that Albert school is named after Prince Albert, the consort of Queen Victoria, after whom our capital city of Regina is named. I think that Albert school is one of the oldest in Regina. It has a fine reputation of scholarships. I had the opportunity to attend a function there the other night when they were bidding farewell to one of their staff who had been with them many years. It is a school with a good deal of esprit de corps and I hope that we will contribute to that esprit de corps this afternoon by illustrating for them, I hope, in an adequate way some of the principles of a parliamentary government.

Hon. Members: — Hear, hear!

QUESTIONS

ANNUAL REPORTS ON SHSP AND MCIC

Mr. W.E. Smishek (Regina North East): — Mr. Speaker, before the Orders of the Day I would like to direct a question to the Hon. Minister of Health

(Mr. Grant). About ten days ago I asked when we might expect the Annual Reports for SHSP and MCIC and he assured us that they would be coming down very soon. I wonder whether the Minister can tell us the exact date when we can have those reports tabled.

Hon. G.B. Grant (Minister of Public Health): — Mr. Speaker, I think what I actually said was well before the deadline, and I can assure the Hon. Member that it will be very shortly.

REPORT ON PUBLIC SERVICE COMMISSION

Mr. W.S. Lloyd (Leader of the Opposition): — Mr. Speaker, before the Orders of the Day I want to direct a question to the Minister in charge of the Public Service Commission. I know that the report of the Public Service Commission has been filed but none have been distributed to the Members. On inquiry in the Legislative Assembly office I find that they only have one copy. I know that times are tough and the Provincial Treasurer is rough, but I wonder if the Minister somehow could get some copies of these reports.

May I ask the Minister: is it going to be possible to get some copies of this report?

Hon. C.L.B. Estey (Minister of Municipal Affairs): — Mr. Speaker, I am quite sure that we can get you copies of the Public Service Commission's report.

ANNOUNCEMENT — GIFT OF SASKO HONEY

Mr. J. Messer (Kelsey): — Mr. Speaker, before the Orders of the Day I would like to bring to the Members' attention, at least the Members opposite, that they will find containers of Sasko honey on their desk. They will notice that there are two containers in place of the one that they got yesterday and that it is Sasko honey. For those who have noticed that it comes to two pounds as the one container did yesterday, I would further suggest by using the new math — I'll take that back — by using a liberal arithmetic it is still two for one. I hope they enjoy it.

Some Hon. Members: — Hear, hear!

Hon. D.V. Heald (Attorney General): — Mr. Speaker, on behalf of those of us who are privileged to sit to your right, I thank the Member for Kelsey, most sincerely, on behalf of all of us here for this very fine gift of honey. I was curious to know why you didn't so favor your colleagues on that side of the House. I can assure you, Sir, that all the spreaders-on are not on one side of the House. Perhaps you should look after your friends on that. We do thank

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you very much.

Some Hon. Members: — Hear, hear!

Mr. C.G. Willis (Melfort-Tisdale): — Mr. Speaker, I rise at this time only to put right a report which was in the Leader Post yesterday that there was some animosity between the Members of the northeast part of the province over whose honey was the better. I want to assure the Speaker and the other Members of the House that there is no doubt that any honey which is produced in the northeast part of the province is very, very good. I want to thank the Member for Nipawin (Mr. Radloff) and the Member for Kelsey (Mr. Messer) for bringing to the attention of the House and through the House to the people of the Province of Saskatchewan that we have a honey industry in the Northeast. I want to say, too, that I agree with the Member from Kelsey in providing double rations for the people on the other side of the House, none for us now. We know that honey is used for certain purposes and since we are about half-way through the session now, we will probably see that there is a different attitude taken particularly by the Members on the other side, especially, Mr. Speaker, if they use the honey between now and the end of the session.

Some Hon. Members: — Hear, hear!

Mr. F.K. Radloff (Nipawin): — Mr. Speaker, and Members of the Legislature I want to bring to your attention that, even if this is a double ration, it is still only equal to the one that was put on the desks yesterday. I also want to bring to your attention that a great deal of the honey put into these containers comes from the Nipawin constituency. We do have a good honey industry in the North and, of course, all honey is good from the northeastern part, but I want you to know that part of this honey comes from Nipawin.

Some Hon. Members: — Hear, hear!

SECOND READINGS

Hon. D.G. Stuart (Provincial Treasurer) moved second reading of Bill No. 52 — **An Act to provide for Partial Refunds of Estate Taxes to Saskatchewan Estates.**

He said: Mr. Speaker, The Estates Tax Rebate Bill is the most direct practical action ever taken by a Provincial Government to protect and perpetuate the family farm or business. Make no mistake anyone who opposes this Act or attempts to have it watered down with impractical or discriminatory amendments will be striking the death blow at the family farm and the family business.

With the prices of machinery, land and inventory rising at

the rate that they have these last few years, this Bill is an absolute necessity, if we are serious about helping our Saskatchewan families hand on their hard-earned farms or businesses to the next generation. I realize that it may be easy for the Opposition to play on the emotions of people by pointing out the few wealthy individuals may benefit from this tax rebate. In dealing with this type of discrimination I ask Members to consider two things. Why should we always penalize successful people? Surely these are the citizens who in fact build our province. And second, if we fail to give relief to our small, our medium and our large farmers and businessmen as well from the confiscatory estate tax rates, we could see the large corporate farm and the giant business enterprise in total control within one or two generations.

Mr. Speaker, before explaining the main provisions of the Bill, I wish to draw to the attention of the House the significant benefits which this Act will provide to our Saskatchewan people. First of all, many of us do not appreciate that every year there has been a significant increase in the number of estates which have been subject to the estates tax. In 1964-65 212 Saskatchewan estates were assessed the tax. In 1967-68 the number of estates assessed increased to 478, more than doubled with five years. We expect this figure to continue to increase substantially in the future. The reasons for expected increase are two-fold. Firstly, the value of property and assets will increase due to inflation. Secondly, the new Federal legislation makes more difficult the possibility of transferring the farm or business unit to the next generation by way of gifts and estate planning. Under the new legislation, an estate to be passed on to one son would only have to be assessed at \$51,000 before it became taxable. Now a farmer who owns three-quarters of a section of land would probably have a farm unit worth at least \$55,000. For example, a three-quarter section of land would probably have a farm unit worth at least \$55,000. For example, a three-quarter section of land could easily equal at \$90 an acre over \$38,000. Depreciated value of farm machinery and building would be at least \$10,000. Grain or livestock on hand could easily value up to \$7,500, totalling over \$55,000. Mr. Speaker, as I cited in the Budget Speech, a \$100,000 estate could be subject to Federal estates tax of over \$13,000 under the new Federal legislation. We estimate that in Saskatchewan today there are about 50,000 farms whose assessed value is \$100,000 or more. As land value and other assets continue to increase this number will also increase. In many instances the estates would not have the ready cash to pay the tax. The proposal to extend the terms of payment of the tax over a six-year period may stall the foresale of the farm or business, but this additional burden remains to be paid, plus interest.

We believe that by far the majority of the estates subject to tax in Saskatchewan are farm units. Now the proposal by the Leader of the Opposition (Mr. Lloyd) to exclude certain estates from the benefit of this Bill is highly discriminatory. I challenge Members opposite to vote against the Bill. If they do it is evident that they are not concerned over the future of

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our family farms and our small businesses. They would prefer to see the formation of maybe large corporations owned by American interests or perhaps the nationalization of all our farms.

Well they haven't denied the resolution passed by the young generation represented by some of their Members in the back benches. Now the Opposition questioned how the Government intends to find the \$4 million to grant this tax rebate. My Budget Speech revealed how we will be able to finance this program, by responsibly reviewing and controlling our spending programs and by the widening of our tax base through industrial and resource development.

Mr. Speaker, the Province and the Provincial Treasury will also benefit to the extent that this program will provide an incentive to expand family farms and businesses in Saskatchewan, retain capital within the province and attract new capital from outside Saskatchewan.

Mr. Speaker, I will now outline the main provision contained in this Bill. An estates tax rebate is payable in respect of the Federal estates tax of a person dying on or after April 1, 1969, (a) who is domiciled in Saskatchewan at the time of his death, or (b) who is domiciled elsewhere in Canada or in a foreign country at the time of his death but had resided in Saskatchewan for a total of at least 183 days in each of the three years immediately preceding his death. The amount of estates tax rebate will be 75 per cent of the estates tax that is applicable to any property situated in Saskatchewan and passing on the death of that person. In the case of a person who is domiciled in Saskatchewan, the estates tax rebate will also be applicable to any property other than real property, situated outside Canada and passing on the death of the person to a person who is domiciled or resident in Saskatchewan.

Since the assessment of the estates tax is determined under the Federal Estates Tax Act and the portion that is payable to the province is determined by the Federal-Provincial Fiscal Arrangements Act, a rebate program is tied to changes in these Federal acts. The estates tax rebate is payable after 90 days from the date of notice of assessment from the Federal Government, provided that the application for the rebate is made within 90 days of the assessment and no objection or appeal is made of the assessment. The 90-day period is the time allowed for any appeal of the Federal Government's assessment. If an appeal is made rebate is not made payable until after the appeal is disposed of. For example, let us assume that a person dies on May 1, 1969. The executor of the estate should file a tax return as soon as possible after the date of death. The Federal tax is payable six months after the date of death. He should also send an application for the estates tax rebate to the Director and the Treasury Department within 90 days of the date of death. Let us assume that the executor files an estates tax return on July 1, 1969 and the Federal Government confirms the

assessment by sending a notice of assessment on August 1, 1969. If the executor does not object or appeal the assessment, the estate tax rebate equal to 75 per cent of the estates tax assessment, applicable to the property situated in Saskatchewan, is payable on November 1, 1969, or 90 days after the date of notice of assessment.

We believe that the administration of this program will be relatively simple. We will rely on the Federal Government's assessment of the estate tax and the Federal Government's decision on domicile and site of the property under the Federal Estate Tax Act. We will base the amount of tax on the monthly statement we will receive from the Federal Department of National Revenue, showing the names of the deceased persons who were domiciliaries of Saskatchewan and for each estate the Federal tax is assessed on property sited in Saskatchewan or on property other than real property sited outside Canada and passing to the successors in Saskatchewan. The only case where the director will have to exercise judgment and interpretation is where the deceased was a domiciliary in another province of Canada or of a foreign country. In this case the director will have to obtain sufficient evidence of residence in Saskatchewan for a total of 183 days in each of the three years immediately preceding his death. In addition, the director will have to determine and calculate from the estates tax return and other supporting evidence the amount of the Federal estate assessment, which is applicable to property situated in this province.

A number of cases in this category, we estimate, will be relatively small. However, I suggest that in estate planning every step should be taken to establish Saskatchewan as the domicile of choice to ensure eligibility for the estates tax rebate. Generally, this Bill is patterned after the Alberta Estates Tax Rebate Act. We have already received the benefit of the experience of the Alberta Government in the administration of this Act. We expect the forms to be prescribed in the regulations under this Bill will be similar to those used in Alberta. I look forward, Mr. Speaker, to finding out which of our Members opposite do not wish to give tax relief to our farmers and small businessmen, and who in fact hope to see the rapid demise of our family farms and businesses in this province. In fact, Mr. Speaker, I really hope that all Members on both sides will support this Act exactly as it is presented and show the people of this Province that we are prepared to take a real honest, practical step forward to give relief to our farmers and our businessmen in their efforts to pass on their farms, their businesses, to the next generation.

Some Hon. Members: — Hear, hear!

