

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session — Seventeenth Legislature**  
**23rd Day**

**Monday, March 27, 1972.**

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

**INTRODUCTION OF CUBS**

**Mr. D.M. McPherson (Regina Lakeview):** — Mr. Speaker, it gives me great pleasure today to introduce the Cub group from Pilot Butte, Saskatchewan. Pilot Butte is just on the east edge of Regina in the constituency of Lumsden. The Member is away today and it gives me great pleasure to introduce 23 Cubs, they are here with Mrs. Alice Morse, their leader, and Mrs. Donna Johnson, assistant leader, Mr. Howard Clark, another assistant leader, and Mr. Wayne Taturan the Scout leader. The parents have driven them in, Mrs. Lorenzen, Mrs. Woods, Mrs. Toat and Mr. Lorenzen. I know that you will join with me in wishing them a happy day in the House, may it be educational and may they have a safe trip home.

**Hon. Members:** Hear, hear!

**QUESTIONS**

**MILL RATES FOR SCHOOL UNITS**

**Mr. D.G. Stuart (Leader of the Opposition):** — Mr. Speaker, I should like to direct a question to the Premier in the absence of the Minister of Education. The Minister of Education, in his Speech from the Throne, the Premier, when he brought down the Budget, and the Government in their campaign promises, promised not only to . . .

**Mr. Speaker:** — I must ask the Member to just ask the question.

**Mr. Stuart:** — Yes, Mr. Speaker, I will ask the question as soon as I set the stage for the question.

**Mr. Speaker:** — I cannot permit setting up a stage.

**Mr. Stuart:** — You haven't even listened to what I am going to say. If you listen to what I am going to say, then you think I am out of order, then call me out of order.

**Mr. Speaker:** — You must not preface your question . . .

**Mr. Stuart:** — I am not prefacing, with all due respect, Mr. Speaker. I am going to ask the Premier in view of the fact that he made a promise in the campaign and in his Budget, as was echoed by the Minister of Education, that the school boards and the school districts and the school units in this Province would be able to deliver to their people the same level of education

with, if at least not an increase in mill rate, a sharp decrease in mill rate, but no increase in mill rate. We have had complaints from school boards and school units all over this Province that to maintain the same level of education they are going to have to increase their mill rate very sharply. My question is: in light of that – surely you can ask a question with a preface to lead up to your question – in light of that when is the Premier going to tell the people of this Province the truth, that 20 or 30 per cent of the school units in this Province are going to face a sharp increase if they have any hope of maintaining the same level of education they delivered last year? When is he going to tell them the truth?

**Hon. A.E. Blakeney (Premier):** — Mr. Speaker, I think the Minister of Education (Mr. MacMurphy) and certainly I have been very, very clear in describing the new school grant formula as one which attempts to equalize mill rates across the province. It has been pointed out that mill rates will be attempted to be equalized to a computational mill rate which has been stated to be 45 mills in the city and 40 mills in the rural areas. It has been clearly stated that this will mean, for some school units which are well below the computational mill rate, an increase in mill rates and for other school units or school jurisdictions which are well above the computational mill rate, a sharp decrease in mill rates. I think the Member for Prince Albert West is approximately right when he suggests that two-thirds of the jurisdictions will have a cut in mill rates and one-third will have an increase.

**Some Hon. Members:** Hear, hear!

**Mr. Stuart:** — A supplementary question, Mr. Speaker. The Premier is then announcing that his campaign promise was as hollow as most of them that there will be a sharp increase for mill rates by at least one-third of the school units?

**Mr. Blakeney:** — No. The campaign promise, Mr. Speaker, was, as is well known and is around in 200,000 copies, that we would decrease school mill rates to 25 mills for basic school costs on an average basis. There . . .

**Mr. Stuart:** — Oh, you are weakening . . .

**Mr. Blakeney:** — Not at all, Mr. Speaker, if the Member for Prince Albert West would confine his reading to matters on which he speaks he would know that the clear promise was, “Average mill rates for basic school purposes 25 mills across the province”. It’s around, in 200,000 copies, that is what we promised and that is what we intend to deliver.

**Some Hon. Members:** Hear, hear!

#### **MILL RATES MOOSE JAW SCHOOL UNIT NO. 22**

**Mr. D.F. MacDonald (Moose Jaw North):** — Mr. Speaker, I should like to ask the Premier if his Government would be willing to meet with the Moose Jaw School Unit No. 22 and reconsider the Government’s cutting of the

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grant from \$339,000 last year to \$238,000 this year, a decrease of \$101,000 which represents a 4.5 mill increase to that particular board?

**Mr. Blakeney:** — Mr. Speaker, allow me to assure the Hon. Member that the Minister of Education would be pleased to meet any school unit to discuss the mill rate increase. As I recall, I am speaking from memory now, the existing mill rate in the Moose Jaw Unit was 35.5 mills last year and it is entirely possible that any school units which was operating on a mill rate of 35.5 mills may suffer an increase in mill rates to get them closer to the computational mill rate of 40 mills for school units. This, as I say, is the announced policy. We would be very happy to discuss it and I know the Minister of Education has already made a number of appointments to meet with school units and if the Moose Jaw School Unit would like to make a similar appointment I know the Minister would be happy to meet them.

**Mr. Steuart:** — Mr. Speaker, just on a Point of Privilege. I have one of those 200,000 copies, New Deal for People. On page 11 it says, a New Democratic Government will (1) sharply reduce property tax mill rates for basic school operating costs on homes, farms and small businesses. Nothing about average, nothing about what the Premier said. Was he lying then or is he lying now?

**Mr. Blakeney:** — Mr. Speaker, I know that document. I would advise the Hon. Member before he speaks to look at the election program which is the orange card . . .

**Mr. Steuart:** — Ohhhh . . .

**Mr. Blakeney:** — . . . the orange card elaborates that particular plank and make clear in precise English that the promise is to average 25 mills for basic school purposes. I invite Hon. Members to read it. This is what was said and this is what we intend to do.

**Mr. Steuart:** — . . . something to read to find out their program.

**Mr. Guy:** — Could I ask the Premier if he would send us 15 copies of that orange card over to this side of the House then.

**Mr. Blakeney:** — Mr. Speaker, I am surprised that Hon. Members do not have many more than 15 copies. I would invite Hon. Members to fill their files with those types of programs which have proved to be so outstandingly successful.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — They obviously need some support in drawing up an election program. You will note with some care and I invite you to read the inside front cover of that one, that's the program which we intend to 'launch' during our first four years of

office and please kindly read it. The orange card says with some degree of clarity that our 1971 election program is as set out and we were very careful in the 1971 election program to say, "25 mills for average school purposes".

**Mr. J.C. McIsaac (Wilkie):** — Just a final question on this question as far as school grants is concerned. I have before me a summary of a West Central Trustee meeting held, I believe, in Rosetown last week. In that there are six school units listed, Kindersley, Outlook, Eston-Elrose, Rosetown, Kerrobert and Biggar. Biggar is the only one for which there is no report, the other five, Mr. Speaker, and Kerrobert certainly couldn't be considered a wealthy unit, all for showing increases in the mill rate this year. Four out of six are showing decreases in the grants. Now, Mr. Speaker, my question is: I am not sure where those two-thirds of the school jurisdictions are that are going to get a larger grant to be able to reduce the mill rate, but it certainly would be simplified if the Minister or the Premier could table as someone promised to do some time ago in the House, the list of the grant estimates for this year across the province.

**Some Hon. Members:** Hear, hear!

**Mr. Blakeney:** — I will certainly take that up with the Minister. I thank the Hon. Member for Wilkie for drawing this to our attention.

## MOTION

### HOUSE ADJOURNMENT

**Hon. R. Romanow (Attorney General):** — Mr. Speaker, before the Orders of the Day, I wonder if I might by leave of the House, move, seconded by the Hon. Premier,

That when this Assembly adjourned on Thursday, March 30, 1972, it do stand adjourned until Monday, April 3, 1972.

Very briefly speaking to this, it is our intention to adjourn the House at 5:30 o'clock or thereabouts on Thursday afternoon so that there won't be any Thursday evening sitting. If the House gives leave and passes this motion, we would not sit on Good Friday or Saturday or Sunday to come back on the normal hour at 2:30 o'clock on Monday.

Motion agreed to.

### ADJOURNED DEBATES

#### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. MacMurchy that Bill No. 2 – **An Act to amend The Teacher Salary Agreements Act, 1968** be now read a second time.

**Mr. C.P. MacDonald (Milestone):** — Mr. Speaker, I have a very few words to say on this Bill. As you know this is the Bill which the Minister of Education has asked leave of this Assembly to relieve himself

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of all responsibility in regard to teacher negotiation with trustees in the province. To be specific the Minister of Education asks that he withdraw from the Bill The Teacher Salary Act, that clause which gives him the power to set up an arbitration board if and when teachers and trustees are not able to meet again.

Mr. Speaker, of all the times, as I pointed out the last time I rose in this House, of all the times that this Bill should be coming before the House is when teachers and trustees across the province are unable to sit down and reach any kind of a settlement. When thousands of students in area 4 are not being served by the school system because of a withdrawal of teaching services because of the inability of teachers and trustees to reach an agreement. In this day of strikes and labor disputes and withdrawal of service certainly one of the very important things is that every avenue should be investigated and carried out to solve a labor dispute. Here the Government of Saskatchewan and the Minister directly responsible is saying that I want to hide behind my desk, I want to withdraw my responsibilities, I want to have nothing to do with it in order that teachers and trustees, if they are unable to get together will continue this conflict. Mr. Speaker, I think at this time there is only one solution to this problem. As far as I am concerned there is only one thing that should happen to this Bill, that this Bill should be withdrawn from this Assembly, that the Minister of Education should assume his responsibility, that he should provide some leadership in this dispute. Therefore, I move, seconded by the Member for Moosomin (Mr. Gardner) that all the words after the word "That" be deleted and the following be substituted therefor:

Bill No. 2 be not now read a second time but that it be read six months hence.

The debate continues on the motion and the amendment.

**Mr. Romanow:** — Mr. Speaker, on a Point of Order. Is the debate concurrent or strictly on the amendment in this type of a motion?

**Mr. Speaker:** — It would be concurrent on this motion, but the Member for Wilkie has not spoken on the amendment. He spoke on the main motion, he would have the right to speak on this. But other Members speaking will be speaking on both the amendment and the motion.

**Mr. J.C. McIsaac (Wilkie):** — Mr. Speaker, on this particular amendment I would certainly ask the Government and the Minister of Education and his colleagues very seriously to consider the amendment that has been proposed by the Member for Milestone. Here is an issue and here is a question, Mr. Speaker, about which the Government doesn't seem to have decided where it wants to go. I refer to the entire question of collective bargaining between teachers and trustees. We have heard promises, we have heard great commitments and great speeches and great espousals made prior to June 23rd about what was going to happen. Nothing much has happened since that. I am personally convinced that it is not a matter that is going to be easily resolved for the Government. I am personally convinced also that it is not going to be helped by proceeding with the Bill that the Minister did bring in, Bill 2, removing the possibility of the Minister sending a

dispute to arbitration. Certainly when two weeks ago the Minister himself announced the four conciliators who served in the course of trying to bring about settlements under this Act when he announced that these four men would be drafting legislation, I believe he said and the Premier later corrected this, to say they were going to be advising. I checked again with the Minister's Press comments on that and it did point out that these four men were going to be drafting legislation. Now, in light of the indecision and in light of the fact that the Government hasn't decided where it's going to go and what it's going to do, in light of the fact, Mr. Speaker, that many school boards are faced with decreases in provincial grants, it certainly does affect their bargaining position. Whether it should or whether it shouldn't is another point that can be argued. But certainly it always has affected their bargaining power and the point from which they do bargain. That fact, plus again the uncertainty with respect to school grants across the province I think combines to make a very good case for the Government to reconsider bringing in this Bill at this point in time, and indeed deferring this legislation or any other legislation affecting teacher trustee bargaining for at least six months.

**Some Hon. Members:** Hear, hear!

**Mr. McIsaac:** — then come back in with the Bill when they have held public hearings, major public hearings across the province on this very thorny issue, and I agree it is a thorny issue and it exceeds and goes beyond political considerations, there is no question about that. I do ask them to give a much fuller consideration of this whole question than they have up to now to withdraw this Bill and hopefully at another session or at a later date to bring in the kind of legislation that has been developed by study, by reasoning and by listening to viewpoints from all sides. If they would proceed with this amendment this would enable them to take such a course of action, Mr. Speaker.

**Mr. J.R. Comer (Nipawin):** — I should like to address a few brief remarks to this Bill. As the Member from Wilkie (Mr. McIsaac) mentioned, Bill No. 2, I think that probably we can be more satisfied with this Bill No. 2 than one that came in a number of years ago.