Mr. A.E. Blakeney (Regina Centre): — Mr. Speaker, I want to discuss this afternoon with the House the Bill which has been put before us. I want, first, to make a very few comments on the remarks of the Provincial Treasurer. I think that it is not really very helpful in

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considering a tax statute to call a tax a penalty because, of course, in some sense of the word any tax is a penalty. And in some sense of the word any grant made from the public purse is a bonus. And what we try to do as Legislators is to levy the penalty, if you will, or the tax, on those which are best able to pay and to give the bonuses, or the grants, to those who are most needy. I think if we do this we can't regard it as penalizing any group of citizens or bonusing any group of citizens but rather of using our resources in a responsible way.

I want to discuss a couple of the reasons which are ordinarily given in support of the legislation offered by the Provincial Treasurer. Members opposite are fond of saying that the measure is necessary because of the new changes in the estates tax and particularly because of the iniquitous and confiscatory, etc. etc., action of the Federal Liberal Government at Ottawa. It seems to me, Mr. Speaker, that if I were to criticize the Federal Liberal Government in Ottawa, I could do no better than to select phrases which are so frequently used by the Members opposite. I really never cease to be amazed at their capacity to work both sides of the street on any issue.

We have had the spectacle in the last week of two Federal Liberal Cabinet Ministers going out and giving speeches against "vested interests" and then we have Members opposite doing their very best to see that no more interests are divested. As for Members opposite, it is only a few months ago since they were assuring all of the electors of this Province that the Trudeau Administration was the only thing which could save this country and particularly save western agriculture.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — And now we are offered this measure by the Provincial Treasurer as an absolutely necessary measure to save western agriculture from the machinations of the Federal Liberals.

There is, Mr. Speaker, supposed to be in the Prime Minister's office a phone just waiting to hear every nuance of public opinion and every breath of Western sentiment. There is supposed to be a Western desk, and as far as I can see Members opposite are not aware of the phone number. We are simply left aghast at the political gymnastics of the party opposite. All I want to say to them is that they a very few months ago were advocating support and unqualified support for the Government at Ottawa and now their principal argument for adopting this measure is that the Government at Ottawa has failed miserably and something has to be done.

Mr. Speaker, perhaps we ought not to dwell too much on how we got into this parlous state with a Liberal Government at Ottawa and one in Regina. I wonder if Members opposite would just give me an opportunity to address a few words to them. I would be more than delighted to give them my views on this

matter.

I want to say first this; one of the principal arguments used in support of this measure is that it will somehow keep assets from leaving Saskatchewan. Now, there is some substance to that argument but basically I find it unconvincing and I find it unconvincing on two main grounds. First, I suspect that if this Legislature adopts this Estate Tax Act, as I suspect it will, then the Government of Manitoba will feel constrained to adopt similar legislation and indeed I've heard of press reports to that effect. And other provinces may well follow suit. Then no province will have any advantage over any other province. In fact, so far as competitive advantage is concerned, every province will be in exactly the same position as they were before. The only difference will be that the inheritor of a large estate will be richer and the ordinary taxpayer will be poorer. This, Mr. Speaker, is a result which doesn't particularly commend itself to me.

Second, the second reason why I am not fully convinced by this argument about moving assets is that a great number of assets simply can't be moved. Now, true, men can move and true, in a legal sense, they can take their fortune with them. But in a practical sense much wealth simply cannot be moved. On occasion the name of Mr. Kramer was introduced into this Legislature and it was Mr. Robert Kramer, a distinguished Regina businessman who has moved to the Bahamas. It was suggested that because of this move, Saskatchewan lost a great deal of wealth. Now, I think if anyone knows Mr. Kramer's affairs, and I don't intend to discuss them but merely refer to them as an example, he indeed has moved but his productive enterprises are still here. They're still being managed by his relatives, his managers, his executives. Probably as much employment is being provided now by those assets as when he was residing here. Probably as much provincial tax and federal tax and municipal tax are being paid by those assets as was true when he was residing here. There is a difference in his personal tax position and I am free to admit that. And I don't want to discount, Mr. Speaker, the value of having in Saskatchewan entrepreneurs of the drive and initiative of people like Mr. Kramer. And I know that some of them will leave. I don't want to under-rate this but I want to say that frequently a man does not leave a province like Saskatchewan until he's ready to retire. He then in fact turns over his productive capacity to others. I wonder whether the people who are now operating that particular block of assets are any less dynamic and any less energetic than is Mr. Kramer in his older years.

I think, therefore, that while there is some substance in the argument that assets leave Saskatchewan and thereby jobs leave, and thereby tax potential disappears, there's some of that but not nearly as much as would be suggested. Many wealthy people if they have a productive enterprise here leave it here and if they do not have a productive enterprise, have their wealth in the form of shares. These will be shares in companies

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which probably are national or international in scope. The fact that the owner of those shares may live in Saskatchewan may be a convenience, may be a small advantage to Saskatchewan, but when they move away and take their portfolio with them, there is no material change in the employment prospects, the job opportunities, the tax potential of Saskatchewan wealth. So, I'm not as convinced about this idea of moving assets as apparently some Members opposite are. I feel that on that score the argument largely fails.

Let's then look at what I think is the best argument put forward for this sort of legislation and that is that estate tax threatens the continued existence of some family farms and some small business units. The first thing to note, I think, is that the Federal Estate Tax now provides greater protection for the wife of the owner of a farm or business. Everything left to her is totally tax-free and this is a great improvement over the old legislation particularly in the case of the untimely death of a young man, a farmer or businessman in the prime of life. I think all of us can think of a person, indeed I think of one from the constituency of the Hon. Member for Elrose (Mr. Leith) who recently passed away in the full flower of a business career and probably leaving a young family. In that sort of situation the ability to pass on these assets to the wife tax-free is an enormous advantage, because they are there and available for the care of the wife throughout her days and for the nurture of the children before any tax bite is taken.

The next thing to note is that where a farm or small business passes from one generation to another, substantial taxes can become payable. This is the nub of the Provincial Treasurer's argument. This estate tax falls upon the survivors, the people who inherit the farm or the small business and the question to which we should address ourselves is this: is the level of tax on that survivor too high? Now, suppose an estate totals, say \$240,000 or \$250,000 and there are some expenses and some debts, and that the net taxable value of the estate comes out at \$200,000. And I am using rather higher figures than the Provincial Treasurer. Then the highest estate tax which could be payable to a person inheriting that estate is just over the 20 per cent mark or something around \$40,000. If the estate was divided among, say four children, the tax would be around the 16 per cent level or about \$32,000.

Now, Mr. Speaker, tax rates of 16 per cent or even 20 per cent or 22 per cent, do not seem exorbitant. Many of us in our more flush years would welcome that sort of a rate on income tax. However, I think we must face a few economic facts, particularly with respect to farms. The farm economy in Saskatchewan is unusual for at least two reasons: firstly, very often farmers do not make a fair return on the capital employed and anyone who has done a little figuring marvels at why farmers would keep \$200,000 or \$300,000 in the form of farm assets when they get a quite inadequate return on that amount of capital. Unless there is going to be an escalation in the price of farm

land, we must think that some of those investments are sentimental rather than business based. The second point is this: the amount of capital required to operate a family farm keeps increasing. The minimum amount of capital which you can get by with keeps growing and keeps growing fairly rapidly.

Now, what have I said? I said firstly that the return on money invested in farm capital is usually too low judged by return on other investments. Secondly, the amount of money you need to maintain a minimum-sized economic unit keeps rising.

These two reasons operate. Thus farmers frequently do not generate much cash and the farmer who is generating some cash needs to invest in more assets in order to maintain a minimum-sized economic unit. Thus, the person who inherits a farm, characteristically does not inherit a large amount of cash. He characteristically inherits land which is quite valuable, machinery, usually grain on hand and some other miscellaneous assets and usually a relatively small amount of cash. Even in terms of life insurance, farmers have an apparent habit of not carrying as much life insurance as city people. Now this does create a problem for the person who inherits a farm. He may well have to sell part of his holdings in order to pay the tax.

Let's face this problem. The farm which is going to pass from one generation to another; a tax in my example of \$30,000 or \$40,000; a relative absence of cash on hand. Well, suppose the person inherited not a farm of four or five quarter sections but say ten sections of land. He may well have to sell a couple of sections in order to pay the Estate Tax, but I suggest that this would create no particular problem for the man who inherited ten sections. If he inherits ten sections and has to sell two sections it would seem to me that this might be a positive economic advantage. It may well be that we would see two sections of prime land become available for someone who wants to enter the farming industry. Suppose, however, that the farm was not ten sections but five quarter sections or something along the line of the example that the Provincial Treasurer was using. It may be that such a holding is near the minimum size necessary for an economic unit. For him, if he has to sell one quarter, this could be a serious matter in maintaining a minimum economic unit. And I suggest that this ought to be taken into account by this House. But suppose another situation. Suppose he lived in California. Suppose he'd never been in Saskatchewan at all. It is most unlikely that he would return to farm these five quarters. He will, in all probability, sell the land and he will, in all probability, sell it as a unit. For him the estate tax creates no particular problem in maintaining the unit. Sure, he has to pay the tax but the economic unit which we're trying to preserve is not in any way broken up because a person in California inherits it and subsequently sells it. All that we are doing when we don't give him a rebate is to lower the amount of his good fortune by 15 or 20 per cent.

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Similar examples, although perhaps not as clear, could be worked out for small businesses.

Now, Mr. Speaker, if my analysis is correct, what conclusions can be drawn from this analysis. I think we can say this. Firstly, in few cases will it hurt a farm or business enterprise, as an enterprise, to levy estate taxes where the beneficiary lives outside Saskatchewan. In the ordinary course of events these assets will be sold and in the ordinary course of events they will be sold as an economic unit, if they are an economic unit, because this may well be the best price. Whatever the amount of estate tax, and whether it's rebated or not, will not affect the continued existence of this economic unit. Secondly, in cases where the unit is well above the minimum economic size, estate tax while affecting the unit, all right, will not serve to reduce it below economic size. What will likely occur is that a part of an enterprise will be available for sale to an intended new entry. A large farm unit of ten sections may be broken up into two units, one of eight sections and one of two sections and that may not be a bad thing for the development of Saskatchewan agriculture. Third, in cases where the unit is near the minimum economic size and a successor wishes to carry on the enterprise, estate tax might well make it the continued existence of the enterprise difficult.

Those, I think, are the fair conclusions from looking at the picture. Now, what of the proposed Bill by the Provincial Treasurer (Mr. Steuart). It proposes to make rebates to persons who may inherit a million dollars. Surely this must be objected to. If a man inherits a million dollars in cash and after taxes are paid, he has, say, \$600,000 in cash left, it is difficult indeed to justify paying to him out of the public purse a grant of \$300,000. And this is true, I think, even if the inheritance is not in the form of cash but is in the form of assets. Secondly, the Bill proposes to make rebates to people who may never have lived in Saskatchewan and who may never intend to live here. Surely this must be objected to. If a man who lives in California, never has lived in Saskatchewan and never intends to reside here, inherits a half a million dollars from his rich uncle, and our Californian has \$310,000 left after paying his estate tax, it's a little difficult to justify sending down to California to this man out of the public purse perhaps \$140,000. Now, surely there are people who need a grant from the public purse more than our inheritor of the million dollars or more than our Californian who has just finished inheriting \$300,000 net.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — It seems, Mr. Speaker, that what is needed is a modification of the proposal presented by the Treasurer (Mr. Steuart). I propose that rebates be paid but only in cases where the beneficiary resides in Saskatchewan. This may be unduly harsh. It may be that some qualification would have to be made as to

him having recently moved out or his undertaking to come here. But I leave those details aside. I propose also that the rebate be limited to an amount which will cover the vast majority of persons who might inherit a family farm or family business in Saskatchewan and which will ensure that the tax on most of the other heirs of property will be reduced to manageable proportions. I propose, Mr. Speaker, that the rebates be limited to the Provincial share of the tax attributable to the first \$200,000 or any estate.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I admit, Mr. Speaker, that this is not an entirely satisfactory formula. It means that inheritors of very large estates will still get a very large grant from the Provincial Government because they would still get the grant of that amount of Provincial tax attributable to the first \$200,000. I know that there are people in Saskatchewan who need the grant money worse than some of these people. Perhaps we could give attention to that in the later years.