More specifically, I should like to deal with the parts of this Bill or the principles of this Bill that strike from The Teachers Salary Agreements Act some of those amendments that were brought in in 1971. The amendment moved in 1971 stated that a Minister may appoint a Board of Arbitration. In effect this Board of Arbitration was to be appointed on or after January 7th. In looking back through the past copies of the Debates of this House I noted that the then Minister of Education, the present Member from Wilkie, emphasized the 'may' clause, the government 'may' introduce or 'may' set up a Board of Arbitration. He emphasized at that time that by introducing the 'may' clause the possibility of setting up a Board of Arbitration, he would speed up bargaining. He'd speed it up by approximately 45 days. This was the principle the former government I think followed pretty consistently, the fact that they liked to have bargaining in a position where at a certain date they could put in arbitration, assuming, or at least claiming to assume, that this would speed up negotiations. And this isn't what happened, negotiations weren't speeded up by 45 days. What really

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happened was that bargaining stopped. I think that the former Minister of Education was probably sincere in moving this amendment but what he and what the former Government failed to understand was that once you set a deadline on negotiations you stop negotiations. You make one side wait until the deadline realizing that another body is going to settle. To a large degree I think this is what happened this year in teachers' salary negotiations. Each side in a sense is waiting for the Government to settle and this isn't a good principle. The amendment that has just been moved again espouses the principle, let's have a deadline. All you do is put off for a little while longer real bargaining between teachers and trustees by putting in deadlines by putting in compulsory arbitration. Mr. Speaker, I feel that by removing the provision for compulsory arbitration collective bargaining can be restored. There will be some difficulties. I don't think we can expect the teachers and the trustees to fall easily into a position where bargaining will once again occur. There may have to be other changes in the Act in the future. But I think we should be proceeding and I think this Act is beginning that process to a point where bargaining will occur, where real negotiations will occur. You know it's a simple thing, the Government can settle every wage contract if it wants but we may as well forget about collective bargaining and we may as well forget about industrial peace of any sort. Because the teachers at times won't be happy, at times the trustees won't be happy and the only way to iron out the difficulties is to allow bargaining to proceed without interference from the Government. This principle of always having interference I think to a large degree ended negotiations.

You know we can complain about the problems of negotiations, the strikes which are common, the threats of strikes, the long drawn out negotiations. You can say there has to be a better way, a quicker way. But you know we can say the same thing about this House. You know it would be fairly simple to have a board of three people to run this Province. Decisions would be made quickly, heaven help them when anything went wrong. And the former Government always held up the panacea of compulsory arbitration. This avenue may have shortened a few strikes but in every part of the world, if you look at the records from around the world, where compulsory arbitration was used, it failed to bring industrial peace. I think this is something we also have to remember, we have to have a satisfied teaching force and satisfied trustees and in the long run compulsory arbitration won't do that. In a sense the former Government's attitude towards compulsory arbitration was that you put in compulsory arbitration, there is no strike, isn't that good. But you forget the underlying problems, the underlying problems of discontent among the different sectors of the labor force, the teachers, and different sectors you might say of management, the trustees. In a sense the Liberal solution to collective bargaining problems was something like if someone put a teakettle on the stove and didn't like the steam so they plugged up the spout and then you can stand back and say there is no steam. There isn't for awhile but heaven help you when there is.

Mr. Speaker, I am glad to support this Bill, I will oppose the amendment.

**Some Hon. Members:** Hear, hear!

**Mr. K.R. MacLeod (Regina Albert Park):** — Mr. Speaker, I just have a few words on this Bill. The Hon. Member from Nipawin referred to industrial peace and seems to believe that the allowance of a lengthy period for bargaining is the solution to the problem. I can assure the Hon. Member that this is not the case. The teachers are very unhappy today and they are very unhappy today partly because of the length of time it takes to come to the solution of the problem. They want to know how much money they are going to get and they would like to know how much they are going to get before they finish earning it.

He says the teachers won't be happy and the trustees won't be happy. I wonder if he remembers a speech of the Hon. Premier given sometime early in December in which the Premier said that he had "removed the causes of friction between school boards and trustees". If that is the case I wonder what we are hearing now between the school boards and trustees. To me it seems that there is still a little bit friction. The Hon. Member from Nipawin says that the one thing they must do is remove the interference of Government. I can assure the Hon. Member that as long as the Government holds the purse strings there will be interference, direct or indirect nonetheless. They are calling the shot. They can pretend they're not but the man who pays the piper calls the tune. There is an old German adage, "Whose bread I eat, his song I sing". Well, that's exactly what's happening today. The teachers are very unhappy because of the amount of money they are going to get. The school boards are going to find that they have got to pay more money and they are going to have to pay more money out of additional tax revenues imposed upon their own taxpayers despite the promises of this Government.

**Some Hon. Members:** Hear, hear!

**Mr. MacLeod:** — Mr. Speaker, I just have one more brief comment and that is this. We have attempted over the months, over the years, (the Liberal Government and the NDP Government) to bring a change about in education. This is an ever-growing and ever-developing process. In the process of development they forgot to make some fundamental changes in the structure of the school units and the school boards. I am told by the school teachers that there are 13,000 trustees in the province, but there are only 11,000 teachers. This seems to be a total imbalance. This Government, by this Bill, is doing the very thing that they criticized the Liberal Government for doing. They say the Liberals provided a patchwork solution. There is nothing that they have presented that is more a patchwork solution than Bill 2, and as a result I think it is an insult and a shame and until they can bring in a Bill that is worthy of the name, I think they should hoist it for six months and then let's see if we have a real overall solution to the problem.

**Some Hon. Members:** Hear, hear!

**Mr. E.L. Cowley (Biggar):** — Mr. Speaker, the debate on this Bill is one which I think every citizen in Saskatchewan should pay careful attention to. I don't believe that there are many other debates which have gone on in this House that more clearly show the difference in philosophy between the Party sitting to your right and the Party sitting to your left, Mr. Speaker.

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I was interested in listening to the comments of the Member for Wilkie (Mr. McIsaac) supporting the amendment which would in effect shelve the Bill for six months. I gather what he is suggesting is that the legislation should be kept in effect so that the Government might put it into effect this year in the current teacher-trustee impasse. I think if the Member had been carefully listening to what the Government has been saying over the past eight or nine months, and indeed before the election, he would know how unlikely it is that that action will be taken. The Minister of Education (Mr. MacMurchy) has made it quite clear prior to the removal of this clause that this Government would not impose compulsory arbitration through this Bill. We were opposed, Mr. Speaker, to the imposition of compulsory arbitration through Bill 2 on people in the trade unions and we removed it. We are opposed to compulsory arbitration in The Teacher Salary Agreements Act and this Bill, when it is passed, will remove it.

Mr. Speaker, the purpose of The Teacher Salary Agreements Act should be to facilitate collective bargaining between teachers and trustees. If one could show that compulsory arbitration strengthened the collective bargaining process then it would have some place in legislation. However, this is not, nor has it been, the case. Quite the contrary, I believe that compulsory arbitration inhibits the collective bargaining process. When collective bargaining is being carried on, if one side feels that compulsory arbitration will bring about a settlement which is favorable to them, one which is more favorable than they think they can arrive at by negotiations, then they will have a strong tendency to go slow in the collective bargaining process and simply wait for someone to solve their problem for them. The attitude becomes one of why hurry we are better to drag our feet and await compulsory arbitration. To some extent some people see this happening this year. The Member for Albert Park (Mr. MacLeod) mentioned that many teachers are growing impatient with the slowness of arriving at settlements. I believe this is particularly true in Area 4 where he lives because the negotiations in the past three or four years have been very long ones in Area 4. I have had teachers who have suggested to me that the Government this year should use compulsory arbitration as a one-shot solution to this year's problem. Well, Mr. Speaker, we as a Party opposed compulsory arbitration on principle when we were in the Opposition and frankly I should be very disappointed in this Government if we use compulsory arbitration, to which we are opposed in principle, simply because it seems politically expedient at this time. I think some teachers are suggesting this because they feel, rightly or wrongly, that they would get a satisfactory settlement this year through compulsory arbitration. Last year they didn't feel that way. So, Mr. Speaker, I am opposed to compulsory arbitration because that's what it leads to. Some have suggested that the trustees have not gone as quickly as they could in trying to reach settlements because from their experience in the past years they expect the Government at some point to interfere in the process.

Well, Mr. Speaker, the removal of this clause from the Act should clearly show both parties that this Government expects them to get down to business and to arrive at a settlement on their own through negotiations.

**Some Hon. Members:** Hear, hear!

**Mr. Cowley:** — Mr. Speaker, the Members opposite have reminded us several times that this year's negotiations are not progressing very quickly and I think we can all agree on that. I would suggest that one of the main reasons for this is the previous Government's interference in the whole process. I hope that this amendment will assist in bringing about more serious negotiations. I should like to point out that The Saskatchewan Teachers Federation is opposed to compulsory arbitration. Trustees in Area 4 have refused voluntary arbitration when the teachers requested it and consequently I should expect from their actions that the two parties would support the removal of compulsory arbitration as neither one of them seem too enamored with the process. If you cannot accept voluntary arbitration it seems unlikely to me that one could then accept compulsory arbitration.

Mr. Speaker, I should like to spend a few minutes just in general discussing our approach to The Teacher Salary Agreements Act. During the election we committed ourselves to changes in the Act which would permit free collective bargaining. Those Members opposite who wish may check the New Deal for People. Perhaps we were a little naïve but in our first few months of office we sat down with the teachers and the trustees and we attempted to arrive at a consensus as to what changes were necessary for the Act to work. It is fair to say, I think, that we failed. The trustees stuck to area bargaining and the teacher stuck to their position of provincial bargaining. By the time we had arrived at this consensus not to agree we were into the current round of negotiations. It was too late to draft changes for this year which would be well thought out and our decision then was to allow bargaining to go on without interference from the Government even though we realized what were inadequacies in the present Act and that we were liable to experience some difficulties.

We also resolved to assist the parties in any way possible when we were requested to do so. Consequently when requested by the six areas to appoint conciliators we did so. The conciliators did some excellent work even though no settlements were achieved. The reports which they submitted were useful in that they pointed out many problems in the present set up, some of which we were not aware of. When the requests came in for voluntary arbitration we were prepared to act. However, only one party requested it and the other side refused. The Minister then announced that he would not impose compulsory arbitration and that the Act would be amended at this current Session to remove this power.

The present Teacher Salary Agreements Act has several shortcomings. There is, quite obviously no agreement between teachers and trustees, or at least the groups which represent them, as to what changes are necessary. The result of this state of affairs was the appointment by the Minister of the committee to recommend changes to the Act. This committee is to report early enough to the Minister for possible fall legislation. I am convinced that if they inform the Minister that they have not had sufficient time to draft the proper kinds of changes then a further postponement would be necessary because we are convinced that what changes we make, and when we make them, will be well thought out and will lead to a Teacher Salary Agreements Act which will work. The committee, as you are probably aware, consists of the four conciliators who have had an

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opportunity to watch the whole process first hand.

Mr. Speaker, the collective bargaining process is an important part of our democratic system. The role of Government is to facilitate the process, not to dominate it. The removal of compulsory arbitration is the first step in this Government's actions to improve the collective bargaining atmosphere in negotiations in education.

Mr. Speaker, I would at this time beg leave to adjourn the debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Blakeney that Bill No. 38 – **An Act to amend The Liquor Board Superannuation Act** be now read a second time.

**Mr. MacLeod (Regina Albert Park):** — Mr. Speaker, the remarks that I address to this particular Superannuation Act may well apply to others in the series. And I wish to state, Mr. Speaker, that I do not approve of the tremendous changes in the investments authorized by this Act without some further comment and perhaps some further amendment. I have grave doubts also, Mr. Speaker, about the intentions of the Government as it relates to the amendments that are proposed before us.

The Premier, in introducing this legislation, stated that it was intended to standardize the powers between the various statutes and that he intended also to widen the powers. I can assure the House that he has indeed proposed a tremendous widening.

I refer specially to the widening proposed by Section 63(1) of the Canadian and British Insurance Companies Act that is referred to in subsection 43(1)(a). Here I should like to read subsection (h) of section 63(1) of the Canadian British Insurance Companies Act. This authorizes, sp, the investment by the Provincial Treasurer, or some board or commission (depending on which Act we are dealing with) in the following; that is:

the bonds, debentures and other evidences of indebtedness of a corporation that are fully secured by a mortgage, charge of hypothec to a trustee or to the company upon any combination of the following assets: (1) real estate or leaseholds, (2) the plant or equipment of a corporation that is used in the transaction of its business, (3) bonds, debentures or other evidences of indebtedness or shares of a class authorized by this subsection as investments or cash balances if such bonds, debentures and other evidences of indebtedness are held by a trustee.

It also goes on to provide that even if there are assets not authorized as investments by trustees, this does not invalidate the investment in the qualified investments.

Mr. Speaker, it is apparent that this is a tremendous broadening of investment powers, and they are all unhampered and unimpeded. These are investment powers of huge dimensions. I do not know precisely the amount of moneys covered by these various amendments. I am told that the total moneys in the funds

could exceed \$200 million. I do not know that. If so, it means that about \$200 million could be put virtually in the hands of the Provincial Treasurer almost without any restriction or accountability on his investment powers.

I've only read, Mr. Speaker, one of the additional sections authorized to expand the powers of the Provincial Treasurer or groups controlled by the Cabinet. The motives of the Government are something of concern to me. Do they intend to use these funds for such things as a Romanian Tractor Factory? Subsection 63(1)(h) that I just read could authorize this by the simple device of having the company, the Romanian Tractor Factory Company, issue a bond or a debenture secured upon its real estate or its leaseholds or its plant and equipment in favor of some trustee, (some trust company), and that bond is purchased by the Provincial Treasurer or the Commission involving investment of funds for superannuation of Saskatchewan.