I don't intend in a speech on second reading, Mr. Speaker, to try to write legislation. However, Mr. Speaker, a proposal to limit rebates to the Provincial tax applicable to the first \$200,000 of any estate would mean this. For every estate with a net taxable value, after deducting all property left to a wife, and all expenses of \$200,000 or less, the person or persons who inherited this would receive a grant from the Provincial Government equal to the full Provincial share of estate taxes paid provided that the person inheriting it lives in Saskatchewan, subject to any modest qualifications. Again, perhaps it could be extended to people who immediately take up residence in Saskatchewan. As I say, I won't deal with the details. It would certainly mean that people who never lived in Saskatchewan, and who had not contributed to the province, would not receive these large grants from the Provincial Treasury. Secondly, Mr. Speaker, my proposal would mean that for estates of over \$200,000, the estate tax payable by a person inheriting would be greatly reduced. In respect of an estate of \$225,000 or \$250,000, that the substantial benefit would go beyond \$200,000 up towards \$250,000 and \$300,000 and it would spin out after that. The percentage reduction would be very large for estates in the \$200,000 to \$300,000 range and would rapidly decrease as the size of the inheritance increased. Now this proposal, Mr. Speaker, to confine the rebates to the tax on the first \$200,000 is sensible. It is reasonable. It gives protection to family farms, as most people understand that term. It does this at less cost to the Treasury, much less cost to the Treasury, and I suggest that this is a relevant consideration in these times of austerity.

Some Hon. Members: — Hear, hear!

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Mr. Blakeney: — It meets, Mr. Speaker, all of the valid arguments or substantially all of the valid arguments in favor of the rebate proposal.

We think that the Government should take a look at our proposal. We propose no long delay. We suggest that the Government take these thoughts into consideration and in a few days let us have some revised legislation for consideration. It's not possible, as I say, in the space of a few brief remarks to spell out a fully developed proposal. However, Mr. Speaker, in order to put on the record in a somewhat more precise form our proposal, I want to move an amendment; an amendment moved by myself and seconded by the Hon. Leader of the Opposition (Mr. Lloyd) in the following terms:

That all the words after "That" be deleted and the following substituted therefor:

consideration of the Bill be deferred until later this Session to provide an opportunity for the Government to frame revised legislation to limit the rebates provided in the Bill to the provincial share of tax in respect of the first \$200,000 of taxable value of any estate and to estates where the beneficiary is a bona fide resident of Saskatchewan.

Mr. Speaker: — This is a reasoned amendment. When the House debates second reading of a Bill Members are debating the principle of the Bill, not how the subject matter should be done, but whether or not it should be done at all. Whether or not the thing should be done at all is the basis of the debate on second reading. I want to draw the attention of the House to this amendment and to read for your information Citation 388 appearing in Beauchesne's Parliamentary Rules and Forms, and I quote:

On the motion for the second reading of a Bill respecting the Canadian National Railroad and to provide for co-operation with the Canadian Pacific Railroad System and for other purposes, a member moved as an amendment "that the second reading of this Bill be postponed until this House declared that nothing therein shall be taken to authorize any amalgamation of the Canadian National Railroad with the Canadian Pacific Railroad; or to divest Parliament of its rights; or to take from the House of Commons its primary duty to control expenditures of public moneys and the taxes required to meet the same; and that the provisions of these Bills shall be read in the light of this declaration and be construed so as to conform therewith, and that in so far as any of its provisions may be inconsistent therewith they shall be amended accordingly, and that the adoption of this amendment by this House shall constitute the declaration of its intention and purpose as set forth herein."

That was the amendment that was moved on that particular Bill at that particular time.

The Speaker ruled this amendment out for the reason that instead of being a declaration of principle, it proposed a postponement of the second reading pending a definite declaration of the House; moreover, it did not purport to disagree with the principle of the Bill but it dealt with its provisions and anticipated amendments which may be moved in Committee. On an appeal to the House, the Speaker's decision was sustained by a vote.

Now, inasmuch as this amendment, in my opinion, does not deny the principle of the Bill and inasmuch as it asks that things be done which could as well be one in Committee, I find the amendment out of order.

Mr. Blakeney: — Mr. Speaker, are you giving any opportunity to make comments on.

Mr. Speaker: — Well, I made the rule.

Mr. Blakeney: — And so that's . . .

Mr. Speaker: — I could have deferred the ruling but I thought that the Citation in Beauchesne's Parliamentary Rules and Forms was indeed most definite and very clear.

Mr. Blakeney: — Well, I had the opportunity, Mr. Speaker, to study Citation 388 and I felt it did not cover the situation and I find myself having a different view than you. I, therefore, must ask that the Speaker's ruling be challenged.

Mr. Speaker: — The question before the House is, "Shall the ruling of the Chair be sustained."

Motion agreed to on the following recorded division:

YEAS — 30

Messieurs

Thatcher	Grant	Leith
Howes	Coderre	Radloff
McFarlane	Larochelle	Weatherald
Boldt	MacDonald	Mitchell
Steuart	Estey	Gardner
Heald	Hooker	McPherson
McIsaac	Gallagher	Charlebois
Guy	MacLennan	Forsyth
Loken	Heggie	McIvor
MacDougall	Breker	Schmeiser

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Messieurs

Lloyd	Meakes	Brockelbank
Wooff	Berezowsky	Baker
Kramer	Romanow	Pepper
Willis	Smishek	Bowerman
Wood	Thibault	Matsalla
Blakeney	Whelan	Messer
Davies	Snyder	Kwasnica
Dewhurst	Michayluk	Kowalchuk

Mr. J.J. Charlebois (Saskatoon City Park-University): — Mr. Speaker, I would like to say that for some reason or other when there are questions of procedure, the Crown seems to fall on my head.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — I can only say that thank God I'm not expected here to answer or speak on this amendment that was just defeated. I would like to say very little about it, but I would like to say that it's a very typical tactic of the Opposition to try and delay the passage of good legislation in this House.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — We heard the Member from Regina Centre (Mr. Blakeney). He is getting to get quite a name for himself on this side of the House. They call him a 'side-stepper' and what not, but now we have a new reference, 'Wiggle, wiggle little Al, you are not the farmer's pal,' especially those that you expect will have to sell off two sections of land to survive in this rugged country of ours.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — And you know the Member from Regina Centre (Mr. Blakeney) in his remarks mentioned that the advantage would not be there, because this type of legislation is going to spread across the country to all of the provinces, and then our advantage would be gone. Well, surely to goodness he doesn't expect us to wait and come in dead last on a thing like this. Surely we should wake up and see what's going on in the world.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — He mentions here that Mr. Bob Kramer was mentioned as having left and he went to the Bahamas. This didn't seem to

matter much that the business still carries on and that the people that were involved are still there. I'd like to tell you that this is not so. Bob's brother, Tom Kramer, left Saskatoon and he took his whole family with him and they sold the company and they took the liquid assets with them and they are gone from this country. I might say here too that you don't just lose these people, you lose their spending power and these Kramers are darn good spenders. I could tell you that Tom Kramer loses enough on the golf course to have a substantial effect on our economy. I think he is going to be sorely missed.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — And he says this doesn't affect employment in industry. Well, let's think a little bit about this. You look at the cars and so on that people like this drive. These kind of people that you mention now, they are people that drive something a little better than the ordinary. They buy gasoline, they buy groceries. Do you think it's funny to lose this, and this and families too? You would of course.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — And I'll tell you, you are talking about the farmers having a tough time in this country. And I can tell you I appreciate it very much, but if you think the farmers have a tough time, you should try the roofing business. You don't know from nothing when you start to talk about a tough time.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — You know the amazing thing about this is the fact that the farmers and the roofers, a fair number of them, a fairly substantial number, end up with reasonably sizeable estates. They don't end up millionaires necessarily, but they end up with estates that I think are quite valuable to this country and should be left right here in Saskatchewan where their spending power can be appreciated.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — Now in regard to the rebates that were suggested, I guess I'd be out of order if I commented. I would like to say, though, that this would bring up a matter of double taxation and it opens up of course the question of the validity of estates tax whether it's valid to have it at all or not. So it opens up quite a question and I am glad that this part was defeated. I think too he spoke of the farmers, the small businesses and the farms, the handing over from one generation to another, the difficulty involved. I would like to suggest, Mr. Speaker, that there are other reasons involved and some very

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obvious reasons, I think, why the tax concessions should be made. First of all, I would like to point out that this was not an original idea, this was not an original idea of this Government to introduce it, but certainly one of the first . . . What did you say, Bill? Stand up if you want to speak.

Mr. W.J. Berezowsky (Prince Albert East-Cumberland): — I said you never had an original idea.

Mr. Charlebois — Mr. Speaker, is he in order to stand up like that?

Some Hon. Members: — Hear, hear!

Mr. Charlebois — You know oddly enough, Mr. Speaker, I preferred these remarks and without any biased thinking, but oddly enough I have a name down here a little further, Berezowsky, I'll get to it a little later. Please be patient. It doesn't amount to much but it is there. You'll get it. So I said, you know that this was not an original idea of ours, but we have the perfect example that comes to mind of course is the one of the Bahamas. We were not too concerned about this at first because this seemed to attract people of means from the provinces like Ontario. We were aware of the situation, but this was all, we were not too concerned. And then of course we saw this tax concession affect us directly when we lost some of our own people. One of these of course, was . . . his name has already been mentioned in the House — there is no need I think here to mention the names, but we saw quite clearly then that the Bahamas had more to offer than just climate. They had something here that was a very real thing to offer to people of means. Then there was a further awareness when we started to lose some of our active citizens to the Province of Alberta after they brought in their rebate of the provincial portion of the estates tax in April of 1967. In Saskatoon as I mentioned, we lost a gullible golfer that I mentioned before.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — Now I would say that we would be certainly foolish to ignore this situation. This by itself is enough to justify our introduction of this legislation simply as a defensive measure because believe me it has been a successful piece of legislation in the Province of Alberta, very successful. It has been since April 1, 1967. And I would like to suggest, Mr. Speaker, there are other reasons. I would say that the people that are concerned — and I am speaking here of the people that qualify in this group that we are speaking about — but the people that are concerned here are in large measure those who have come to a time of retirement. If there was no relief in connection with the estates tax, then there is very little reason why they would not retire to a milder climate, such as

that which exists in British Columbia. There is no reason at all for them to stay here. Now under this new legislation, people retiring must certainly realize that there is an estate penalty involved and a very severe one if they should retire to British Columbia. You compare with the situation in British Columbia and what we are going to have through this legislation here. You will see that anyone retiring from Saskatchewan to British Columbia will now pay a very severe penalty.

Now for those who qualify, it has been pointed out that this is a very small group. Certainly it is a very small group and naturally it will continue to be a very small group unless legislation of this kind is introduced. But let us recognize that this is a potentially large group. The majority of people in this group are not those who would be justified or we would be justified in referring to as the filthy rich. This seems to be a stigma that is placed on this group. This group, by and large, is not a filthy rich group. And I would like to refer to a couple of examples. When I think of the late Mr. George Urwin, this is one example that comes to mind very readily. This gentleman passed away last year as you know. He served many years as the chairman of the board for the University Hospital in Saskatoon. He was highly respected by everyone in the community. The reason I refer to him particularly is that there seems to be an aspersion that everything that's filthy rich applies to Liberals. Well, I would like to tell you that you know as well as I do that this gentleman certainly wasn't a card-carrying Liberal and he did contribute a great deal to the community and he was a very moderate man in every way. But you know he did end up with a sizeable estate. He left a bequest of \$100,000 to a public institution. I think this was pretty nice but recognize the fact that this was not a millionaire. This is the kind of person we are trying to refer to that will form the largest part of this group. Then I like to think of the late John Cuelenaere who sat in this House.