I think this is a dangerous situation, Mr. Speaker. We do not object to the advancement of business through funds generated in Saskatchewan. What we do object to is the back door method which is now available by these amendments. We can debate whether \$2,000 or \$5,000 is budgeted for a particular item. But the Provincial Treasurer or agencies under his control may well invest millions of dollars without any direct reference to the Legislative Assembly. I am concerned that these powers that are given to the Provincial Treasurer are unimpeded and they are almost unhampered. He can invest in almost any business or any enterprise simply by following the proper procedure. It would permit him to do provincial business which otherwise should be brought to this House through the superannuation investment powers. There could be a serious loss to the superannuation funds. And, of course, we must concern ourselves about whether or not the superannuation funds are endangered and the beneficiaries of the funds are thereby threatened.

Mr. Speaker, if the powers were rather narrow (as they have been in the past), there would be no objection to having these carry on as a clerical thing. Some person in the office of the Provincial Treasurer makes the investments. But the wider the power the more judgment is required and there is nothing in these amendments that require any particular expertise on the part of the investor. The normal trust company or insurance company authorizing investments under this section that I have just read would normally have a team of experts. It's no longer a clerical or administrative function. It's a matter of substantial judgment. There is nothing in this that indicates to me that this kind of thing is going to be done in the offices of the Provincial Treasurer. Nothing, of course, in the amendments increases the amounts or guarantees that the amounts will be increased to superannuates. One problem, of course, is the power to invest as between various branches of Government. Trustees, normally and traditionally are not authorized to lend to themselves. This is what the Provincial Treasurer proposes. That is, that he should be the borrower and in some cases he should be the lender through agencies he controls on the one hand as lender and on the other hand as borrower.

Mr. Speaker, I should not be quite so concerned if this Legislative Assembly were not so handicapped in our powers of investigation and judgment over what has been done. This is not a housekeeping Bill by any means. I wish to serve notice upon the Provincial Treasurer, the Premier, that we will watch every

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move that he makes if these amendments go through. Particularly, we think that he should greatly restrict the powers that he is now asking for. Some parts of section 63(1) should not be used except with the appropriate safeguards and the accountability and answering review. We believe there should be a watch dog procedure over what is done in these funds. We believe that perhaps a committee of the pensioners involved should be consulted.

Frankly, we do favor investment in Saskatchewan. But we do ask for safety checks. There is nothing in these amendments that provide the appropriate safeguards. We, therefore, approve of these amendments in principle but we object to them as to the specific amendments proposed.

**Hon. A.E. Blakeney (Premier):** — Mr. Speaker, I have some sympathy for the remarks made by the Hon. Member for Albert Park. I would advise the Hon. Member that my instructions are that the changes which are proposed are identical with those which were introduced into The Teachers' Superannuation Act by the changes in the last couple of years, more particularly in 1970. I think the idea was to expand investment provisions to make them the same as was earlier introduced. The fact they were introduced at that time doesn't necessarily mean that they were wisely introduced. I don't introduce that as a debating point. It just seems to me that perhaps in Committee we should look at these. I must say that on the recitation of the powers one wonders whether or not if we should adopt the full powers contained in the Canadian and British Insurance Companies Act.

I want to make one small point. I believe under all of the Acts the amount of the pension is in effect guaranteed by the Crown so that if the pension fund lost any money it would not, in effect, be the pensioners' money it would be the Crown's money in the sense that the Crown must make up the pensions whether or not the pension fund runs dry or not. So any gamble that there might be would be a gamble on the part of the Crown rather than the pensioners' money. But that in itself is no argument why we should take a gamble. It's to underline the fact that if the investment is unwise, the error would be down to the general taxpayer rather than an individual group of pensioners.

I am happy to hear that it is proposed to support the Bill in principle. I will undertake to review with the Hon. Members the particular powers in Committee of all the Bills. And I think basically it is the one dealing with the importing of the powers contained under the Canadian and British Insurance Companies Act which offers most of the problems. I think we can look at this in Committee. I thank the Hon. Member for his comments and suggest that we resume the detailed analysis of this problem in Committee.

Motion agreed to and Bill read a second time.

The Assembly assumed the adjourned debate on the proposed motion by the Hon. Mr. Blakeney that Bill No. 39 – **An Act to amend The Saskatchewan Telecommunications Superannuation Act** be now read a second time.

**Mr. K.R. MacLeod (Regina Albert Park):** — Mr. Speaker, the comments I

made previously apply to this one. The Premier in replying to the last Bill correctly identified the area of concern. And I want to stress the fact that in effect the Government is making guarantees of particular funds without having appropriate control over the investment of those funds. I have no further comments.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Blakeney that Bill No. 40 – **An Act to amend The Teachers’ Superannuation Act, 1970** be now read a second time.

**Mr. MacLeod:** — One additional comment I make to this Bill is that if the fund should happen to go dry, additional increases in the pension benefits to the beneficiaries of these funds would be made very difficult because it would in effect be additional moneys to come out of the Provincial Treasury. That is an additional argument in favor of further review and a watch dog committee over the investing powers now being sought.

**Mr. Blakeney (Premier):** — I’d like to make one additional comment that I might have made earlier and the Member opposite reminded me of it. I think with respect to all of the Acts, certainly the one under debate, there is a Teachers’ Superannuation Commission which does at least have some supervision over the investments and which does contain, in this case, a representative of the teaching profession. However, I do say, to be honest, the investments are essentially made by the Treasury Department and most of the force of his comments still applies because while I think the Commission could supervise the investment, in fact, the investment is done mostly by the Treasury Department and the comments are still well taken.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Blakeney that Bill No. 42 – **An Act to amend The Workmen’s Compensation (Accident Fund) Act** be now read a second time.

**Mr. MacLeod (Regina Albert Park):** — Mr. Speaker, the only additional comment I have here actually relates to another one. For example, in The Teachers’ Superannuation Act, 1970, the first section is, “all moneys held in the fund shall be held in trust by the Provincial Treasurer and shall be invested by him”.

The comments by the Hon. Premier are accurate, that in most cases it is a Commission or a board and, in most cases, with the consent of a Minister who is empowered, who makes investments. The wording does trouble me in the sense that section 39 as proposed in the Bill before us now says that the board “may” from time to time invest moneys. There is a variation because sometimes they say “all moneys in the fund ‘shall’ be invested”, in other cases “the Provincial Treasurer ‘may’ invest”, and there is some variation in the wording despite the fact that they are trying to standardize it. I have no further comments on this Bill, Bill No. 42.

Motion agreed to and Bill read a second time.

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The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Messer that Bill No. 47 – **An Act to amend The Milk Control Act** be now read a second time.

**Mr. E.F. Gardner (Moosomin):** — Mr. Speaker, this Bill in principle certainly seems harmless enough and could well be. I prefer that we know a little more about the intentions of the Minister in this particular regard. Section 7B, I believe, authorizes the Milk Control Board to act on behalf of the Federal Dairy Commission. In other words, they will work together in certain regards and this should be no problem. 7C appears to be another tax on the dairy farmers. It gives the power to the Minister to record production and charge the farmer a fee of a half a cent a pound of butterfat which could come to some \$35,000, I believe. This, I presume would be used in the milk industry. Perhaps the Minister could clear this up when he closes the debate. Under the proposed agreement with the Federal people I understand they will be holding back money from the producer. What I am not clear on is whether this is the same half cent a pound or if this is some additional holdback that will be charged the butterfat producer and I should appreciate it if the Minister would clear up this point.

The last change, I believe, is the one that perhaps should concern us most. It gives the Government power to allocate subsidy quotas within the province. This would be done without the transfer of dairy herds. I believe that has been the prerogative of the Federal Dairy Commission. We are all aware that some problems have arisen in regard to transferring these quotas. However, it has worked reasonably well. Under the powers granted it could well be possible for the Minister, I understand, to take a quota from one person or one group and transfer it to some other individual. I am not sure of the method that will be used, who will be making these decisions. This is the part that concerns us.

However, we will support the Bill in principle and we would hope the intentions are clarified when the Minister closes debate or in Committee.

**Hon. J.R. Messer (Minister of Agriculture):** — Mr. Speaker, I just want to make a couple of brief remarks. I'm certain that further clarifications can be given in Committee.

However, in regard to the establishing or transferring of the quota that will be available to the Province of Saskatchewan, it is the intention of the Department of Agriculture to have the Milk Control Board carry out the allocations and transferring and the allotting of quotas to producers in the province. I think this would be the just and fairest means of distributing the quota without having some undue circumstances or considerations brought in. It has done a good job in regard to the allocations of quotas in the past. I'm sure that it would continue to keep that record when it provides for the extra million pounds of quota that this Bill would make available to producers in the province.

In regard to the fee that will be charged, it is not the intention of the Department of Agriculture or the Government of Saskatchewan to impose a fee on the producers. It is the

intention of the Federal Government to do that and we are simply providing an agency for the Federal Government in regard to the collection of that fee. It is their intention to levy a fee whether we participate or not. It's cheaper, we think, to the producer if we structure a system whereby we shall collect that fee from the producer, rather than the Federal Government structuring some means of collecting it. We think that we shall be able to do that cheaper, thereby saving the producer some moneys in regard to the fee that will be assessed by the Federal Government, not the Provincial Government.

With those few remarks, Mr. Speaker, I move second reading of this Bill.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 60 – **An Act to amend The Saskatchewan Insurance Act** be now read a second time.

**Mr. G.B. Grant (Regina Whitmore Park):** — Mr. Speaker, when I asked for adjournment on this Bill it was done on the basis that there seemed to be a little confusion as to the intent of the Bill. One of my colleagues thought it expanded the scope of the insurance agents and the adjusters and I thought it curtailed them and I find on examination that it straightens out a conflict in the legislation whereby the Insurance Act had the effect of exempting insurance agents and adjusters from business tax that had been converted into a licence. I find it quite in order and will support the second reading.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. MacMurchy that Bill No. 57 – **An Act to amend The Larger School Units Act** be now read a second time.

**Mr. J.C. McIsaac (Wilkie):** — Mr. Speaker, Bill No. 57, an Act to amend The Larger School Units Act contains three or four provisions which are certainly very routine as I'm sure the Minister pointed out in giving second reading. We have certainly no quarrel whatever with the increase in expense allowance and the number of meeting for which trustees and Board members may be paid. Likewise, the provision which appeared in one of the other Acts to 'boost the indemnity' if you will, to Deputy Returning Officers and Poll Clerks is a sensible one.

There is one section, however, Mr. Speaker, which I should like to comment on and I should like to hear from the Minister, if not today, he's not here, but certainly in Committee I intend to pursue this . . .

**Mr. Romanow:** — Or his Legislative Secretary . . .

**Mr. McIsaac:** — Or his Legislative Secretary if he can close debate, Mr. Attorney General, I'm not sure. But that is the Section 4 in the present Act which amends the Section 81 of The Larger Schools Units Act. The present Act provides for the tendering

of a contract for transportation services. Now here we are asking school boards to call for tenders before entering into a contract for the provision of bus service in the year before making a capital expenditure in excess of \$5,000 for building materials or an excess of \$2,000 for the purchase of vehicles. For example, if you are going to buy a bus, Mr. Speaker, and if it is over \$2,000 you tender it. But as I understand in reading the transcript of the Minister's remarks when he brought this Bill in we are now removing a provision that was brought in two or three years ago to have the Unit Board call tenders for contractual services as far as bussing pupils are concerned. It seems rather ironic to be asking the Unit to tender a bus or any other form of transportation, snowmobile or what have you, that's worth in excess of \$2,000 and yet at the same time enabling the Board to proceed with a contract that may run up to a half million dollars without tendering for those services.

I can well recall when that amendment was brought in. That indeed was the fact. One of the Units in the province did award a tender to the value of one-half a million dollars and there was about a four cent difference per mile in the bid of another company interested in supplying transportation services. I believe the figures, if memory serves me right, were thirty-six cents in one case and thirty-two in another. The Unit Board chose the thirty-six cent award without any tender on that basis. It was negotiated. But here is practically a 10 per cent increase if you like on a half a million dollar item and it was for that reason the former provision was put in the Act.

The old section 81 was amended and again if I read the transcript of the Minister's remarks correctly when he introduced this, that provision making it mandatory for school boards to tender for these contracts, is now being removed by this amendment, and we're going with the old amendment that was in there for years and years. It was in there at a time, Mr. Speaker, when very little contracting was done. Certainly it is not the size and the kind of contracts that have become more popular as far as transportation of students in the rural areas is concerned today. I certainly would appreciate any comments from the Minister, the Attorney General or the Legislative Secretary on the reason why that provision is being removed and certainly if you are going to remove that provision why don't you throw out the whole bloody thing? That is the five thousand, the two thousand and so on, because it makes little sense to ask for a tender on a vehicle worth \$2,000 or more and allow, as I say, a tender that could be in the neighborhood of a half a million dollars.

So, Mr. Speaker, any explanation that can be forthcoming from the Members on the Government side, either now or in Committee, I'd very much appreciate.

**Mr. Romanow (Attorney General):** — Mr. Speaker, if I might make an observation, I think the point raised by the Hon. Member does deserve serious consideration and debate. I'm anxious for determination in principle at this stage of the game of the Bill, if possible, by Members. Would it be possible if the Legislative Secretary will take a note and when the matter comes up for Committee of the Whole ask the Minister to defend that position. In fact, it might even be better if you wanted to leave that section as an amendment if your position isn't satisfactorily explained.