Mr. Davies — Is he complaining?

Mr. Charlebois — Says which, says which? If you would clear your throat and let me hear you if you are going to speak to me and interrupt me, but I would say here, if you are saying something about John Cuelenaere who has passed away, please be careful what you do say. John Cuelenaere by the way was a classmate of mine years ago in Victoria. I knew this fellow very well all of my life and all of his life from the time we were about 13 years old. I had a very high respect for him.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — This man, believe me, wasn't what you'd call the idle filthy rich. He left a bequest in Prince Albert of \$100,000 to a public institution. I think here we have to think of these kind of people and think here too of the fact John Cuelenaere

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could easily have not contributed to public life and gone off and lived in Victoria very easily. He wasn't all that wealthy but he was wealthy enough. These bequests that I speak of here, just these two are better off left in this province. We must have an incentive for people that are coming to retirement age that have this kind of means to remain here. I say too when we are speaking of this potential group, we don't have to go outside this House either, right now. I'd say that even the supposedly poor and downtrodden, who sit on the other side of the House, would like to have people think that they are just so doggone downtrodden that it's pitiful, by the filthy rich. Well I would like to say here that when we think of the people in our province with names like Berezowsky, Wood, Pepper, Kramer, I think that we would like to see these kind of people remain in our province after they retire.

Mr. Kramer (The Battlefords): — Thank you so much.

Mr. Charlebois — And I would say, not just because of their social contribution to our society, I would say because of the money they spend.

Mr. Romanow (Saskatoon Riversdale): — I feel left out.

Mr. Charlebois — And as for the younger groups, you're not exactly left out. I think it is fair to think that men with names like Romanow, Messer, Blakeney, I think they have potential earning power to get under the wire into this group during their active years. I think it's rather feasible, don't you? I wouldn't dare call you entrepreneurs, any of you that I've mentioned. I know that you are Socialists and you don't believe that an entrepreneur should exist, but I'll just lay you odds that you will get under the wire into this group before you are finished.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — And then we've heard Mr. Blakeney express concern about his four-year old and his six months old. I am sorry he isn't here because I have some advice for him. I'd like to say that I am sure that he will appreciate this legislation when these children are in their thirties and he is sitting back and contemplating the setting sun, like the poor old fellows in my category, you know. This idea of the filthy rich, I'd say let's be practical, let's be factual. The group that qualifies includes many, many people that are contemporaries of some of yours and certainly contemporaries of mine. We were working for wages like 45 cents in the 1920s. I remember working for 45 cents an hour when I was learning my trade as a sheet metal worker and hoping to God I'd someday get to the pinnacle when I would earn 75 cents an hour as a journeyman.

Mr. F. Meakes (Touchwood): — You weren't in a union.

Mr. Charlebois — I beg your pardon. I was a card-carrying union sheet metal worker, and don't you forget it.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — On top of that I respect the right for collective bargaining. Any of you fellows want to talk unionism to me, I was in a union before you were born.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — And I can recall in the 1930s, when I worked in a saw mill at the Coast and the Government of British Columbia brought in a minimum wage, I forget whether it was 33 cents an hour or 33½ cents an hour. I was lucky all right, when they brought it in, the mill closed down. They couldn't keep going. I was worried and I don't mind telling you, I was worried about where the next meal was going to come from to put on the table. You know I can remember too like many others, serving in the RCAF and I can tell you that this didn't leave us very rich when we got out in 1945. We had the odd beer on a Saturday or pay day, but I'll tell you it was fun but it didn't leave much left over.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — Well I say why make a farce by making ridiculous charges that have no foundation. This idea that there is a class of people that are so filthy rich is utter nonsense. I am talking about people like you and me. I am not ashamed that I may qualify for this when I die. God help me, I hope there is enough to bury me with after making a talk like this.

Some Hon. Members: — Hear, hear!

Mr. Charlebois — The people who qualify in this group are people who are comfortably well-to-do and they are spenders. If they stay in the province they will spend over and above the maintenance of a comfortable residence. They will spend on such things as boats and motors and golf clubs, guns, decoys, shells, and trailers, just think of it. I know us old buzzards, you young fellows have a lot to look forward to, wait until you get to be my age and then you can go out and go hunting a little bit. You aren't chasing that buck, you are starting to find out how to spend it so you can get it all spent before you die. It contributes a sizeable amount to the community, don't forget it. And then I would say that these are the kind of people too that support our churches, our auditoriums. You young people will never be able to pay for these auditoriums that have gone up around here you know. You had better keep some of us around.

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Some Hon. Members: — Hear, hear!

Mr. Charlebois: — They support our art galleries. Then these bequests that I mentioned, bequests to the public institutions, the residue of their estates generally, are far better off to be left here in Saskatchewan than to be left elsewhere.

Mr. C.G. Willis (Melfort-Tisdale): — Mr. Speaker, may I ask the gentleman a question?

Mr. Charlebois: — Why not say it as soon as I am finished.

Mr. Willis: — Oh, you're going to finish. Good!

Some Hon. Members: — Hear, hear!

Mr. Charlebois: — I wish to God I had 300 letters to read here, I'd read them to you, just to make you know how it feels.

Some Hon. Members: — Hear, hear!

Mr. Charlebois: — Now, I might say as I get toward the end here, it might get a little . . . it is not as smooth as it was in the beginning, but . . .

Some Hon. Members: — Hear, hear!

Mr. Charlebois: — The paper is getting rippled. Anyhow I would like to say that there is also the benefit to the Provincial Government by way of the increase in its shares of income tax. Alberta by the way has found that this has increased sharply during this past year to what it was over the first year. This is something that these people . . . the Member for Regina Centre (Mr. Blakeney) said these people leave and they take their portfolio with them and it doesn't mean anything. Well, I'll tell you that I know fellows — and they aren't millionaires by any stretch of the imagination — who have retired and are living on a portfolio. They are drawing each year in earnings a very substantial amount of money from the earnings of their portfolio. This money is taxable and it does contribute a sizeable amount to the regular income taxes paid to the Province and we certainly can't afford to lose it. Then besides this, as well as serving in this way, it entices people to come to our province. Here again I would cite the experience of Alberta, where they have found that Europeans and people from the United States are being attracted to Alberta. They too can be attracted to this country. If we have laws in our land here that are inviting to people of means, this means quite a bit. It does help to broaden the whole structure of our economy if we can attract wealth to this

province.

So I would say with these very few remarks, I would like to conclude, Mr. Speaker. I might say that in case there is any doubt I will be supporting this Legislation.

Some Hon. Members: — Hear, hear!

Mr. G.T. Snyder (Moose Jaw North): — Mr. Speaker, I hope that Members opposite will appreciate my position in following such a profound and scholarly presentation and bear with me. I do want to add just a few words of my own to the remarks that have already been offered in connection with the Government's proposal to rebate the Provincial share of the estates tax.

I believe, Mr. Speaker, that the initial reaction to the proposal has to be one of doubt about the wisdom of the Government in opening the door so wide without any regard for a well accepted theory that taxation, if it is to be just, should bear a relationship to ability to pay. I am not at all convinced, Mr. Speaker, that this Government opposite has any real dedication to the principle that those who have the most resources should be obliged to contribute more heavily in terms of direct taxation. In fact, Mr. Speaker, recent action by this Government would seem to indicate that just the opposite is true and that they are inclined towards the kind of regressive taxation that bears most heavily upon those who can least afford to pay.

Some Hon. Members: — Hear, hear!

Mr. Snyder: — I think the Minister of Health (Mr. Grant) has offered rather concrete evidence of this with his recent declaration that more of the costs of hospitalization and medical care should be paid out of personal premiums, indicating that he favors an increase in the head tax which bears no relationship to ability to pay. Similarly, Mr. Speaker, the \$7 million which the same Minister is extracting in deterrent charges is another example of a regressive tax, which not only ignores the ability to pay but deliberately heaps this tax upon those who are without question among the poorest and the most deprived in our province today. I think Members will be aware of the fact, and it has been mentioned already today several times, that Alberta has established herself as a Canadian tax haven. No doubt, Mr. Speaker, Alberta's action was instrumental, at least in part, for the decision of the Government opposite to proceed along a similar course.

While this has been taking place, concern has been expressed in other parts of Canada that the action taken by the Alberta Government will become contagious and the net result will be the inclusion of all ten provinces in the estates tax rebate game to the final advantage of none. Jack McArther who will be known to most Members as a columnist writing in the Toronto Daily Star

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on June 4, 1968 made some comments and expressed some observations with respect to the rebate programs as they presently apply on the Alberta scene. Mr. McArthur had this to say and I would like to quote a couple of paragraphs into the record, Mr. Speaker:

Although the progressive income tax rates may be high, it has been pointed out that there are many ways in which the well-to-do can escape taxation or reduce it. These range from expense account living to untaxed capital gains. In addition we are being told increasingly by Bay Street that Canada's problem isn't that of preserving pools of money for investment. On the contrary it is finding good investment for the huge pools of money now becoming available. Much of this money isn't owned by the rich but by ordinary citizens, pouring contributions into mutual and pension funds. This seems to mean that investment money in billions, not just the millions, to be found among the well-to-do is easily available from the average Canadian citizen. Why then worry so much about an over gentle treatment to the five per cent who are already wealthy. If it is not productive for provinces and municipalities to bid against each other in offering special tax deals to get new industry, and this is widely criticized, then surely it is not desirable to set up one province as an estate tax haven.

Well, Mr. Speaker, I was rather amused by the Premier on another occasion in this House and by the Provincial Treasurer (Mr. Steuart) today and by the junior Member for Saskatoon (Mr. Charlebois) when he struggled to put forth a case for the family farm and the small business and in the end they all found themselves pleading the case for the Hal Berrys and the Bob Kramers. I refuse to be convinced that the concern of the Premier, Mr. Speaker, is not related closely to his immediate circumstances and those of his wealthy friends. He pretends to weep copious tears for the family farmer and the small businessman but he gave the whole show away when he began pleading his case for his wealthy friends who he claims may escape with their wealth to the Bahamas, Liechtenstein or some other tax haven where I believe they rub shoulders with the Premier on occasions. I simply fail to be impressed with that argument, Mr. Speaker.

I believe, Mr. Speaker, that Members opposite have a full-proof opportunity to indicate where their sympathy rests. If they are concerned with the future of the family farm and the preservation of small businesses, they need only to support our proposition that the tax rebate be paid to estates up to and including \$200,000.

Some Hon. Members: — Hear, hear!

Mr. Snyder: — They'll have this opportunity later when the Bill is

in Committee, I expect, Mr. Speaker. This proposition allows virtually all Saskatchewan farms to enjoy the immunity from the estate tax and it will provide the necessary protection for small businesses. Because of inflated farm land values, which are not realistic if judged on a long-term basis, Mr. Speaker, it's clear that the farmer is entitled to some real consideration. But, Mr. Speaker, this does not mean that we should open up the net and let all of the big fish out. At the same time, Mr. Speaker, I believe — and this belief is shared by a great many people — that the Federal Government must be persuaded to take a more realistic position in determining the value of an estate. Inflated values in recent years have driven up the market value of land to a point where it bears no relationship to the productive capacity of that land. A section of land on the Regina plains can well be valued at a figure between \$85,000 and \$100,000. With other assets and machinery included it is expected that many farms in this general area will be in the \$150,000 category. To me, Mr. Speaker, the unrealistic appraisal of the value of farm estates represents one of the urgent farm problems that requires immediate attention and remedial action.

Two consecutive crop failures would, in Saskatchewan, drive the value of farm land down to a fraction of its present worth. This I suggest gives reason to the argument that land values should be judged on the basis of a 10 or 15 or perhaps even a 20-year average rather than on the current resale value.