So I would ask for the question, Mr. Speaker.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. MacMurchy that Bill No. 58 – **An Act to amend The Student Assistance and Student Aid Fund Act** be now read a second time.

**Mr. McIsaac (Wilkie):** — Mr. Speaker, Bill No. 58 An Act to amend The Student Assistance and Student Aid Fund Act contains two amendments with which I have no argument and I'm sure that applies to other Members on this side of the House.

I am first of all pleased and happy to see the Government bringing in an amendment to good Liberal legislation, Mr. Speaker, I am also pleased and happy, I might say, to see the increase in the estimates as far as this particular program is concerned. The implementation of a beginning which was made in last year's legislation, in last year's program was a good one and these two amendments basically really simplify the operation of that fund and actually amount to legalizing what I believe perhaps has been practised and certainly what I know was the intention of the original amendments when they were brought in.

I will have several questions perhaps on the mechanics of it, if you like, when we get into Committee, but in the meantime we certainly don't oppose amendments to good Liberal legislation, Mr. Speaker.

**Mr. E.L. Cowley (Biggar):** — I have just one comment on that. I agree that the changes are good. The Member for Wilkie (Mr. McIsaac) points out they are amendments to good Liberal legislation.

The provisions such as the block payments go back to good CCF legislation which the Liberals had changed, so we've gone the full route. We've gone from good CCF legislation to some modifications by the Liberals and now we are back where we should be.

**Some Hon. Members:** Hear, hear!

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 64 – **An Act to amend The Lunacy Act** be now read a second time.

**Mr. J. McIsaac (Wilkie):** — Mr. Speaker, on this particular Bill it may or may not be the opportune moment or the correct moment, Sir, to raise this particular point. But I do want to raise with the Attorney General (Mr. Romanow) and the Government the question of the Non-controversial Bills Committee.

Here has to be a classic example, in my opinion, of a Bill that what it does do is bring about a change in name only. That's practically no principle, or no new principle whatever involved here. I should just like to suggest to the Hon. House Leader, the Hon. Attorney General, he consider reactivating that Committee and instead of taking the time of the House as

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we are doing with this, this Bill has to be a good example, and there are a number of others, where the changes are really not of any principle at all and yet they must go through all the various stages, second reading, so on and so forth.

As I say, Mr. Speaker, the Bill we are dealing with is The Lunacy Act and I believe the name change is a good one which we would agree with and support, “an Act respecting mentally disordered persons and their estates”.

**An Hon. Member:** — Liberals!

**Mr. McIsaac:** — It covers a number of others, Mr. Speaker, one that just woke up and for that reason we would be happy to see a softer name attached, but it is a Bill I suggest, Sir, that could well be dealt with elsewhere. I know it was the thinking of the Non-controversial Bills Committee to deal with this kind of legislation and I would just ask the Government that they begin using that Committee.

**Hon. R. Romanow (Attorney General):** — Mr. Speaker, not speaking particularly to the Bill but in reply to the comments made by the Member for Wilkie (Mr. McIsaac) with respect to the Non-controversial Bills Committee.

I've already taken steps to discuss this matter as of today with his colleague and desk mate, the Member for Milestone (Mr. C. MacDonald).

The question of the Non-controversial Bills Committee where this Bill, as the Member suggests, could have been referred is really one, which with all due respect, primarily lies in the hands of the Opposition. It is a Committee that is chaired by the desk mate of the Member for Wilkie, the Member for Milestone. The Opposition holds the majority on the Committee. Up until today there was no indication that I had received as House Leader that the Opposition was in a mood to organize the Non-controversial Bills Committee.

**Mr. McIsaac:** — Point of Order, Mr. Speaker, I don't wish to interrupt the Hon. Member's thoughts but that's a House Committee, it's not the Opposition Committee. Well, they do have the majority but it's a Committee of this House.

**Mr. Romanow:** — Yes, it is a Committee of this House but the fact of the matter is that it is an Opposition Committee because in the election of a chairman, the majority being controlled by the Opposition, they would have the right to choose. They would have the right to sit and determine when the sitting days are going to be and what items to consider once the Bills are called. We have a role in it, in the procedure later on but I don't want to get involved in the procedure other than to make this point. We want to get the Non-controversial Committee going. We've made steps already today with the Member for Milestone where this and other Bills will be taken, but the fact that it hasn't been set up to date cannot be blamed on the Government. That's all that I'm saying and I urge that this Bill be passed for second reading.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Snyder that Bill No. 26 – **An Act to amend The Pension Benefits Act, 1967** be now read a second time.

**Mr. G.B. Grant (Regina Whitmore Park):** — Mr. Speaker, something has come to my attention over the weekend in connection with this Bill and I haven't had an opportunity to do the work that I should like to do on it and in view of that I should like to ask leave to adjourn debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 35 – **An Act to amend The Automobile Accident Insurance Act** be now read a second time.

**Mr. W.A. Robbins (Saskatoon Nutana Centre):** — Mr. Speaker, the Government is to be commended for the introduction of this Bill at this particular time.

There is no doubt that The Automobile Accident Insurance Act required some updating particularly with respect to remuneration to people who suffer disabilities in automobile accidents. If anyone looks at the record of inflationary tendencies in the last ten years, particularly from 1961 through to 1971, one could not help but be impressed with the fact that a 3.3 per cent compounding rate of average inflation over that period simply means that the remuneration payable to people who are disabled either totally or partially, or who suffered death to the major breadwinner which resulted in limited compensation to those people who are left, simply meant that it was very necessary that some changes be made in this particular Act.

SGIO, the administrator of The Automobile Accident Insurance Act was condemned out of hand by the Liberal Party when it was initiated back in 1946.

**Mr. Romanow:** — Shame on you Liberals.

**Mr. Robbins:** — The then sitting Liberal Member for Moosomin described it as “the greatest hoax ever perpetrated on the people of Saskatchewan”. I sincerely hope that the current Member for Moosomin (Mr. Gardner) has progressed passed that stage.

Little wonder, in my view, Mr. Speaker, that when we sat in Opposition we were worried and we were concerned that this rather “thoroughbred” operation might well be stolen from the government stable. There's an old slogan which says that there is “a danger of locking the barn door after the horse is stolen”. We felt the horse could well have been stolen or sold and after all we felt on this side that a rather “defective bolt” was on the door.

**Some Hon. Members:** Hear, hear!

**Mr. Robbins:** — I wish to repeat that inflation has been particularly severe in the last ten year period and, therefore, it is most important that the remuneration related to disability clauses in The Automobile Insurance Act be revised.

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Increasing the death benefits from \$5,000 for the primary beneficiary to \$7,500 is a sizeable increase. Increasing the death benefits for secondary beneficiaries from \$1,000 to \$1,500 with an upper limit of \$15,000 instead of the \$10,000 previously applicable, should be of appreciable assistance in off-setting that inflationary trend which has occurred in the past number of years.

The dismemberment benefits have been doubled from \$2,000 to \$4,000. That is a 100 per cent increase, Mr. Speaker, and of course, is vitally necessary in terms of a person who might lose a limb or an eye or some other part of the body which would seriously restrict his capabilities in terms of earning capacity. However, Mr. Speaker, I think the most necessary amendments occur in relation to section 22 and 22(a) of this particular Bill, where the indemnity is increased from \$25 per week to \$60 per week for permanent incapacity. I think this is most essential.

If any of the Members here have been in contact with people who have suffered permanent disability in an automobile accident they will readily realize what a difficult position that individual is placed in. Previously the Act said that that individual would receive \$25 per week for up to 104 weeks or two full years and then the compensation automatically ceased. Increasing the compensation to \$60 per week is realistic in terms of today's costs. Perhaps the most important factor is the removal of the 104 week clause which makes the payment payable for the life of the individual assuming total or permanent disability has occurred.

I think this is most essential in terms of the amendments proposed in the Act.

The Hon. Member for Rosthern (Mr. Boldt) when speaking on this Bill the other day, made the comment that if a private company had been given a monopoly on insurance in Saskatchewan, it would have done just as well as SGIO. The only comment that I would make in relation to that, and I think he mentioned Wawanesa at the time, would be this, that a government enacts a law that makes it a requirement of the motorist in this particular instance, to place insurance on his vehicle. If we say that he must be insured, then the Government has a responsibility to supply the service and to make certain that any earnings accruing are available for public use.

I think, frankly, that it is a basic principle in this Bill and in The Automobile Accident Insurance Act. The fact that we say an individual must carry insurance and, Mr. Speaker, it is important to every individual as a motorist to know that the other motorist coming down the road towards him is also insured, then there is an essential requirement when a government enacts that type of legislation, that it provide the service and insure that any returns or earnings realized are available for public utilization.

The accumulation of the assets that occur in this instance are very important, and in fact, Mr. Speaker, are quite striking. The Saskatchewan Government Insurance Office and The Automobile Accident Insurance Act came into being in 1946 and since that time have paid in excess of \$200 million to motorists in terms of claims in this Province. In addition they have accumulated total assets of some \$50 million of which 88 per cent is invested

in this Province in municipal, school and hospital debentures and bonds. Mr. Speaker, that is vitally important to the general economy of this Province.

I would suggest, Mr. Speaker, that had we not set up the publicly owned office, not one dollar of those funds would have been available, not only in terms of investment earnings to the people of Saskatchewan, but in the terms of the operating earnings that have been realized. I fully realize that The Automobile Accident Insurance Act doesn't in itself make earnings, but the Government Insurance office associated with it has accumulated earnings in excess of \$10 million over that period.

I think it is vitally important that the amendments that are proposed in this Bill be supported by all Members of this House irrespective of philosophical or political viewpoint. It has been proven conclusively over the past 25 years that the operation of The Automobile Accident Insurance Act is vitally important to this Province.

I think it goes without saying, Mr. Speaker, that one other very important fact – and I will conclude my remarks on this basis – is the fact that, because you have no fault insurance you eliminate a long backlog of traffic court cases. Frankly I am aware of a case in Ontario, a personal friend of mine, whose family suffered tragedy in an automobile accident and who was awarded quite a sizeable sum in terms of that accident, but they have waited more than five years while a battle goes on in the courts between two insurance companies in an attempt to come to some reasonable settlement. I can say quite frankly that that family has suffered severely in terms of loss of earnings over that five-year period.

Mr. Speaker, if The Automobile Accident Insurance Act had done nothing else other than eliminate the large backlog of court cases that would appear as traffic case, it would be a real value to this Province.

I strongly support the amendments to the Bill.

**Some Hon. Members:** Hear, hear!

**Mr. H. Owens (Elrose):** — Mr. Speaker, the original implementation of The Automobile Accident Insurance Act was one of the finest pieces of legislation that was ever placed on the statute books of Saskatchewan.

**Some Hon. Members:** Hear, hear!

**Mr. Owens:** — The amendments that are proposed are in the most part simply updating the Act, bringing it more into line with today's costs and needs, and this might even include the common law couple that was mentioned.

Section 21 of the present Act provides for a lump sum disability payment of \$4,000 which seemed quite adequate at the time the Act was enacted. It is rather out of scope for today's requirements. I would suggest that the \$10,000 proposal is not too high.

Similarly in Section 22 weekly indemnities of \$25 and

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\$12.50 replaced with \$60 and \$30 figures are more realistic provision as well. The removal of the maximum pay period of 104 consecutive weeks of indemnity recognizes the need for continued assistance during long periods of incapacity. It is a very humanistic move.

The amendment to Section 24 will again merely provide for the monetary needs of dependants, although increased indemnities do not replace lost lives. The 50 per cent increase eases the financial burden and worry at the time of greatest need.

The new sub-section 2(a) to section 24 placing the children in the same financial position at the time of loss of either parent is a needed and realistic addition. Discrimination is removed.

The new Section 48 is amended and should be a welcome change to all vehicle owners by adding property damage in excess of \$200 in cases where indemnity cannot be ascertained. The lack of this provision has been costly to many individual owners. The increase in reportable damage to over \$200 as amended in Section 65 will be gladly accepted by adjusters and body shops. Damage to a lesser amount is in today's higher repair cost work a nuisance claim.

Mr. Speaker, I said at the beginning of my remarks that The Automobile Accident Insurance Act was a good and acceptable piece of legislation. The proposed amendments will make it a bigger and better piece of legislation.

I will be glad to support it, Mr. Speaker.

**Some Hon. Members:** Hear, hear!

**Mr. G.B. Grant (Regina Whitmore Park):** — Mr. Speaker, I have two questions I should like to ask the Hon. Minister to comment on when he closes the debate.

First of all I want to make some general comments about this Act. I believe the Hon. Members on the opposite side, and I am sorry the Hon. Member from Watrous (Mr. Cody) is not here because he is probably one of the guilty ones. He seems to till associate me in an active way with the insurance industry and I want to make it clear in this House that I have not been actively associated with any insurance company since 1965.

The suggestion was raised in his remarks, while debating this Bill, that if I had been the Minister in charge of SGIO it probably would have been sold. He got a little confused because he was talking about The Automobile Accident Insurance Act and then he suddenly switched to the corporation.

There are two distinctively different subjects here. I should hope that he wouldn't confuse the AAIA with the corporation because the corporation merely administers the Act.

I don't think he can find anything in the records of this House in the past seven years where I have criticized The Automobile Accident Insurance Act, with the possible exception of one clause in it, and this is a lead up of my question to the Hon. Minister, because I find it very difficult to justify — and I know some of my NDP friends find it equally difficult —

in a compulsory scheme such as the AAIA to include compulsion with regard to collision insurance.

I don't think there is anybody in Saskatchewan, including insurance agents working for the private sector, who criticize the compulsory feature as far as third party liability is concerned. I don't think there is any insurance agent who will even try to defend the position that a private operator could do equally well or better, because first of all it is done under an Act; there is no acquisition costs. There is no policy to be issued. I don't think it would be practical under the private sector. It seems to me because of my basic argument that government is justified in getting into business where there is a lack of competition or a failure on the part of the public or private sector to perform, that they were justified in getting into this area of third party liability. But when it comes to compelling the people of Saskatchewan to buy insurance for collision coverage, and worse still, to tell them that that insurance must be purchased from the Government, I find it very difficult to rationalize this in my own mind – almost impossible. I am curious how the Government opposite justifies it. In my opinion whether I insure my vehicle for collision or not is nobody's business, only my business.

If I wish to take a chance in damaging my vehicle I say that is my business. Now it is a different thing when it is other people's property. I agree one hundred per cent that it should be necessary and compulsory for people to protect third party interests.

I should like a justification for the Government insisting that I insure my vehicle for collision. I think the first basic thing is why should the Government tell me I must insure my vehicle for collision? This has pretty far reaching implications. If a government can tell me I must insure my vehicle for collision it is a very simple step for them to tell me I must insure my house for fire coverage. I must insure my furniture for fire. There is no end of ramifications in this premise and I should like an explanation in that regard.

The second question is whether the extension under The Automobile Accident Insurance Act will result in a comparable lowering of benefits under the package policy carried by the Government? Now this may be out of order and if the Minister so feels he can comment accordingly. I was wondering if this would lead to a lowering of the benefits under the package policy?

**Mr. E.L. Cowley (Biggar):** — Mr. Speaker, just a couple of comments after listening to the Member for Regina Whitmore Park (Mr. Grant) regarding the principle of The Automobile Accident Insurance Act.

I believe that if one carries his arguments to the logical conclusion one can conclude that the Member also is opposed to Medicare and similar Acts, because Medicare is compulsory and you are insuring the individual; I gather the Member would say it is the individual's responsibility. There is a very clear reason in my mind at least, why this is included and why we have included it in things like Medicare. That is because the role of the Government, as I see it and I suppose it is a difference in philosophy, is to provide protection for the individual at a reasonable cost. This is one way of doing it.

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All one has to do is compare insurance rates is to look at Saskatchewan and compare them with those in Alberta and British Columbia and other places. In my way of thinking as well as philosophical grounds the saving in itself is a justification.

**Some Hon. Members:** Hear, hear!

**Mr. Grant:** — May I ask the Member a question? The question is this. Your statement is that this is justified because the Government is interested in protecting the public in providing coverage at a reasonable cost. Then I presume that if that statement is correct, if he believes that, then the Government should move into the area of compelling people to protect themselves with household insurance and residential insurance. I think that comparison is more reasonable than getting into Medicare. That is a different ball game altogether.

**Mr. Cowley:** — Mr. Speaker, if the Hon. Member is suggesting that I am willing to consider other fields of activity which the Government should perhaps take a look at moving into with programs similar to The Automobile Accident Insurance Act, I should be most willing to discuss them with him.

**Mr. Grant:** — Most enlightening, indeed. I can hardly wait for the Attorney General to speak.

**Mr. Romanow:** — Mr. Speaker, with respect to the second reading of the amendments to The Automobile Accident Insurance Act.

I shall not take very much time of the House other than to say again what I said in introducing the Bill, that it gives a great deal of pleasure to both myself and the Government to be introducing these amendments, which amendments are greatly upgrading the quality and the benefits and the improvements under the Act, as the various speakers today and when the Bill was introduced, have indicated.

I don't know if I said this in introducing the Bill in Second Reading, but it was certainly my feeling very early upon assuming office in the capacity as Minister in Charge of SGIO, that there was a serious danger that Saskatchewan and the public of Saskatchewan could lose some of its credibility and faith in the operation of The Automobile Accident Insurance Act because of the fact that there had basically been no improvements to the Act for several years. I don't mean this in terms of any necessary political connotation but that is a simple fact.

Therefore, it was determined by the Board of Directors of SGIO and approved by Government, that one of the first things we had to do was to try to bring these benefits under the Act into more realistic line with what are the economic facts of today. This is much the same argument that has been advanced by my colleague from Saskatoon Nutana Centre (Mr. Robbins) that it would have the effect, we feel, of furthering and strengthening the question of public confidence in the operation of AAIA. I remain convinced, Mr. Speaker, that that is precisely what this is going to do. The Member from Rosthern (Mr. Boldt) in his remarks the other day discussed the question of Manitoba and argued in the House that the implementation of what they

call Auto Pact in Manitoba was somehow a different principle than the principle of AAIA. Frankly, I don't agree with the Member from Rosthern. Although I am not an expert on the Auto Pact situation it does appear to me that the one principle that is similar in Manitoba and Saskatchewan is that of compulsory no fault government operated insurance, Auto Pact by name in Manitoba, SGIO by name in the Province of Saskatchewan. The Member from Rosthern tells the House that he subscribes to the principle of The Automobile Accident Insurance Act as it is set up in the Province of Saskatchewan today. This Act all Members will know has these basic characteristics, that it is compulsory, it is no fault, it is Government operated. But at the same time the Member from Rosthern turns around and says that he does not subscribe to what is going on in the Province of Manitoba with respect to the implementation of Auto Pact. I am sorry, yes, I'm sorry for the Member from Rosthern. To me this is a contradiction. I think a person who is committed to the principle of no fault, compulsory Government operated insurance whether it is in Saskatchewan or in Manitoba apart from variations in detail remains committed to the principle and that if the Member from Rosthern is in fact truly committed to the principles that we are talking about in this Bill, then he would welcome and applaud the development in the Province of Manitoba.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — What concerns me about the Province of Manitoba is this, Mr. Speaker. After 25 years of implementing the AAIA in the Province of Saskatchewan and after 25 years of a bitter and long struggle finally resulting in public acceptance here and confidence in no fault insurance, that in Manitoba again we have to repeat, again in 25 years all the arguments about the economic and social value of compulsory no fault insurance.

As an aside, Mr. Speaker, I would simply say to this House, that apart from the issue that we are talking about in Manitoba or here what the Manitoba experience tells all of us is that progress obtained can never be interpreted to be progress guaranteed. In the Province of Saskatchewan we obtained it 25 years ago and we see now 25 years later in some way or another that progress and that principle is being undermined and attacked subtly or in the case of Manitoba, openly. So the Province of Saskatchewan, the people of our province have to be ever vigilant for what I think is a very prevalent feeling on the part of some people and segments in society who basically don't believe in the principles of the amendments before you and if given the right political climate would work for the dismantling of this great plan that we set up 25 years ago.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — Now more specifically, Mr. Speaker, I conclude by directly my attention very briefly to the general observations of my colleague, the Member from Whitmore Park (Mr. Grant). I suppose the only answer that one could offer in response to the Member is that we view from a different philosophical standpoint the role and the proper area for the incursion of government into economic affairs. I feel personally that there are very many strong social arguments for governments to be economic enterprises. But apart from social arguments as to how we organize our affairs and how we mitigate the acquisitive

instincts that exist in a free enterprise society and work against society, apart from that, I think that there is also economic advantage in eliminating needless competition and needless duplication of effort which only results in increasing expense ultimately for the public, to the benefit primarily of those who are in a particular industry. To my way of thinking that is precisely the reason why we are providing collision coverage, simple because, as the Member from Biggar has indicated, we can provide expensive and good coverage at extremely reasonable rates. I avoid using the words of probably the lowest rates in Canada because we get ourselves into an argument in this area. I think we do it at a lower economic rate and furthermore may I say to the Member from Whitmore Park when he asks the question why should I be compelled to insure my care, that you lend yourself to a chaotic situation otherwise. For example you cannot draw the analogy that you sought to draw with respect to the question of a house. If you choose not to insure your house, that's your choice. If it should be burned down resulting in a terrific economic loss it does so to you, to no one else. But when you are driving a motor vehicle, an object that is creating a risk and a danger not only in property damage but terms of personal injury, I don't think in a modern society we are entitled to the privilege. That's the way I word it, the privilege of saying that while I drive a risk creating automobile I'm not going to be insured. If I create damage to somebody else or accept damage myself I am going to accept it in that context. I don't think it's possible in today's world. I think you are looking at a situation that affects literally hundreds of thousands of people rather than affecting simply what you do or don't do yourself. I conclude by simply saying that I think the answer that I give to the Member will obviously not be satisfactory because we are basically philosophically opposed. He is opposed on principle to intrusion of government where he thinks that the job is being done adequately. I do not oppose in principle intrusion if I think the government can achieve social benefit. I think AAIA does in its total concept together with what I think is a very strong economic benefit to the people of Saskatchewan.

Mr. Speaker, I have avoided in summing up what I think are the political arguments but . . . well the Member from Athabasca (Mr. Guy) doesn't agree with that. I could tell the Member from Athabasca that I could continue on about the attitude of the former Government toward SGIO and AAIA.

**Some Hon. Members:** Hear, hear!

**Mr. Romanow:** — I could tell the Member from Athabasca in summing up about this debate about the attitude of the former administration and some of the other comments that have been made by Members in this debate and others as to AAIA, but I think that that attitude is well documented and well accepted by the people of Saskatchewan and, therefore, despite extreme provocation I will cease doing it. I would urge all Members, even my friends in the Opposition to vote for this amendment to The Automobile Accident Insurance Act.

**Mr. Grant:** — Would the Hon. Member permit a question? I am still not too clear on this. The question is how does the lack of my carrying collision insurance affect the general public? That is where I am a little lost. You felt that with this monstrous

machine that the general public shouldn't be exposed to my operation of that vehicle if I don't carry collision insurance. I'm carrying third party insurance, I'm protecting the mass but I can't really see and I honestly and sincerely believe in this and I know some of your Members do too, that the lack of collision insurance does not affect the general public at all.

**Mr. Romanow:** — I know the point that you are making and I simply say again, I think there are two arguments. The first is economic in the question of rates. This is basic to the entire AAIA and the question of AAIA in the social context. In total I don't think you can totally divorce it. I simply say as a conclusion that philosophically I find nothing abhorrent about it. I think basically your argument is one of philosophy and the role of government in economic involvement. I know I won't convince the Member and I can assure the Member he won't convince me on this point.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Smishek that Bill No. 33 – **An Act to amend The South Saskatchewan Hospital Centre Act** be now read a second time.

**Mr. D. McPherson (Regina Lakeview):** — Mr. Speaker, I should just like to say one or two things about this particular Bill. There have been many arguments about the hospitals in Regina. I happen to have been part of them for many years, along with the Premier and I had a few remarks, in how long we have been held up at the General Hospital after the Premier referred to the holding up of the Base Hospital. I don't want to go through what has happened in the past, Mr. Speaker, but I should like to bring before the House some criticism that the Premier brought into the debate and would like to point out the facts. The Premier pointed out, Mr. Speaker, the design of the hospital was not good. There were shortcomings in the teaching facilities and to this I should like to point out, Mr. Speaker, first, the Dean of Medicine was on the Board in the planning. He has served there since 1968 and secondly, Mr. Speaker, the former principle of Regina Campus was on the Board. He is now chairman of the hospital and has been there since 1968. Also the executive director in planning, Dr. Muscles, the former director of the Brigham Hospital in Boston, was involved in the planning. So I think that reputable hospital consultants were brought in at all times and I think a good job of planning was done.

The Premier mentioned something about architects. One of the leading Saskatchewan architects was brought in, so he was in the planning. So I think the answers are there, Mr. Speaker, there was a lot of planning went in, people whom the former Government had appointed. He also went on to say that it wasn't flexible and I don't know what he means by this, whether he thinks it should have had elastic walls and he was part of it, he should have known. Flexible for what, I don't know whether he thought we should change this to another type of hospital or not. The instructions of the Board were to make it flexible so it could work all around.

I should like to say a few words, Mr. Speaker, about the planning that went into the University Hospital, is something that the Members to your right know quite a bit about. It was

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built by the CCF Government and it only took ten years to plan and build that hospital and it is now outdated and inadequate for Saskatoon and has been since the day it opened its doors.

First, the basic plan was wrong, the ceilings were too low and the corridors were not planned properly. So all in all, Mr. Speaker, I just think the Premier was wrong when he is very critical about how long it has taken to plan the hospital here in Regina and I think he well knows how long it took him to plan what should happen at the Regina General Hospital and that took him some six years. The tendering, the Premier criticized and I think their tenders were obtained from all areas in Canada and from Vancouver to Montreal. So I am not against the Bill going through. We have got a lot of hospitals in the city of Regina and I just didn't like to see the Premier blame the former Government for planning when he was Minister of Public Health and certainly had a great deal of responsibility in the planning of what happened to the other two hospitals in Regina.

We will support the Bill, Mr. Speaker.