Well, Mr. Speaker, history has proven contrary to the Premier's notion and the notion of some Members opposite, that the accumulation of wealth is not necessarily, nor is it usually, the result of self-denial and thrift. It's like an appointment to the Senate in some respects, Mr. Speaker. It depends not so much on what you know as who you know in a good many cases.

Some Hon. Members: — Hear, hear!

Mr. Snyder: — The accumulation of wealth, Mr. Speaker, I am afraid also in a number of cases represents a fortune to one group and the misfortune of another. Today, however, Mr. Speaker, the Premier and Members opposite plead an eloquent case for those who, through thrift and self-denial, were able to gather about them a very substantial estate. I want to suggest to them again that the good fortune enjoyed by some in a good many cases has come about at the expense of others. In numerous cases, it's been a matter of being in the right place at the appropriate moment with cash money that made it possible for some enterprising people to reap the tide of good fortune at the expense of others who were in a financial bind.

Of course, Mr. Speaker, there are many other ways in which large fortunes have been made too. Maclean's Magazine of February, 1969, explains in somewhat detail the operations of a Canadian company, Canadian Javelin, which is a Newfoundland

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corporation, which through a network of subsidiaries controls huge quantities of iron ore and timber in Labrador, and oil and potash right here in our own Province of Saskatchewan, silver in El Salvador and other minerals in Northwestern Ontario and Arizona. This company has been described by a United States lawyer who has been studying it for years as the most mysterious company known to man, perhaps, Mr. Speaker, because this lawyer has not yet had the opportunity to examine the Prince Albert pulp mill operation.

Mr. Speaker, the president of this company hardly fits into the mold that the Premier described as a frugal, hard-working, thrifty executive type. The Maclean's Magazine article goes on to say that this fellow Pat Doyle lives with what they describe as rich exuberant zest. He likes to jet for weekends to London, Paris or the Panama. Until recently Doyle followed his fancies in his own four-engine DC 6 airplane provided by the thoughtful stockholders of Canadian Javelin. It featured an interior fitted with mahogany panels, purple and grey plush seats and crystal chandelier as well as a bar, kitchen and bathroom complete with shower. At home in Nassau, he has of course, his own yacht and white Lincoln Continental convertible.

Well, Mr. Speaker, the article goes on to say that at one time in the Newfoundland Legislature, the Provincial Conservative Leader Malcom Howlett attacked Doyle for making a fortune out of Newfoundland resources and at that time Liberal Premier Joey Smallwood leaped to Mr. Doyle's defence. And to quote Joey Smallwood on that occasion:

A promoter becomes respectable after he has made his fortune. Whoever became a millionaire in this world today by teaching Sunday School.

Well, Mr. Speaker, this hardly then is the picture of a little boy who saved his pennies and became a millionaire. One of the outstanding features in connection with the operation of this company is the fact that, with all its maze of subsidiaries and subsidiaries of subsidiaries and holding companies, the company has very little of its own money invested. This intricate operation that defies all understanding is being financed largely with government credit and government cash provided by the taxpayer, who also owns the natural resources that were turned over to the company. The arrangements also provide, Mr. Speaker, that the Government shares pay no dividends. The company is the winner and takes all.

My point is this, Mr. Speaker, that the Saskatchewan taxpayer, the worker, the farmer and the small businessman are the people who have made it possible for a great many others in many circumstances to accumulate large fortunes. In many cases they contributed as taxpaying citizens in providing cash grants, royalty right-offs, tax holidays and other tax concessions. I suggest, Mr. Speaker, that the Premier and others opposite have not presented a very convincing case for the poor millionaire.

It is one of the most outstanding characteristics of the Liberal party, Mr. Speaker, that its advocates have the ability to see the viewpoint of big business with the greater clarity than the viewpoint of the working man or the average citizen.

Some Hon. Members: — Hear, hear!

Mr. Snyder: — I suggest, Mr. Speaker, that conditions that warrant consideration for the family farmer and the small businessman do not apply to those who have achieved great success at the expense of the unfortunate nor should they apply to those who have managed to gain control of our natural resources, nor to those who have been financed with government money and have been given tax holidays and incentives all at the expense of the Saskatchewan taxpayer.

It is somewhat ironical, Mr. Speaker, that sometimes we provide these incentives to industry in order that new jobs will be created and at the same time high on the company's priority list is the determination of the company to automate their employees out of work as fast as possible. Under these circumstances sometimes one is inclined to ask: what is the purpose of it all?

I believe, Mr. Speaker, that during that period from 1944 to 1964 there were established in this province a number of living examples of business operations that leave the dividends in the pocket of Saskatchewan people. It is not beyond the ingenuity of Saskatchewan people to find their way out of the free enterprise jungle and usher in a program that is more in tune with the needs of our people and the way of life that will be infinitely better, I suggest, in the process of making estates tax rebates to millionaires on one hand to the extent of \$4 million and on the other hand taxing the sickest and the neediest of Saskatchewan people \$7 million to balance this 1969 Budget.

To conclude, Mr. Speaker, I call upon the Government to give its honest consideration to the proposition of imposing a \$200,000 ceiling on rebates paid. At the same time, Mr. Speaker, the Government, from the revenue which it saved, may find itself overtaken with the feeling of Christian charity and conclude that it is unkind, it is unwise and it is indecent to seize the estate of a deceased mental patient when it happens to be in excess of \$10,000.

Some Hon. Members: — Hear, hear!

Mr. Snyder: — I intend, Mr. Speaker, to support this Bill on second reading and I hope that all Members will vote for it because of the genuine need to provide assistance to a limited number of estates. The proposition which we have proposed gives recognition to the need to guard against a breakup of the family

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farm or the family business. At the same time it provides, Mr. Speaker, that extremely large estates will not be allowed to escape without making a contribution to the tax base of this province. It seems to me to be eminently fair. I am sure that later on when the Bill is in Committee it should recommend itself to Members on both sides of the House.

Some Hon. Members: — Hear, hear!

Mr. R. Heggie (Hanley): — Mr. Speaker, I am very glad that this special Bill on the rebate of estate taxes is getting a thorough going-over in this House, because there is little doubt that it is one of the most important pieces of legislation to be brought before the Assembly during this session.

As I see it the main point or points involved in this piece of legislation are about three-fold. 1. It is legislation which will protect and propagate the family farm unit. 2. It will stop the outflow of capital from Saskatchewan to other provinces. We, in Saskatchewan have a unique situation inasmuch as we are a land-locked province and have to suffer a severe climate. People in their older years tend to move away to seek a better climate elsewhere. You have in this province, a movement of farmers in their declining years anytime after the age 50, 55, depending on their health, to the small town which has been their trading centre for their lifetime. Usually, if they are better off they may then choose to move to one of the two larger Saskatchewan cities, perhaps because they have a son or a daughter living in those cities. Then there is a larger group which perhaps for health and other reasons wish a more equitable climate move to the lower mainland of British Columbia or to Vancouver Island.

Unfortunately in a lot of cases where they have no sons to carry on the family farm, they simply have to liquidate their land holdings and their assets and they do this by selling to other farmers. This was quite ably covered by the Member from Regina Centre as to how this works. This does not upset the economic pattern, but it doesn't stop the outflow of those receipts from the sale of the land and from other assets, such as grain and machinery being moved from this province to British Columbia, which is the main place that receives our retired people. As a practising lawyer, I know that this is correct because time and again we are as lawyers asked by attorneys in Vancouver and Victoria if we will undertake to reseal letters probate in Saskatchewan to cover some tag ends of an estate which the retiring person left in this province. Very often it is a quarter section or a house or some small asset which they still maintain here. But long ago the bulk of their estate, when that person retired and sold out, was taken to British Columbia and the money poured into the British Columbia economy and is being spent there in that family's day-to-day living. I think that this is the crux of what the Government is trying to get at when it proposes to make a rebate

of the province's share, namely, 75 per cent of the estate tax. The Government is trying to induce them to stay in this province, make their living here and spend their money in Saskatchewan which this province needs if it is going to move forward.

There is quite a bit more which I would like to say on this subject of estate taxes because I feel that this is very important legislation. But in closing I would like to make it clear to my friends opposite that this is popular legislation and the reason that I know that it is popular is because I make it a practice, whenever I have the time, to visit the rural councils of the municipalities situated within the boundaries of the Hanley constituency. When this news got out that there would likely be legislation at this session of the Legislature with respect to the rebating of the Province's share of the estate taxes, the important matters of grid roads and municipal finance receded into the background, and the first question that I was tackled with when I met with these various councils was: is this estate tax legislation going to become a fact?

I am not talking about the millionaires because there are very few of them in Saskatchewan in any event, but I am talking about the average farmer who might own a section and a half of land or two sections, who in the main lived frugally, lived rather poorly during his lifetime because of his heavy investment in land, but whose estate is considerable because of the value of the land. These councillors were representative of the many farmers in their municipalities. They are keenly interested that the Government at last was doing something which would help them with respect to either the preservation of family farms or the maintenance of capital within the province in which they had made their living for so many years. Mr. Speaker, I will have more to say on this subject at a later date. I would, therefore, beg leave to adjourn the debate.

Debate adjourned.

Hon. D.V. Heald (Attorney General) moved second reading of Bill No. 29 — **An Act to amend The Surrogate Court Act.**

He said: Mr. Speaker, this is a matter that was asked for by the Law Society of Saskatchewan and so we came up with these proposed amendments. Since the amendments have been introduced, I am in receipt of representations from the Law Society and the Regina Bar Association that further discussion and consideration be given to this matter of amending the Surrogate Court Act and I have acceded to their request. I think it's something that we should look at over the summer months and accordingly I would move now, Mr. Speaker, seconded by the Minister of Labour (Mr. Coderre), that the order for second reading of Bill No. 29 An Act to amend The Surrogate Court Act be discharged and the Bill withdrawn.

Motion agreed to and Bill withdrawn.

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Hon. G.B. Grant (Minister of Public Health) moved second reading of Bill No. 62 — **An Act to amend the Saskatchewan Medical Care Insurance Act.**

He said: Mr. Speaker, the amendments contained in this Bill are related to various aspects of the Provincial Medical Care Insurance Plan. The first amendment is related to the Swift Current Health Region. You will recall, Mr. Speaker, that when this Act was revised in 1962 to its present form, provision was made for the Swift Current Regional Medical Plan to be integrated with the overall Provincial plan. Section 16 of the Act, which was enacted at that time, contains a series of provisions directing the Medical Care Insurance Commission with respect to the persons to whom the Commission is to make payment for insured services received by the beneficiaries. One sub-section refers to the Swift Current Health Region. All of the physicians then practising in the Health Region had entered into agreement with the Swift Current Regional Board and the 1962 enactment provided, in effect, that the Commission would pay the Swift Current Board in respect to the services for which payment was made by the Board to physicians, pursuant to these agreements.

That is, if the Board was not obligated by an agreement to pay for a service received by a resident of the Health Region, the Commission was not to make payment to the Board for these services. Although this has never happened, a physician practising in the Swift Current Health Region might decide not to enter into or continue his agreement with the Swift Current Health Regional Board. As the Act now reads, services provided by the physician would be paid for by the Commission through a payment made to the patient.

This Bill, Mr. Speaker, contains an amendment providing for the Commission to make payment to the Board, where the Board would not have been required to make payment to the physician for services rendered. Under this amendment the Board and not the Commission would pay the resident who had received the services.

The object of this amendment insofar as the residents of the Health Region are concerned, is to place the Regional Board and the physicians providing the service within the Health Region in the same position as the Commission and a physician practising outside the region. This amendment was proposed by the Swift Current Regional Board and the Swift Current District Medical Society.