**Mr. Smishek (Minister of Public Health):** — Mr. Speaker, this is a fairly simple Bill as has already been described, but it has brought about a little bit of sharp controversy. I notice that the Hon. Member for Lakeview (Mr. McPherson) making reference to the University Hospital, saying that the day it was opened it was ten years out of date. Well, Mr. Speaker, my information is that the day we open the South Saskatchewan Hospital it is also going to be ten years out of date. Despite his reference that there have been people on the Board who have been planning and I am sure they have done it in good conscience but there are some fairly serious problems with the South Saskatchewan Hospital in the way it is being constructed. Perhaps we are changing in the pattern of hospital care so rapidly that no matter what you do and make the best plans it might be outdated by the time the institution is opened. I am being told by my officials and members of the Board that with some of the construction that is on the way at the present time that a considerable amount of renovation will have to take place in order to accommodate the services that are intended to be provided. So if the Members opposite are critical of the University Hospital construction and the planning that went on there then perhaps we can raise our voices that high in the case of the plans that were made in respect to the South Saskatchewan. I know they have also been critical of another institution, the Moose Jaw Training School. Perhaps all this is waste of time, I am sure that the Members opposite got the advice of the specialists and the consultants as the CCF Government did in planning the University Hospital and other institutions. Mr. Speaker, one of the things that I am quite critical of the former administration and that's in the lack of planning in terms of the location of the hospital and why they did not provide for the proper entry into the hospital. I have already mentioned in the previous debate that within a matter of a few days of taking office, I was confronted with the problem referred to me by the hospital board wanting to proceed with construction of the road to the hospital, but because of lack of planning on the part of the former administration of placing the Institute right behind the South Saskatchewan Hospital and providing for a road allowance of only 27 feet width. If the third stage of the Institute is proceeded with there would be some 1,400 cars going through there in a half an hour period in

the morning and the afternoon. How in the world they expected to move that traffic through in a half an hour on a 27 foot wide road I just can't understand. So we have made provision to buy more land in order to provide proper road facilities.

Mr. Speaker, in closing the debate may I say there are difficulties with the way the hospital is being constructed. I am sure that we will do everything possible to ensure that that institution turns out to be the best institution that can possibly be constructed. The intent of the Bill is to have the South Saskatchewan Hospital Board administer two or more hospitals. How many this will end up to be in the long run, only the future can tell. Certainly the Board will be responsible for the administration immediately of the South Saskatchewan and the Wascana Hospital.

With that I move second reading of Bill No. 33.

Motion agreed to and Bill read a second time.

### SECOND READINGS

Hon. J.R. Messer (Minister of Agriculture) moved second reading of Bill No. 53 – **An Act to amend The Saskatchewan Grain Marketing Control Act.**

He said: Mr. Speaker, the reasons for the amendments to The Grain Marketing Control Act are so that we shall not have recurrence of fire sale and depressed prices of feed grains selling in the Province of Saskatchewan similar to what we encountered several years ago. Prices dropped to an all time low, simply through the fact that there was increased production and there, in fact, was a surplus of feed grains available in the three Prairie Provinces but more importantly in the Province of Saskatchewan. The amendments will allow the Provincial Government to carry out a meaningful program of discussions not only with the Canadian Wheat Board but with the sister provinces Alberta and Manitoba in regard to hopefully structuring some sort of a pricing policy for feed grains if and when we do have similar circumstances as we encountered in 1968, 1969 and part of 1970. Manitoba and Alberta now both have the legislative rights to take action in regard to establishing a floor price for feed grains so that a situation will not develop whereby producers due to circumstances beyond their own control have to sell their grains for much less than the costs of production. In fact, Alberta has, I think at this point in time, established a grains commission to pursue the best means of legislating some sort of floor price for feed grains in that province. Manitoba has similar legislation and I think the last session of the Legislature passed a Bill that would allow them to establish a minimum floor price for feed grains in that province. To this point in time they have not enacted that legislation but it is my understanding that they have carried out quite extensive discussions with the Canadian Wheat Board in regard to a means of structuring a system in the Province of Manitoba that would be able to enforce such legislation.

I think there is great merit in the Province of Saskatchewan providing similar legislation with similar opportunities so that we can as three Prairie Provinces work out a system of harmonizing the prices of feed grains in the Prairies so that we can assure producers of feed grains in this Province that they will not have to be burdened with the prolonged storage of feed grains

if they do not sell them at prices that are offered to them by the private industry, sometimes far below cost of production. It is not the intent of the amendments of this legislation to police all feed grains that would move in the Province of Saskatchewan. It's not the intention of these amendments to structure some legislation that will limit or curtail the movements or sales of feed grains or farm-to-farm sales. It is the intention to have some method of controlling the amounts of grain, the prices of grain that would be sold in large quantities to feed processing plants and/or to large livestock industries.

Having made these few brief remarks, Mr. Speaker, I move second reading of An Act to amend The Saskatchewan Grain Marketing Control Act.

**Mr. T.M. Weatherald (Cannington):** — Mr. Speaker, the Opposition will be supporting this Bill. The Bill legislates to place a floor price under feed grain and therefore, we hope, eliminate any fire sale prices that grain is being sold at. However, Mr. Speaker, having said that, we strongly suggest that unless the Minister of Agriculture in our province obtains similar type legislation in the Provinces of Alberta and Manitoba, there could be a number of serious problems occurring. The real danger, Mr. Speaker, exists that unless all provinces establish a similar floor price the livestock industry in our province will decrease and increase itself in one of the other provinces. For this we simply suggest that if the Province of Alberta (and I use this purely as an example) allows grain to be sold at a cheaper price than we do in the Province of Saskatchewan and this continues over a period of time, then there certainly would be an economic advantage to produce both beef and hogs in that province rather than in the Province of Saskatchewan. So in order to make the floor price for feed grain work as is most desirable, then we will require a good deal of co-operation between the provinces of Manitoba and Alberta along with the Province of Saskatchewan. That is one of our concerns.

The second concern is the policing of the system and the actual controlling of the prices. This we see as having a substantial number of problems to overcome in being able to ensure that grain actually is moving at whatever the floor price is set at. Precisely how the transactions can be controlled between individual farmers I have no concrete suggestion to offer. It is hoped that with the beginnings of the new program that we can come up with a way that will prevent too much bootlegging of grain beneath the floor price which has been set. The amount that will actually take place will only be known over a period of time and this will be important that this must be watched very closely. So essentially, Mr. Speaker, we support the Government's effort to bring about a stability in feed grain prices and to set a floor price. We do think that in order for this to work to the satisfaction of Saskatchewan it will be most important that there is co-operation between the three Prairie Provinces. We believe that lacking this co-operation between the three Prairie Provinces and indeed if one of the provinces has grain selling substantially below the price here, that it would cause a movement of livestock production from our province to one of the other provinces and this would not be desirable at all for the Province of Saskatchewan. So if the co-operation is not forthcoming we would suggest that the Government in a year or so take a good look at what is actually happening.

Other than that we believe that the floor price is a good idea to try and we shall be watching to see whether the necessary policing is able to take place and we shall watch with interest what effects it may have on the location of future increased livestock production.

**Mr. E. Kaeding (Saltcoats):** — Mr. Speaker, I should like to add my support to this Bill. I am very happy to hear that the Opposition is willing to go along with us in proposing this Act. Although we have moved away somewhat from the worst day of panic selling in Saskatchewan of feed grain, the experience we have had in the last number of years certainly indicates that some control is needed in the pricing of feed grain. We have seen the prices of feed grain in Saskatchewan drop from two cents a pound to less than one cent a pound whenever the quota situation is tight or when a large surplus occurs. In many cases when the farmers make these sacrifice sales they do not do so through any choice of their own. They are faced with mortgage payments, machinery payments and general operating and living expenses. When the farmer is faced with eviction or repossession, when his granaries are full of grain, the temptation to unload some of this, even at sacrifice prices is very great. However, we also have a large number of farmers who are throwing feed grains on the market at ridiculously low prices or trading to implement companies for machines they don't really need — snowmobiles, camper trailers, mobile homes and fancy trucks. Regardless of what reason a farmer has for selling at less than Wheat Board prices, the total amount of grain being sold is large enough to cause a real loss of income to the total industry. When large amounts of grain are moving at these prices outside of the Wheat Board jurisdiction the amount of grain moving through the Board is correspondingly less and thereby creates a situation where quotas cannot be opened as quickly as would otherwise be the case, thereby compounding the situation.

I do not think it is possible or even very desirable to control local farm to farm sales of feed grains and this trade is not really very significant. The real culprit is the sale from farmer to processor, feedlot and implement dealers. These groups are buying grain at a very large discount and in many cases are making a very lucrative profit on these distress sales. Many thousands of bushels are moved through these channels. It is unfortunate that one segment of agriculture or agricultural business should profit through the unfortunate circumstances of others. Personally, I should like to see that all feed grains except small local farm to farm sales handled through the Wheat Board. I agree that the past method of repurchasing from the Wheat Board by mills has been unsatisfactory, but there should be no reason why agreement could not be reached by the provincial governments and the Wheat Board on the basis of street prices on the day of sales, plus handling costs at the local elevator. This would give the seller a realistic price for his feed grain and yet not create a problem for the feedlot or other buyers.

The livestock industry in the last number of years has been doing quite well. I fail to see why they should profit at the expense of the grain grower. By doing so he creates his own problem because eventually the grain grower smartens up and gets into the feed business himself, thereby creating greater pressures on the livestock market. The depressed price levels for feed grain which prevailed through most of 1969 and

1970 contributed substantially to the sudden economic difficulty in which hog producers in this Province found themselves last year. Sluggish grain markets and large grain inventories created a situation where grain farmers were forced to liquidate some of their surplus. Because of the availability of huge amounts of feed grain at ridiculously low prices many farmers were persuaded to establish large hog enterprises, thereby building up a huge supply of pork products for which there was no immediate demand, resulting in a devastating slump in hog prices last year. When the feed grain market stabilized suddenly because of the world feed grain shortage triggered by the United States corn blight, hog prices had plunged to new lows and feed prices had risen. As a result, the wide profit margins anticipated turned into heavy losses.

There can be little doubt that cheap feed will eventually turn out cheap meat. It is very obvious, therefore, that any move which will stabilize feed grains at a reasonable level is of a benefit not only to grain producers but also the livestock industry. The state of economic cannibalism prevails on an unstable market and can only lead to financial disaster for more and more of our producers. It is quite obvious then that in order to resolve this situation some real teeth must be put into provincial legislation which will permit the Minister to establish a basic minimum price for feed grain. This will help to stabilize not only the grain industry but the livestock industry as well. Failing this, we will, without a doubt, progress further along the path of contract farming where large feed manufacturers and feedlot operators will contract with farmers for their feed supplies at whatever price they can negotiate, thereby disrupting any chance of orderly marketing. Our neighboring provinces have recognized this problem and have taken action of a similar nature to protect their agricultural producers. I am very concerned, therefore, that a united effort be made by the Prairie Agriculture Ministers to meet and arrive at a satisfactory minimum price and with reciprocal agreements so that farmers at border points will not be faced with different provinces. Only through this kind of co-operation can a Bill such as this really succeed. For these reasons, Mr. Speaker, I support this Bill.

**Some Hon. Members:** Hear, hear!

**Mr. L. Larson (Pelly):** — Mr. Speaker, I couldn't pass up the opportunity to say a word or two on this Bill. I am very happy to hear that the Opposition has also concurred in it. The adding of clause B9A0 puts into the Act some very desirable features.

The scope of the present Act embraces some very important and worthwhile principles. However, it falls far short of meeting the most important principle of all, and that is doing something about prices grain can be sold for in Saskatchewan. That there is need to embrace a price principle clause has been too obvious in the past few years. When there is an abundance of grains and a shortage of markets or sales, the stage is set for the slashing of prices to feed mills, to feedlots and from farmer to farmer. This has had some very adverse effects on the prices farmers received for their grain sold during these conditions. Under the present conditions prices fall to disastrously low levels for the farmer. He finds himself in a desperate situation. He has grain on hand but no quota whereby he can sell and realize any money on it. On the other hand he

is desperately short of cash and has no way of getting it. In total desperation he is forced to sell at whatever price he can get and to whoever he can find to buy. This is a very unfair and unsatisfactory situation. No man should be put into a situation whereby due to no fault of his own, he is forced into doing something that may mean economic ruin to him. This kind of economic pressure is too great for the farmer to bear all by himself. He is in no position to bargain or to resist the pressures to sell.

The feed mills, the feedlots and the private buyers are in a much better bargaining position with large supplies and sales and markets poor. All they have to do is to sit and wait it out. That this is the case has been proven by the prices paid for grains during the last few years. In the crop year 1969-70, with an over-abundance of grain, such as wheat, oats and barley and quotas and sales through the Canadian Wheat Board at a very low level, we saw prices of 60 cents a bushel for No. 2 Wheat, 48 cents for barley, whether it was 3CW or feed, and oats at 34 cents and lower. As a matter of fact, price levels seem to be based on the premises of one cent a pound. These kinds of prices can only be described as disastrous.

It can, of course, be argued that farmers don't have to sell. However, this is not the whole story. When the financial pinch is on and farmers must have money for power bills, groceries, clothing for children, and with bins full of grain, the temptation not to sell at whatever prices that are available becomes too great.

The Canadian Wheat Board does not allow prices to fluctuate from delivery point to delivery point. They are prevented by statute from doing this. That the principle of the fixed minimum price for grain has been well accepted is proven by the success of the grain board. That farmers are prepared to accept the principle of stability in price as well as in delivery opportunities is proven by the acceptance of the quota principle. Further, it is not a fair principle that the grain producer should be called upon to subsidize the feeders both in hogs and cattle. The price of grain does not reflect directly into the price of prepared feeds. A check will show that the prices of grain bought at disastrously low prices does not bring down the price of prepared feeds. It is noteworthy, Mr. Speaker, that when the potash industry got into trouble it was deemed advisable and expedient to establish floor prices and quotas.