Another amendment revises Section 64 which is the section respecting confidentiality of information. Section 34 now imposes a duty on an employee to maintain secrecy with respect to all matters brought to his attention during the course of his employment and to release information only in accordance with the exceptions provided for in this Section. It is

believed that confidentiality in regard to this program is most important with respect to such matters as the names and the illnesses of patients and the treatment that they receive and the remunerations paid for services provided by a specified physician. Accordingly this Section has been revised so that it basically applies for only the purpose of imposing confidentiality with respect to information concerning specified patients and specified positions.

You will note, Mr. Speaker, that a new subsection has been added authorizing the Commission to regulate and control the disclosure of information relating to matters other than those concerning classified beneficiaries and specified physicians. This provision is desirable in the interests of good administration in view of the specific direction the other provisions of this Section will now be taking. You will also note, Mr. Speaker, that the subsections stating, in effect, that a document required for the purpose of the Act is not admissible in court to adversely affect the person making it. As far as I know during the last six years this provision has not served a useful purpose, and, theoretically at least, it would seem that it could create problems by impeding the course of justice.

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There are two other amendments of a technical nature that are not intended to disturb the practical operations of this Act. As subsection 7 of Section 16 now reads it appears to authorize a beneficiary to assign to an approved Health Agency his right to receive payment from the Commission for an insured service that he has received. In practice beneficiaries have assigned to Medical Services Incorporated or Group Medical Services their right to receive service from the Commission in respect of any insured service they may receive during a specified future 12-month period. The amendment merely makes clear the Act authorizes this existing practice. The remaining amendment refers to the authority for regulations to be made governing Approved Health Agencies. The authority in the Act in this regard is now implied. It is believed advisable from a purely drafting viewpoint for an express authority to make regulations in this regard to be contained in the Act.

Some Hon. Members: — Hear, hear!

Mr. W.E. Smishek (Regina North East): — Mr. Speaker, perhaps the amendments to this Act might be best dealt with when we are in Committee. But I do want to make one or two small observations.

It appears to me that what is proposed in regard to the Swift Current Region would alter the whole basis of the Swift Current Region and this amendment would seem to undermine it. The Minister tells us that the proposals are here at the request of the Regional Board. I do wonder though, Mr. Speaker, whether on the long-run this is really a desirable move. The Swift Current Region has been a very useful experiment. In

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fact the Committee that studied and recommended the basis of Medical Care did make recommendations that consideration be given to the administration of health care on a regional basis. However, it may be the experiment that we have had in Swift Current in recent years, specially since the Medical Care Plan was introduced, has not gone on as far as some of us had hoped and envisaged. However, as I have said this might well be discussed when we are in Committee. There is the matter of making regulations governing the Approved Health Agencies. Maybe the Minister can give us some better explanation as to the reasons for the proposal when we are in Committee. What has been given to us in explanatory notes does not seem to deal with this in depth, and the Minister did not give us too much of an explanation as to the reasons for it.

I am also concerned in regard to Section 34 which narrows down the matter of information which is to be kept secret. I think we all agree that it is important that secrecy be maintained, but I do wonder about the reasons why this sort of rigidity is being introduced and whether it may create problems with internal administration. But again in Committee of the Whole the Minister might give us some further explanation on this, Mr. Speaker.

Mr. A.E. Blakeney (Regina Centre): — Mr. Speaker, I simply want to raise one issue respecting the Bill which disturbed me a bit. I want to call it to the Minister's attention so that the matter might be further discussed in Committee. It has to do with the new Section 7A. It seems to me that the principle contained here is that a beneficiary may assign to an Approved Health Agency the benefits which he may receive during a fixed period. I want to call to the attention of the House the fact that this means received from any physician whether or not he be a member of the Approved Health Agency. It seems to me to be capable of requiring that a patient accept all of his services from a member of an Approved Health Agency. May I give an example: Suppose that I am a member of a Group Medical Services and suppose I sign one of the assignments which seem to be contemplated by this Section. Suppose I then have an operation and I am served by an anesthetist who is not a member of an Approved Health Agency, as many are not. It looks like my money would go to the Approved Health Agency and I would not be able to get reimbursement from the Medical Care Insurance Commission. The point that I make is that it seems to me that the nature of the assignment should be limited to services rendered by physician members of an Approved Health Agency during a specified period. I think this is rather a small point but rather an important one, if we want to retain the flexibility which has worked so well in the plan to date. I would ask the Minister to give that point some thought so that when we raise the matter in Committee he will have addressed himself to it.

Mr. E.I. Wood (Swift Current): — Mr. Speaker, owing to the fact that this amendment is

of particular interest to the people of my constituency, I would like to have a little longer to study it and I beg leave to adjourn the debate.

Debate adjourned.

STATEMENT BY MR. SPEAKER RE C.P.A.

Mr. Speaker: — Before we proceed to the next order of business, may I tell the Members of the House that the annual meeting and dinner of the Commonwealth Parliamentary Association of Saskatchewan Branch will be held Tuesday next. You will get your notices on Monday.

Mr. Grant (Minister of Public Health) moved second reading of Bill No. 63 — **An Act to amend The Vital Statistics Act.**

He said: I have a two-page legal explanation of the amendments here and a three-line explanation of my own. I can give the House whichever one they prefer. I guarantee when I finish the two-page legal explanation that everybody will be confused, even myself. I discarded the two-line one because I know it by memory.

Largely these amendments are necessary because of the provisions of the new Divorce Act (Canada) to bring our Vital Statistics Act into line with that new Divorce Act. I think that I will be like the farmer with a load of hay and the one cow, here goes. I am going to give you the whole load of hay.

Because of the provisions of The Canada Divorce Act it is no longer possible for a person to appeal from a degree absolute for the dissolution of a marriage. An amendment, therefore, removes reference to a return from the Court of Queen's Bench to the Division of Vital Statistics, stating in effect that the time for appealing from the degree absolute had expired, and that no appeal had been made or that in the result of an appeal the marriage was declared to be dissolved. As the Act now reads, births and deaths are registered by the Division Registrar signing a statement respecting the birth or the death that has been given to him in the form prescribed by the Act. This statement is then transmitted by the Division Registrar to the Director of Vital Statistics who will cause this statement to be reviewed for completeness and consistency with statutory requirements. If it appears to the director that this statement is not complete or has not been completed in accordance with the Act, he will obtain the necessary additional information concerning the birth or the death or will, if indicated, make arrangements for a new registration statement to be completed. The Act does not give the director any express authority in this regard. The amendment will empower the director to have supervisory control over the contents of these registration statements. The Act now contains the procedures for registering

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births, deaths and marriages where they have not been registered within one year after the event occurred. These are known as delayed registrations. The provisions governing the delayed registrations of births, deaths and marriages are being amended so that the application need no longer be made in a prescribed form and need not be verified by statutory declarations. This has not been the practice for some time anyway.

The provisions respecting the re-registration of a birth, legitimated by subsequent marriage of the parents have been amended to make the requirements more flexible. Where the birth of a child has been legitimated by the subsequent marriage of the parents, but both parents have died, the birth may now be re-registered if an acknowledgement of paternity by both parents had originally been filed with the Director of Vital Statistics. An amendment provides that in such a case the application for re-registration may be made by any person satisfactory to the director as well as the child himself. This would permit a near relative acquainted with the facts to apply for re-registration of the birth where the natural parents had married subsequent to the birth, but both of them had died while the child was still quite young.

Subsection 2 of Section 17 now provides for the Division Registrar to issue a burial permit where the case is being investigated by a Coroner but where the Coroner cannot complete the medical certificate of death because he cannot for the time being certify the cause of death. This subsection is being revised to make the provision more complete and in particular to authorize the death to be registered before the medical certificate of death is completed.

The Act now makes provision for the registration of an event to be cancelled where the registration had been fraudulently or improperly made. At the present time this provision may be initiated only by someone making application to the director for this purpose. The requirement respecting the application is being removed so that the cancellation of a registration may be made by the Director of Vital Statistics on his own initiative.

Another amendment authorizes the Director of Vital Statistics to carry out the functions of a division registrar. For example, he may then register events by signing registration statements that are ordinarily signed by the Division Registrar. This occasionally arises when a registration statement is not completed in accordance with the Act and the director deals directly with the person making the statement for the purpose of having a new registration statement completed and registered.

Another provision states that events that occur outside the province are not registerable under the Act. This amendment is made for the purpose only of clarification.

Other amendments are all of a minor nature and can be

considered to constitute either drafting corrections or improvements. Mr. Speaker, I move that this Bill be now read a second time.

Motion agreed to and Bill read a second time.

Hon. D. Boldt (Minister of Highways) moved second reading of Bill No. 65 — **An Act to amend The Highways Act.**

He said: The amendments to The Highways Act are as follows. The present Section 25, subsection 1 allows the Department to provide public improvement construction service only to municipalities and to Departments of the Government of Saskatchewan. This construction services includes the construction, maintenance, repair, alteration or extension of various kinds of public improvement consisting not only of roads but also accesses in parking lots. Requests for this kind of work are now being received from the Government of Canada, mining and other companies, hospitals, churches and other organizations and some projects in the North to individuals. This proposed amendment is intended to authorize this work to be done on a recoverable basis.

The present Section 27, subsection (e) requires that all payees of the Warehouse Advance Account receiving \$100 or more be listed in Public Accounts book. The Select Standing Committee on Public Accounts on Printing has revised this requirement to the Public Accounts book and it is no longer necessary. This Section is therefore being deleted.

The Highways Act as now printed contains a printing error and this is being rectified.

The Department is finding that a number of truckers — and this is the main amendment — using our Provincial highways are either accidentally or intentionally loading their vehicles beyond the authorized limit and are evading being weighed at our permanent weigh scale locations. They will often by-pass these permanent scales by taking routes other than on our good roads or selecting highway routes on which scales are not located. Section 66, subsection 1 of The Highways Act provides that vehicles and their loads may be weighed by a means of either portable or stationary scales, but unfortunately prosecutions cannot be made on the evidence provided by using portable scales. The new Section enlarges on the penalties that may be imposed for infractions of vehicle load limits as contained in the present Section 67, by establishing the extent of fines that may be imposed. The law is five per cent tolerance when portable weigh scales are used compared to two per cent tolerance allowable at stationary scales. The present Section 67 requires that a weighing machine must regularly be inspected by the Federal Weights and Measures inspector who reports a certificate giving the weight of an overloaded vehicle which can be used as evidence. This does not allow any prosecutions

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to be made where portable weigh scales are used. The new Section allows the Minister to approve the use of portable scales and also specifies that a certificate of the weight as established on a portable scale may be issued by the same officers empowered to weigh vehicles and loads as presently contained in Section 68. If the operator of the vehicle being weighed on a portable scale does not wish to accept the weight established in this manner, new Section 67, 4(b) gives him the right to take the vehicle and its load to a stationary scale. To ensure that the load may not be tampered with or changed, the authorized officer may also take steps to ensure that there is no alteration in weight while the vehicle is being moved from the portable scale site to the stationary scale site. The new Section 67 finally provides that, when an operator of a vehicle and load has been weighed on a portable scale and elects to be weighed on a stationary scale, then a certificate issued for the portable scale cannot be used as evidence. The certificate of weight as established on the stationary scale then becomes the evidence should a prosecution take place.

Motion agreed to and Bill read a second time.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of Hon. L.P. Coderre (Minister of Labour) that Bill No. 34 — **An Act respecting Annual Holidays, Hours of Work, Minimum Wages and other Employment Standards** — be now read a second time.

Mr. F. Meakes: — Mr. Speaker, I just want to speak a moment or two on this motion. I rise to support the Members for Moose Jaw South (Mr. Davies) and Regina North East (Mr. Smishek) in their request that the Minister of Labour (Mr. Coderre) would consider the increasing of minimum wages. I do this mainly for one reason and I am going to talk about one group of people. These are the people that have not been mentioned in previous debate. This is a group of people who are under the minimum wage and who work in small villages and towns. We find that in practically every town and village with people working in service stations, in cafes, in hotels, small town hospitals and stores — and I know from talking to them — they are finding it increasingly hard to make ends meet. In many cases over 50 per cent of their wages is taken up in room and in board, add to that their laundry and their clothing and it takes pretty well all the rest. Then what happens is they get fed up with this and they head for the city where they hope that they can get a larger wage. I know from talking to businessmen in my community it is increasingly difficult to keep staff to work in the small centres. Mr. Speaker, because of this I add my pleas to the pleas of my two colleagues in asking that the Minister of Labour will consider and try to act on increasing the minimum wage not only for the cities and towns but for the smaller communities as well.

Mr. R. Romanow (Saskatoon Riversdale): — Mr. Speaker, I want very briefly to add just a few words of concern respecting this proposed Bill. May I say that I am going to be voting for the Bill on second reading simply because it is a consolidation and on that fact I think a meritorious piece of legislation. But I do think that we must reemphasize again to all Members of the Legislature that this Government opposite has been woefully weak and inadequate when it comes to really providing a Labour Standards Bill of the type that is expected by the people of the Province of Saskatchewan. I particularly want to draw very briefly the Minister of Labour's attention to four areas of concern.

Now, firstly, the minimum wage aspect of the so-called Labour Standards Bill is one that has been already discussed by my colleagues from Moose Jaw and Regina. I want to briefly put on the records that it is a well-established, economic fact that the minimum wages are inadequate and other minimum incomes are so low that they have a difficult time in making ends meet. There is an entire destructive effect on the entire economic community of Saskatchewan. It just does not make good sense, Mr. Minister of Labour (Mr. Coderre), to keep the minimum wage of the Province of Saskatchewan at a measly and paltry \$1.05 an hour, 95 cents for the country. I think in fact that the maintenance of this particular minimum wage probably is based on some outdated economic philosophy by the Minister of Labour and his cohorts opposite, that there ought to be a large reserve or a large pool of labor strength, on which businessmen can draw presumably at cheap rates in order to make sure that some maintenance or margin of profit can be maintained. The simple fact of the matter is in the long run, if this mentality is in fact the prevalent mentality, that it is a self-defeating argument. As enunciated by my colleague from Moose Jaw and the many statistics that are shown it is of economic importance that the minimum wage in the Province of Saskatchewan be increased, Mr. Minister, immediately. I think the suggestion of my colleagues of \$1.50 an hour is at least the minimum course of conduct for this Government to take.

Now, may I also just on this question of the minimum wage take one other point that I think is very important, Mr. Speaker. To me I think that probably a number of industries are affected, but no industry is as seriously affected as the restaurant or the food catering area. There are a number of industries that are grossly affected by the minimum wage. You see a sort of a standard is set and it is not going to take very much initiative or incentive for employers to go much above the standard, if they don't have to aim so high as a \$1.05. But I want to just bring to the Members' attention some of the figures respecting those who work in hotels, restaurants and taverns. Now these figures are as of July, 1968. Take for example in Ontario. The average hourly wage there according to the Dominion Bureau of Statistics was \$1.47. In Manitoba it is \$1.47. In Alberta

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it goes up to \$1.51. In British Columbia \$1.87. In Canada the average seems to be \$1.47. But here in Saskatchewan it is a paltry \$1.41, the lowest of the provinces that I have mentioned and certainly far below the standards imposed by the rest of Canada. I think, if this Government really is interested in uplifting and upgrading the conditions of the working man, if the Minister of Labour really is sincere about his concern for the economic opportunity for the working man, surely I think this one particular isolated example in this one isolated field is a strong enough argument for this Government to get off its field of inactivity and start doing something about raising the minimum wage level.

Now, Mr. Speaker, a second area of concern is the question of holidays. I think that automation, and I have talked about this in a number of other debates, and very briefly I am going to make the point again, automation is having a very serious effect on all aspects of our society and, Mr. Minister of Labour (Mr. Coderre), probably a most serious effect ultimately in the field of labor. In the field of labor, the type of people that the Minister administers or is in charge of, we have people who are trained to do specific jobs and when automation comes they are out of a job and usually far too old in order to be retrained. One of the solutions, it has been suggested by people who are trying to grapple with the problem of automation, is to try and make, for example, a shorter work week, shorter working hours per day, to spread out the opportunities to a number of people. This is also applicable in respect to holidays. I think far more important than that as well is just the basic principle, notwithstanding some of the derogatory remarks by the Minister of Labour made yesterday against my deskmate (Mr. Smishek), about holidays for every occasion, but one of the most important principles involved here is that a man who works hard by the sweat of his brow and his toil ought to be given a decent holiday after a number of years of work. Surely it is not unreasonable, if we are considering an enlightened society if we are talking about the industrial state of Saskatchewan, surely it is not unreasonable to inject a little bit of humanity, a little bit of progressive legislation and adopt a far better holiday program such as four weeks after every ten years, as proposed by colleague from Regina and my colleague from Moose Jaw.

Now, Mr. Speaker, one brief comment about the actual working week. The arguments that I have already enunciated respecting the holidays apply here as well. I don't want it to go by without again reminding the people of Saskatchewan and the Legislators of this House that this Government showed a callous disregard for the power that it has by refusing last year to allow my colleague from Regina to introduce the 40-hour work week bill. This is a piece of positive legislation that any proposed Labour Standards Bill, Mr. Speaker, in my view ought to implement and implement now. All we have here is simply a consolidation of statutes that were fine five years, or ten years ago. In fact, as my colleague from Moose Jaw

pointed out, we pioneered in the field of labor legislation, advanced labor legislation, but now in the 1970s it is simply not good enough. I don't know why, and I hope the Minister will try to answer, why it is that he refuses to lower the working week to 40 hours a week, when everybody, the commonest and humanist labor people are advocating this particular change and the Federal Government as well, as my colleague has pointed out.

Now, Mr. Speaker, I want to make one final observation in the fourth area of concern about this so-called Labour Standards Bills. I am afraid, like my colleagues, that this Labour Standards Bill is apt to be misused by my colleagues opposite, and I think my fears are somewhat justified, misused and used as a great symbol of setting certain standards for the well-being of laboring people in the Province of Saskatchewan when really all it is is consolidation. I simply want to point out to the Minister of Labour (Mr. Coderre) that a true Labour Standards Bill ought to be concerned about certain standards of safety, and certain standards of health regulations for the working people in the Province of Saskatchewan. Now I know that there are a number of other Statutes that in a piecemeal way, in my submission affect this particular area, but by and large this Labour Standards Bill is deficient because it is blind to the fact of the needs of labor safety and labor health devices. The other day, in course of estimates, one of my colleagues raised the question of the potash industry. I for one, Mr. Minister of Labour, feel that now with the number of potash industries that have come to Saskatchewan — I might add pioneered by the CCF Government in 1964 — the number of workers that are here probably necessitates some form of labor standards respecting their well-being, respecting their health and their safety. It is a peculiar, a special type of industry. Now I am not really satisfied with private and public assurances by the industrialists, the people who own the potash companies, that all is well when a man works eight hours or how many other hours a day he works underneath the mine for X number of years. The fact is that, while he is working under the mine in this particular type of industry, he is inhaling air that is in effect polluted because it has a number of chemicals by the nature of the operation in the air. The effect is, I am informed by a number of people in private conversations, that sometimes there is a possibility of a chest ailment. There is apparently the effect on a nose bridge being worked away by the effect of salt on a person's bone structure. I don't know if these things are in fact accurate, whether I have been told a bunch of old wives' tales, but I can say this, that the frequency with which these types of observations come to my attention, Mr. Speaker, prompts me to ask this Government: has the Government, in attempting to set up a Labour Standards Bill, considered this question of safety in this particular industry of potash? If you look at this labor Bill that we are debating in second reading the obvious answer is No. Now I have been told another thing, - and I would like to have the Minister's observation in this regard — that during the course of

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construction sometimes men have to scale large heights. From time to time we see a working man who falls and kills himself. Now industrial accidents are inevitable. They are going to happen. But has this Department of Labour taken the proper steps to ensure, for example, in the potash industry during the dangerous period of construction, that the employers are required to take the best possible facilities to ensure that the possibility of accidents is going to be minimized? And I think the answer is No. If they did, they would incorporate it in the true Labour Standards Bill.

Another situation is the question of hours of work. One of the potash people has indicated to me that he puts in the ordinary eight hour-day, but frequently is asked to come back to put in two hours with respect to fire training or fire drill. How does this fit in? Now if they are unionized, they are fortunate to have someone to speak for them and negotiate with the employer and these things are straightened out. But a vast portion, far too vast a portion of the potash industry is unfortunate in not being unionized and should be protected, Mr. Speaker, by some form of a true Labour Standards Bill. And so therefore in my view, although I am going to be supporting this Bill on second reading it is deficient because of these four observations that I have made. It also pinpoints the one thing that we on this side have been saying for a long time. What we need in the Province of Saskatchewan is a labor code, a labor code that sets out standards, wages, hours of work, holidays, the entire matter of setting proper standards, so that working people are ensured a decent standard of living, a decent respect for all the toil that they put in our industrial society.

Mr. Speaker, I am going to support this Bill on second reading but I can tell the Minister of Labour that I am greatly disappointed, disillusioned and disenchanted with the particular approach of this Government which can be best symbolized by a do-nothing attitude as shown by this Labour Standards Bill.

Some Hon. Members: — Hear, hear!

Hon. L.P. Coderre (Minister of Labour): — Mr. Speaker, in closing this debate and without fear of contradiction or criticism that has been handed down by the Opposition, I state that most emphatically that all legislation or legislative action that has been taken by this Government has been most progressive and has been very responsible. I suppose that at this time I should blow my horn. I need take no back seat from anyone for my actions as Minister of Labour.

Some Hon. Members: — Hear, hear!

Mr. Coderre: — Now for example when you were on this side of the

House for 20 years, you had your chance. When I took over as Minister of Labour I noticed that quite often many employees were left without wages due to lack of concern on the part of the Government at that time. Two years ago we realized this situation and we brought in legislation, which is known as a third party demand, and this has lowered the wages lost to employees by about 30 per cent alone. I feel very sorry when a working man comes into the Department who for some reason or the other was not able to get his wages. What was the Hon. Member from Moose Jaw South (Mr. Davies) doing when he was in Government? He claims to be the standard bearer of labor but he has done nothing. Why didn't he suggest progressive changes to the Act? Now they have got all the answers. As I was saying, Mr. Speaker, it became evident that many employees were not getting their wages and as I said in 1967 we brought in legislation which is commonly known as third party demand, which in fact meant that, if a contractor was employed by a prime contractor, or by anyone for that matter and it became evident that this subcontractor was on the verge of insolvency and where a request had come in from an employee that he had not been paid his wages, or it became evident through the routine inspection, we could serve to the prime contractor or to the person whom the work was performed for, a request to hold back payment to the subcontractor in question or the contractor, and pay such amount to the Deputy Minister. This money was then paid to the Deputy Minister, handled by the Deputy Minister in a trust fund and held there until such time as properly adjudicated either by the staff or as the case might be, if it was contested, then by the courts. Then this money was paid to the employees. Here was one of the biggest loopholes we found. Why was not, this amendment brought in when you were in the Government and a Member of Cabinet besides that? I say, Mr. Speaker, they sat on their big fat seats and did absolutely nothing. So far as protecting the individual employee of this province, Oh, they were concerned for their cronies, but they weren't concerned for the majority of the people. Yet they have the audacity to be critical, then they say, "Well, we'll support the Bill." In respect so far as labor is concerned, this Government doesn't have to take a back seat so far as protection of the individual is concerned. I am concerned more with the individual than any organized group or any pressure group. It has been indicated very often in this House — the Attorney General (Mr. Heald) has done a lot in this respect in the field of protection of individuals — that the Department of Labour has a record second to none in Canada for its protection of employees. I can assure this House the consolidation of these Acts is in no way less beneficial than they were before, and it took one and a half years of the Department of Labour's staff in order to prepare this consolidation. Then you find the Members opposite being critical and suspicious. Naturally to a Socialist mind, suspicion of everything is the rule. This consolidation, Mr. Speaker, I think, will be one of the best in Canada. Of course, as I have also indicated before and I am repeating again, another provision will be brought in here where a company has become insolvent. The right of the employee to his wages will be strengthened and he will be assured of

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receiving his wages. I have indicated when I gave first reading, and I want to repeat again to this House, that under The Bankruptcy Act an employee has first priority to his wages but a company can at times become insolvent and not file under The Bankruptcy Act because of the costs and charges involved, and the creditors take the operation over. Very often the employee is left out without his wages. There is a provision in this new Act that will close this gap. This we feel again will assist to collect a good 50 per cent of the uncollected wages as at the present time.