In looking at the Bill it will be found that it reads "may prescribe minimum floor prices for the various kinds of grain". It is clear that unless price conditions become so disastrously low that it becomes necessary to prescribe minimum prices it does not have to be invoked. However, it would be my hope that minimum prices would be established and that they will be in line with the Canadian Wheat Board prices. The economic effects of prices lower than this cannot be borne by farmers alone.

I want to congratulate the Minister for bringing this Bill into this Session and commend it to the Legislature.

Motion agreed to and Bill read a second time.

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Hon. R. Romanow (Attorney General) moved second reading of Bill No. 66 – **An Act respecting the Sale of Training Courses.**

He said: Mr. Speaker, I am moving second reading of a new Bill which will be entitled The Sale of Training Courses Act, 1972. Mr. Speaker, the basic purpose of this Act is to seek to regulate some forms of conduct and activity in the sale of training courses offered by some commercial schools or institutions. The Act is directed primarily toward the correspondence course which is offered usually by door to door salesman or variations thereof. This is usually the type of course which ends up at the student's home. Schools at which students attend themselves will continue to be regulated by the Department of Education under The Trade Schools Regulations Act so that the effect of this Bill will be in effect to peel-off, if I might describe it that way, a small portion of The Trades Schools Regulation Act, activity which we feel was basically unsatisfactory and get it up under the provisions of a brand new Bill to be called The Sale of Training Courses Act, 1972.

The Act in effect transfer it from the Department of Education to what will likely be the Department of Consumer Affairs, although you will notice in the Bill itself that 'Minister' means member of the Executive Council to whom the Bill is being assigned for administration. It is certainly anticipated in my mind that it will go to the Minister of Consumer Affairs, as opposed to the Attorney General or to some other officer of the Executive Council. The Act will transfer to the Consumer Affairs Department the kind of courses which are sold through the use of salesmen who canvass the province. I feel that it is a further step in consolidating under one branch legislation of a similar nature having basically to do with consumer protection. The scope of regulation is extended by this Act to include all training courses, whereas under present legislation there is regulation over trade schools only. The Act provides for the licensing and bonding of training course schools and salesmen. It provides for suspension or cancellation of licences in certain circumstances, say for example, when there has been a misrepresentation or dishonesty, or where the school or the salesman has demonstrated a lack of competency or trustworthiness to carry on the business of selling training courses. The registrar is given wide discretionary powers under the Act but we do provide some safeguard by allowing his decision to be the subject of an appeal to a judge of the Court of Queen's Bench. The Act is worded so that it is the final court of appeal.

Under the Act a purchaser of a training course may cancel a contract at any time within four days after purchase and obtain the return of his money. On this point, Mr. Speaker, I should like to inform the House that it would certainly be my intention to look at extending the period of cancellation beyond four days. There is a considerable feeling among some Members of the House that have studied this Bill that four days is not nearly enough time upon which an individual can make that kind of a decision to cancel the contract and to obtain the return of the money. Very often within four days no papers are passed and no idea as to the type of correspondence course is forwarded and we need additional time. I'm sorry I can't be precise as to what period of time would be written in there, other than the four, but at present I am looking at a situation which would allow it up to fourteen days. I shall be inviting comments of the Members in Committee of the Whole with respect to that. At any rate this period is commonly referred to as the cooling off

period and Members will know that it is basically the same in principle only it will be extended in time under a provision which presently exists under The Direct Sellers' Act. Perhaps, more important, however, is the right given in this Act to the purchaser to cancel the contract at any time up to five years after the date of purchase and to obtain a refund in respect of the portion of the course which has not been completed. This must not be confused with the earlier cancellation right. The earlier cancellation right is the right to get out of the contract with no obligation whatsoever. The second right that I am talking about up to five years, is the right to cancel out being responsible only for that period of time during which one has actually received the benefit of the training course and obtaining a refund on the balance.

The Act, Mr. Speaker, further provides that every purchaser of a training course shall be supplied with a copy of the contract immediately after signing. Also, the contract must state on the face thereof the purchaser's right to cancel within the cooling off period. Where a course is not to commence until three months or longer after the date of sale, the school may not take a deposit greater than \$25 and may not charge interest on the unpaid balance until after the actual commencement date and the actual commencement of the course. We think this is a satisfactory safeguard for the type of situation where the contract is entered into but the actual course doesn't start for a considerable period of time afterward. Although the \$25 runs the potential risk of being lost it does certainly cut down the amount of the risk as it does exist in some present cases where there may be hundreds of dollars taken in advance.

No school or salesman may, for the purpose of effecting a sale, promise or guarantee employment or make any misleading statements with respect to earnings upon completion of the course. Members will know that very often when we see advertisements either in the newspapers or in magazines that may come into the Province of Saskatchewan, although this is a much more difficult problem to regulate and solve, advertisements that say, "study hard for two weeks and become an immediate airline stewardess at fantastic sums and take terrific trips around the world" this basically is a form of fraudulent or misleading advertising and in effect is an unfair representation to the actual employment opportunities that are available to that person.

Provision also is contained in the Act to ensure proper disclosure in the case of advertisements of all aspects of the courses. We think this will be a very substantial improvement of making sure there is fair play and full revelation of the situation between the seller of the training course and the person who buys the course.

Failure on the part of the school or salesman to comply with the Act may result in suspension or cancellation of licence by the registrar and upon conviction of failure to comply with the Act in the payment of substantial fines of up to \$1,000. The amount of the fine is rather stiff, but Mr. Speaker, when we consider the fact that we are dealing with, in most cases, a corporate body, we think that it is not out of line.

Many complaints concerning the sale of training courses, I am informed by my officials, have come to the attention of the Government officials. This Bill is designed to overcome some of these problems. I will readily admit that it will not

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be a panacea nor will it overcome all of the problems, but I think it will go a long way to establishing a fair-minded climate in this particular area.

Basically, the Bill, as I have said, provides for closer regulation over both schools and salesmen and in my estimation will go a long way to ensuring that purchasers of courses who are primarily, but not always young people, receive satisfaction or return of the money. In effect it equalizes the opportunity and stabilizes what I think is a potentially dangerous situation in this area for the Province of Saskatchewan.

Mr. Speaker, in conclusion, this is a piece of consumer protection legislation. I view this to be a very important piece of consumer legislation which if tied in with the consumer Bills passed by the former administration and those that we are introducing here will, I think, give the Province of Saskatchewan ultimately a fairly strong and worthwhile code of consumer behavior. I would commend it to the approval of all Members of the House and with those few words, Mr. Speaker, it gives me great pleasure to move second reading of an Act respecting the Sales of Training Courses.

**Mr. A. G. Guy (Athabasca):** — Mr. Speaker, I should like to make a few comments regarding this Bill. The Bill as such I don't think will meet any grave opposition from Members on this side of the House. There are one or two sections of it that probably can be better discussed in Committee. There is section 21 of the Bill where for a period of up to five years cancellation can be made and some money refunded. I can't help but think that perhaps that is going a little far. The Attorney General has mentioned that he is considering increasing the period of time from four days to 14 for cancelling the contract. I think maybe there should be some discussion of that.

I'd like to make just a few comments about this type of legislation in general. I hope, perhaps, Mr. Speaker, you will allow me a little leeway as I will be moving away from this particular Act. I think that all governments today are facing pressure from the general public where they find it difficult to avoid taking action on. I seriously question whether we are doing as much for the individual and people as we perhaps think we are doing. Every time we pass a piece of legislation whether it's to control training courses or whether it's a Collection Agents' Act, or whether it's a Direct Seller's Act or what have you, we are eroding some of the freedoms of individuals to make decisions on their own. I wonder if this is really the role and responsibility of governments completely.

Now, I'm not in any way blaming the Attorney General for bringing in this legislation. As I said, I think all governments are being faced today with pressures and demands to bring in this type of legislation. It's coming from consumer groups, it's coming from some individuals who have been burned, shall we say, by salesmen who have sold them encyclopaedias or vacuum cleaners, or you name it. I don't suppose that the Attorney General in any province or the Federal Government get letters from those who have received vacuum cleaners and so on that have been entirely satisfactory, or training courses which they have proceeded to complete and obtained a job as a result of. Most of the criticisms, letters and complaints come from, I would suspect, relatively few who for one reason or another didn't

read the fine print or misunderstood their contract. And these are the type of people that we are protecting. And I am not suggesting that they shouldn't be protected. But I am wondering if the protection, by means of blanket legislation, is really the type of legislation that the majority of individuals in our society today, when they really stop to think, really want. If we continue this type of legislation, and I am quite sure that probably we will be as the trend is towards it, the further we go with it the further we shall have to go because we are now reaching the point where individuals have very little responsibility to make decisions on their own as individuals. Governments have legislated their way into the individual's life from cradle to the grave. And the more you do it the more individuals assume governments are going to do it. The more individuals assume that it's going to be done the more governments are going to have to do it.

I just wonder what the result of this type of legislation will be, if we are not going to end up as robots where all we have to do is push a button and it will tell us that the government has entirely protected us and one doesn't have to worry about it. I don't know whether individuals wish to assume the role that they don't have to worry about protecting themselves and they don't have to worry about taking some responsibility of entering into agreements. I personally don't think that in most cases, and I say in most cases, that it hurts an individual to get burned once in his lifetime. In fact, I think back to my own youth when I went to the fair one time and got taken in by one of those games of chance, I got taken in once but I didn't get taken in again.

Now, I don't want to see anybody get hurt to the tune of great sums of money that they can't afford. But I really wonder if the individual as such is not losing his individuality, his sense of responsibility of looking after himself, instead of having the state or the government (and I don't care what government it is, I'm not making this on a political basis at all) doing it. I'm just making the point that our society over the last 15 or 20 years and maybe even longer than that has been moving ever faster into the direction of having the state look after, regulate, control, protect everything we do. I wonder if there isn't a time coming, or perhaps we have passed that time, when individuals should once again start trying to regulate their own lives, assume some responsibility not only for themselves but for their fellow men. I don't think we are going to gain anything by regulating salesmen practically off the face of the earth. Salesmanship has always in the past been considered as a viable and responsible occupation but today we seem to be regulating salesmen to the point where I don't know how they can operate at all. If it was only the unscrupulous salesmen, and we would be the first to admit there are always a few, if it were those that were the only ones that we were regulating then it wouldn't be so bad. But we are regulating every salesman, every type of salesman, in one way or another through legislation that governments are bring in from year to year.

So as I said, taken individually these Bills that we are bringing in this Session and Bills that our Attorney General brought in over the past seven years, and the former Attorney General before that, don't appear to have any particular detrimental effect on society, but taken collectively I sincerely believe that we are becoming a society who are abrogating our

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own responsibilities as individuals to make our own decisions, to protect ourselves, to regulate ourselves and personally I am not completely in favor of society reaching this stage or this state. I think we should try and maintain some role and some responsibility for individuals and this type of legislation doesn't do it.

As for the Bill itself, I know that I have wandered far and wide, Mr. Speaker, and I thank you for allowing me to do so – we have no great objection to this particular piece of legislation, but again, it is one of an ever-increasing burden upon individuals, another regulatory act which as I say when added all together creates perhaps more protection and regulation than the individual really needs.

**Mr. Romanow:** — Mr. Speaker, I thank the Hon. Member from Athabasca for his comments because he is in effect articulating fairly well a particular worry about the continuing intrusion of government into almost every aspect of life. He argues that we had better look to see what is going to be at the end of the road. After we finish regulating everybody who is going to watch those who do the regulation in the first place. I suppose if we ever get to Bill 9 that will be the Ombudsman. But very seriously, Mr. Speaker, with respect to the points raised by the Member from Athabasca, on the question of freedom of individuals to make decisions on their own, I say there is a point where no amount of legislation will ever present an individual from making a fool of himself or entering into a foolish arrangement or deal. No matter what the particular circumstance happens to be, no matter what the law is, governments, in my estimation, can only go so far before legislation becomes meaningless. I think there has to be some form of need and some reasonable solution offered and within those two perimeters there will always be problems with respect to the absolute areas of protection. So I say to the Member from Athabasca that although in his view it may be an undesirable trend, I can't visualize the situation arising where we shall be protecting individuals to such a point that their freedom will be so eroded that they won't, for example, enter into bad deals or bad arrangements from time to time. That exists, goodness knows, in too many areas now.

On the point of the blanket legislation that the Member raised, I should much rather prefer the introduction of a Bill that deals with a specific area of activity to try to limit it rather than to come in with a Bill as we have done here on the sales of training courses, period. But we can't do that because I think if you do it, then you run the risk of raising the argument against that what you are really doing here is picking out specific industries or a specific company thereby being discriminatory against them. In any event, I think if it's an isolated incident, an isolated company, one or two, then I think a government has an obligation to use its influence by way of the actions of the Civil Service or perhaps a Minister to see if some remedial steps can't be taken to avoid the necessity of bringing in legislation.

In this area this Bill doesn't come out because I think it's a good Bill. Our officials have advised me that they felt that there was some need for it and they demonstrated a case and the only solution therefore was to go by way of blanket legislation building in certain safeguards. Although I sympathize with his remarks in this area I see no other way that it can be done.