Some criticism was made of the Act generally for lack of information to employers and employees alike. It is no wonder that the employer and employees did not have the information with the conglomeration of Acts that there was here, very often some contradicting another. Eight different Acts consolidated into one. One of the reasons for consolidation is you will have a solid base to work from. This is worthy of some mention, and I will mention it later. I can say to this House that, even though there are still wages lost or not paid for some reason or another, the Department and the Labour Standards Branch have collected a greater proportion of wages in five years percentage wise than the former Administration had ever done in any one year. The regulations pertaining to this Bill will be looked at most carefully and we'll take a very positive approach to better protection of the employees.

I have one basic principle that I have adopted as Minister of Labour that I will protect the employee at all times, and will protect the third party, an innocent party, against the actions of any two parties.

An Hon. Member: — Catch them . . .

Mr. Coderre: — Criticism was made about the 44-hour week, that it should be lowered to 40. I take it that it would probably be most unappropriate at this time to do so, because we have the lowest average unemployment rate in Canada. This is not our figures, these are DBS figures. The Hon. Member from Moose Jaw South (Mr. Davies) has consistently tried to refute these. I have given him the authority, and it is no use repeating. He just doesn't want to understand. He is a great juggler of figures. He makes mountains out of mole hills or something.

An Hon. Member: — Mole hills out of mountains!

Mr. Coderre: — I find quite often the odd union agreement which is still on 44 hours. I think that, if the trade union movement would get out and do their stuff, that's their job, that's the time to work for 40 hours a work week.

An Hon. Member: — Pay attention, Bill, you'll learn something.

Mr. Coderre: — With a very low unemployment rate now is not the time. When you find that at your peak employment . . .

Mr. Smishek: — You promised it in 1964!

An Hon. Member: — Listen, Walter, now you'll learn something!

Mr. Coderre: — Who promised? Did you promise it? That's what you have been promising, that's what your party has been promising for 20 years, and they haven't got there yet. There is no change from what it was before.

Mr. Blakeney: — Five years and no change!

Mr. Coderre: — There was no change from 15 years ago. There was no change in your last 10 years of office.

An Hon. Member: — Did nothing for 10 years!

Mr. Coderre: — Then the suggestion was made about annual holidays. We at present have a two-week holiday after one year's service and three weeks after five years. Of course, now they want to raise it to two, three to five and to ten, they want to give away. But they seem to forget that in the construction industry, which is a greater segment of our work force in Saskatchewan, literally thousands of employees in the construction industry lost holiday pay, and we brought in a provision a few years ago which made it possible where a man would have 1/26 of his wages automatically. Why didn't you do that? You are ready to give away the moon. We had to bring in most progressive changes in legislation and they have been brought in by this Administration.

Mr. Heald: — All talk, no action!

Mr. Coderre: — You know, my good friends across the way are just like greyhounds these racing hounds. They run fast when they are the Opposition, but by gosh they moved slow when they were on this side of the House. Of course, the Hon. Member from Moose Jaw, the Hon. Member from Regina and the young man from Saskatoon, are very concerned and want to see more action on the part of the Minimum Wage Board. I would like to remind the Members of this House that the minimum wage has been increased on four different occasions. The last time that the Minimum Wage Board sat down they brought in uniformity out of a conglomeration of 14 different types of regulations which applied to one place or the other. We had to clean up this mess. It is only five months ago that the minimum wage was raised, and it will be raised and looked after by the Board. I need make no apology for it. Then the Hon. Member for Touchwood (Mr. Meakes) said

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that some of his people who are in business in his community are unable to get people because the minimum wage is too low. What a weak argument! All they have to do is offer a little more. Now what a weak argument. This is the type of argument that I have been getting from across the way. In view of the criticism of the activities of the Government, I would like to outline very clearly that the Minimum Wage Board is in an advisory capacity, an advisory board to the Government, and the Government at all times has taken the advice of the Board, based on the Board's recommendation. The members of the Board are known throughout the industry, both labor and management, they have made their recommendations and we have accepted the recommendations that the Board has made and have put into effect. It appeared to me that while you were the Government you didn't take the Minimum Wage Board's recommendations. You have not . . .

Mr. Romanow: — . . . hold hearings!

Mr. Coderre: — Hold hearings? What's the use of holding hearings if you didn't abide by them. Now you have the audacity to assume an irresponsible attitude while now you are in the Opposition. And by gosh you are going to be there a while too.

The Hon. Member from Moose Jaw has the audacity to belittle the integrity of the people on the Minimum Wage Board, saying that the Government pressured the Minimum Wage Board to make recommendations. This Government does not pressure the Boards it appoints.

An Hon. Member: — Shame, shame!

Mr. Coderre: — The Hon. Member should be ashamed of himself. If the Hon. Members of this House wish, they can come to the Department of Labour and see the minutes of every Board meeting and see what the recommendations have been. They have been put into effect. I would like to ask the Hon. Member from Moose Jaw for example, to ask Mr. Joyner from Moose Jaw who is a Member of the Minimum Wage Board whether he has been pressured into it.

Mr. Davies — He's not a member now.

Mr. Coderre: — He was and still is a member. He is a member of the Minimum Wage Board. I would ask the Hon. Member from Moose Jaw again to see Joe Sirke who was one time the president of the Regina Regional Labor Council, whether he can be pressured by anyone. False accusations, try to create a big smoke screen. It is not an iron curtain, it is a smoke screen. There has been criticism about no information on the records about the number of people who are on the minimum wage. There was no record when we came in, we are gathering records as much and as quickly as possible. It is a very difficult thing to be able to ascertain the number of people on minimum wage because

of the mobility as even the Hon. Member from Touchwood said. They leave one place or the other. We are doing so in a regular and methodical manner. We are now gathering this information and I hope some day to get precise and exact information on this matter, although, as you know, and as I have indicated, it is difficult to get this information. When occupations might work for three or four days, how can you ascertain just exactly the number of people on minimum wage? It is a ridiculous question you ask.

I would like to ask my good friend — and as I said it is a little late for him to answer — when he was in the Government and when he was in the Cabinet, why were those changes not brought in? The funny part of it, he has had a lot of experience in the labor movement, and didn't do anything about it. Then the Hon. Member from Regina and in his most irresponsible way came up with a few suggestions of course which need no answer. It is no wonder they removed him from his position as executive manager, or secretary of the Federation of Labour. It is no wonder that the union was de-certified from under his jurisdiction, so what he thinks, well . . . let's not worry too much about it. Then he states that there were no criteria for this Board to sit, or when the Board sits or reviews the Minimum Wage Board. There never have been, there never are anywhere in the country any basic criteria that the Board should sit at precise times. It is based on the fluctuation of the economy and that's the way it is. But if it was so needed, why did you not include that in the Minimum Wage legislation when you were the Government?

Mr. Speaker, as a Member of his Government I am proud to stand here and introduce this Bill and propose second reading. The Government wants no credit, and asks for no glorification from my friends opposite. But it will do everything it can do to look after the welfare of the working people. I am not going to stand in this House to seek self-glorification for it. I have looked after the Welfare of these people. This Act will be a base to work from. The Hon. Member from Saskatoon mentioned that some people worked eight hours a day and then have to come back two hours in the evening. He knows well enough that under the present Act, and if he has any people like that, he knows as a lawyer, that when they have to return to work they have to be paid time and a half whatever the case may be. Why try and becloud the issue by bringing in a situation like that?

An Hon. Member: — \$50 an hour.

Mr. Coderre: — Then of course the Hon. Member mentioned something about mines, about conditions of mines, and about all this sort of stuff. I thought that the Hon. Member was supposed to be a legal beagle or a lawyer and would be able to differentiate one Bill from the other. It seems to me that under the Workmen's Compensation Board where these types of illnesses are considered, that's where it should be discussed. I thought that labor

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standards are; minimum wages, hours of work, holiday pay, annual holiday and everything else. This is what it is. However, Mr. Speaker, I could go on and on because they have made so many wild statements. I think it is a good Bill, a good Bill to work from.

Some Hon. Members: — Hear, hear!

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Coderre (Minister of Labour) that Bill No. 44 — **An Act to amend the Workmen's Compensation (Accident Fund) Act** — be now read a second time.

Mr. W.G. Davies (Moose Jaw South) — Mr. Speaker, the Bill before us deals with a matter within the purview of The Workmen's Compensation Accident Fund Act. My first remarks must be one of real disappointment and concern that the Bill is so brief and so fragmentary. Last year the Committee of Review of the Compensation Act was appointed by this Liberal Government. The appointments were made because of the Statute that requires the review to be made by a Committee representative of employees and employers, every four years. As a matter of fact this Committee was appointed one year later; one year later than is required by the legislation. Mr. Speaker, this Committee conducted hearings and held its own meetings during 1968. Finally in the latter part of the year, I think in November, it reported to the Minister of Labour.

This Committee has made an impressive number of proposals on changes in the Compensation Act and its operation. As you know, I have requested the Minister of Labour to supply copies of the Committee's report. Now that the House has received this report, it will be aware of the great gulf that stands between the Bill before us and the Committee recommendations. The Minister, Mr. Speaker, has simply ignored many worthwhile and necessary amendments suggested which should have been in this Bill. The Bill should have reflected changes requested by the Committee and by many employee groups, because I think they are long overdue in almost all cases.

Labor briefs to the Government have continually requested, for example, low pensions set by the Compensation Board be updated. The least that could have been done as recommended by the Committee was to put compensation pensions on a basis where increases and the cost of living would be recognized. The Committee of Review has also among other things recommended a change in the appeal procedures of the Compensation Board and a provision of some kind of an Ombudsman for injured workmen.

Now, Mr. Speaker, without referring to the specific proposals of the Committee, this Bill does not even attempt to give consideration to increasing widows' pensions which are only

\$1,320 yearly, just 26 per cent of the average weekly wages of workmen in Saskatchewan over a year ago. Surely this pension should be increased in view of today's circumstances. The compensation received by workmen is another matter which this Bill should consider. The 75 per cent basis should be improved upon. Compensation recipients according to the 1967 report of the Compensation Board have often received very low payments. Thirty-eight per cent of the days paid in the last report for accidents involved payments of \$47.25 a week to \$57 weekly.

Mr. Speaker, we are dealing with a vital subject to Saskatchewan society. The Chairman of the Compensation Board has admitted in a speech to the Safety Council in 1967 that the aggregate cost of accidents in industry in this province reaches \$30 million each year. This figure is 40 per cent of the wage and salary bill for the entire manufacturing industry in Saskatchewan in the year 1966. This figure illustrates the gigantic bill being paid by industry, by employees and by the public due to industrial accidents. Mr. Speaker, there is nothing in this Bill whatsoever that recognizes this huge cost or the mental anguish, the sorrow, the grief, and the emptiness for disabled workmen and their families, including the 66 people who were killed on the job last year.

Mr. Speaker, as it is close to 5:30, I would beg leave to adjourn the debate.

Debate adjourned.

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