On this general question of regulating salesmen, I have never been a salesman, other than a politician, which I suppose is as close to being a salesman as anything. What I am going to say is that if you have a good product and a good company, you'll always make the sale. But in this type of a case, I do believe that a good product with a good responsible salesman and company will always be bale to live within the context of this Act or within the context of The Motor Dealers' Act upon which this Bill is patterned or any of the others that either Mr. Heald, my predecessor brought in or that we are bringing in here. It makes it a little more difficult for a dealer but after he becomes registered and licensed, then I think he can operate with virtual freedom. But really what this Bill will do is it will say to the person who doesn't have a good product, who is not responsible with any home base, you are out of business. And I think we have some responsibility as government officials to make sure that that type of an operator is not allowed to exist. I will conclude by saying this, Mr. Speaker. That onus is increasing because of the complexity of society. I think that the better equipped smooth talking promoter will almost always win in today's complex society over the individual who may not have any knowledge about a training course or a particular industry until the actual contact is made at the door. And although we talk of freedom we always must realize that there is no such thing as absolute freedom, be it in economic affairs or in political affairs. Freedom always has within it certain very serious constraints. Although we have freedom of speech we cannot say at a crowd theatre "fire" as an exercise of freedom of speech. There are obligations to society as a whole. But the obligation of government is to make sure there are fine balances between the role of the state and the individual's freedoms. I think this Bill exemplifies that but because of the increasing complexity of society probably it is one of a multiplicity of Bills that will continue to come forward in this particular society. I think it's a good Bill. I think it will protect individual freedoms. I think it's needed. I urge all Members to vote in support of this Bill in second reading.

Motion agreed to and Bill read a second time.

**Hon. G.R. Bowerman (Minister of Indian and Metis)** moved second reading of Bill No. 67 – **An Act to establish The Department of Northern Saskatchewan.**

He said: Mr. Speaker, in introducing second reading of the Bill to establish The Department of Northern Saskatchewan, perhaps I could best place the principle of this Bill before the Legislature by referring to a couple of editorials which appeared in the Press following the announcements which were made early in December and more latterly in January of this year. I refer, Mr. Speaker, to an editorial in the Prince Albert Daily Herald on Wednesday, December 22, 1971, as I think it sums up very well what the objective of the Government has been and what the principle of the Bill is about. I should like to place it on record as being an interpretation of the public's reaction to the announcement which was made by the Government to introduce a single department or single agency for Northern Saskatchewan. The title of the editorial is "Single Agency Proposal May Benefit Northern Saskatchewan", and I quote:

Proposed single agency approach to development of Northern Saskatchewan being studied by the Provincial Government may go further to solving some of the problems of northern

residents than any previous proposal. Due to the scarce population it certainly could be argued that Northern Saskatchewan is now over-governed but the main problem of poverty facing the northerners has not been alleviated to any extent in the past decade or two. Northern Saskatchewan is a vast storehouse of natural resources which must be developed in order to bring a decent standard of living to the inhabitants as well as to provide a broader economic base to the province. However, this development must be made without destroying the tourist industry and its potential which depends heavily on the lakes, forests, fishing and hunting. Due mainly to the bleak, economic picture in the North, there is tremendous room for improvement in the field of housing, roads and even in the access to health and education. Today there are many government departments operating separately in Northern Saskatchewan and often, we feel, without proper consultation with each other. Such a system may work well in urban centres where a person can contact several departments in one building. But in remote settlements it often means frustrations and continuing problems as an individual runs into a stream of red tape. With one northern department overseeing all aspects of government in the area it could be possible for long range planning which would allow the development of the North but at the same time assuring that such things as pollution will not destroy the lakes and rivers of Northern Saskatchewan. As well, it is most likely that with one agency of the North the development we feel must come would be geared to benefit the people in the northern part of the province rather than those in other areas. Because of the low population which is spread over a wide area, the cost of providing government service may be reduced considerably with one department rather than several that now must compete with each other for a share of the funds from the provincial treasury. Although civil servants whose departments may be involved in any change as well as northerners may be skeptical of the proposal, we feel that the Government should certainly be given full co-operation in any move which may alleviate the problems of the North.

Mr. Speaker, I think that is a consensus of the public opinion which is expressed in that editorial to the reaction which comes as a result of the proposal by the Government to establish a single agency for the North or a Department of Northern Saskatchewan.

I should like also to refer to a Leader-Post editorial on December 23, 1971 which was also making a comment with respect to the announcement.

**Mr. MacDonald (Moose Jaw):** — Who is the Leader-Post?

**Mr. Bowerman:** — The Member from Moose Jaw asks the question, who is the Leader-Post? This only indicates how uninformed the Member from Moose Jaw is. And, of course, I am sure if he will listen closely he will appreciate that the public opinion which is being expressed here is one which supports the Government in its proposal to establish that department. I want to quote, Mr. Speaker, from this editorial:

In many ways the problems of Northern Saskatchewan are

unique and it makes little sense to apply the same public service approach to this area as is applied to the settled central and southern regions. Inter-department co-operation difficulties on occasion lead to confusion and delay when the methods that apply well in the settled areas are applied in the far northern areas. Developing the potential of northern communities can suffer from this.

It calls for complete change in provision of government services in the North with some program participation by northern residents, better selection of North oriented administrators for service there and municipal council organized at three levels – local, district and regional.

Single agency consolidation no doubt can do much to improve the Provincial Government services in the North.

That is the end of the quotation, taken from the editorial appearing in the Leader-Post, Mr. Speaker.

Also, I want to refer to an editorial which appeared January 8 in the Prince Albert Daily Herald. I say that it is more reasonable to expect that one would find in the editorials of the Prince Albert Daily Herald a commendation of this particular Government in its approach to the governing of the province.

I want to quote again for the record, Mr. Speaker, a second editorial which appeared in the Prince Albert Daily Herald. The editorial is headed “Challenging Position” and I quote:

The Minister responsible for northern development will be carrying one of the most important portfolios in the Government.

I don't say that, Mr. Speaker, simply because it refers here to the Minister who will be carrying the portfolio but rather because the public is interpreting the legislation which they consider to be a very important piece of legislation.

While the Government has not been specific as to what the proposed northern department will consist of due to the tremendous potential of the northern part of the province it is expected to be one of the most important in the Government. Dealing with the complex problems of Northern Saskatchewan the Minister will face some challenging situations to which solutions will not be easy. The manner in which the challenges are met and handled will have a great bearing on the lives and future of many people in Northern Saskatchewan who now have little hope.

Mr. Speaker, I think this summarizes very well the concern and the consideration which we appreciate is so keenly caught by the Press in the announcements which were made and there have not been extensive announcements in this regard. But at least the public is conscious and aware of the needs of Northern Saskatchewan and is aware that this kind of a proposal would in fact be useful or thought to be useful for the development of the North. One of the major questions which will logically be asked at this time is: What is the North as far as the Department of Northern Saskatchewan is concerned? What are some of the areas of reference which this Department will control? I might say, Mr. Speaker, that geographically the northern administration district is the area which the Act will generally apply to. The northern administration district is an area

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which has been defined by The Northern Administration District Act for some considerable time. A line drawn laterally across the province, beginning somewhere south of Cumberland House, going west, south of Montreal Lake and then continuing west to the Alberta boundary in the Cold Lake area, would provide the southern boundary of the northern administration district which will also include the communities of Beauval, Doré Lake, Green Lake and Canoe Lake. Those areas of responsibility which are intended to be included in the Act, Mr. Speaker, are the areas of all departments of government operating in the northern administration district. Those other agencies of government that also operate within that area include some aspects of Public Health, of Social Welfare, Public Works, of the Department of Natural Resources and of the Department of Education.

The present situation in the North shows that there are many problem areas and the North indeed has unique differences from what we consider to be the area of the province most referred to as the southern areas of the province. I want to place before the Legislature for this second reading some statistics which will point out the unique problems we face in meeting the demands of this particular and unique area. It is hard to conceive that approximately one-third of the northern settlements are completely isolated in so far as land transportation is concerned. That is almost one-third of the settlements 25, 26, 27 settlements in the North, almost a third of those cannot be reached other than by air transportation or by water during the summer. But there is no road communication with these settlements. There are still relatively large numbers of the population in Northern Saskatchewan who do not have the facilities of a radio, they simply do not have radios in their lives. Citizens from Montreal Lake north are not able to receive what we have become so accustomed to, television. We watch it and we give no consideration to the fact there is in the province, geographically half of the province, which lies north of the geographical centre, somewhere near Montreal Lake, a large area that is only served by television in the communities of Uranium City and La Ronge by pre-recorded programs which allow for four hours a day of television.

The Assembly recessed from 5:30 p.m. until 7:00 p.m.

**Mr. Bowerman:** — Mr. Speaker, when we recessed at 5:30 I was pointing out to you and the House, Sir, that there are some things which we in the Province of Saskatchewan take for granted, or we in the southern portion of the province take for granted, which do not exist in the case of our citizens living in the northern parts of the province. I specifically referred to the more common things which we take for granted such as radios and television and electrical power. One might say that there are many in Northern Saskatchewan who do not have these benefits and because of this fact it does create a great disparity between those living south of the northern administration district line and those living in the North.

One of the other very serious considerations, Mr. Speaker, why the Government must take immediate action to bring about development in Northern Saskatchewan and to concern itself with the development of that portion of the province is the burgeoning population growth. It is estimated that by 1980 the population of Northern Saskatchewan will double or in other words we shall have a population in 1980 of 50,000 to 60,000 persons.

Northern Saskatchewan has one of the highest birth rates and lowest death rates in the world. Annual growth rates are three times that of the growth rate of India, more than four times that of China, and seven times that of Japan and of Saskatchewan as a whole. One of the serious considerations which must be taken into account is that the average age of the northern population is between 10 and 12 years, while the provincial average age is somewhere between 20 and 25 years. When we look at those statistics it must inevitably concern us with regard to what programs will need to be implemented in order to be able to bring about the kind of programs and the kind of solutions to the problems which do exist as a result of it.

Referring to education relative to our citizens living in Northern Saskatchewan, less than two-thirds of the school age children which is from 6 to 14 years, attend school regularly. Of those who attend schools between that age, 60 per cent drop out before grade five, 40 per cent of them drop out between grades four and eight and 96 per cent drop out between grades eight and 12. This, Mr. Speaker, is really a serious indictment of the remainder of the Province of Saskatchewan not to concern itself or not to have considered the problem much earlier than it has. Approximately 50 per cent of the grade one students repeat that grade one as compared to eight per cent on the provincial average. This is serious indeed. Rates of major diseases vary from 20 to 35 times the provincial rate and these rates are on the increase. Indeed, if we were to relate them to today's standards undoubtedly those statistics would be much higher.

Over 11,000 persons are of the labor force age in Northern Saskatchewan and less than half of these are employed and fewer than one-quarter of them earn over \$2,000 in a year. Two hundred persons are employed in mining, 1,500 in fishing, some 2,500 in trapping and fewer than 100 of them in forest-based industries. Trappers and fishermen are usually the same people. The annual average income for trapping has been indicated to be \$240 per annum and about \$1,000 per year from fishing.

These conditions, Mr. Speaker, lead to the very serious social and legal problems which confront those who have had experience, or anyone who has lived or related to the people in the North. I refer again to some statistics which are old now but which will give us some indication of the social and legal problems which do exist in Northern Saskatchewan. In 1958 which is 12 to 13 years ago now, it was evidenced that 52 per cent of the girls or women between 16 and 30 years had already had two illegitimate children, 60 per cent of the men between 16 and 30 years of age had already served two prison terms and 6 out of 10 persons had nutritional anemia. These rates were then on a major increase. I say again that if we had the statistics relating to 1972 that undoubtedly we should find that these rates have increased even more since that particular time. Therefore, I suggest to you, Mr. Speaker, that one of the very serious considerations which this Government has taken into account is the fact that these kinds of statistics do exist in the northern half of the province and, therefore, very serious concern must be given to the solving of those problems.

Northern Saskatchewan has a varied population of about 25,000 or 30,000 people, 16,000 of whom are considered to be Metis people, 5,000 are Treaty Indians and another 4,000 are non-native people who have immigrated to Northern Saskatchewan

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either in the early years or subsequently since the development of La Ronge and Uranium City and Creighton. To this point in time a clear case of the minority non-native population has consistently exercised domination over the decisions and over the resources of the North. This same minority of non-natives has dominated not only the social and human resources but they have as well been the predominant factor in the development of the renewable or the harvesting of the renewable resources as well as non-renewable and the industrial resources as well. This has resulted in a dependency pattern that has been established among the peoples of the North and when people lack power and lack the resources with which they can control the resource-based industries, it is not surprising that many problems arise such as we see in Northern Saskatchewan presently. Therefore, the policy of this Government is to recognize Northern Saskatchewan as an area of special and urgent concern to the Government. To recognize in addition that differences in culture, in social development patterns, in economics, in the environment and in the current levels of human development in the North require a different kind of an approach by Government than that of the South.

This legislation which is before us and which we are considering now will provide, we believe, a new kind of an administrative approach. Vital kinds of economic development programs and social and economic research are required which will develop northern resources in the best interest of Saskatchewan and which will be developed principally by and with those who make Northern Saskatchewan their home. Our policy in brief then, Mr. Speaker, is that in terms of northern people we wish to provide greater involvement in the decisions which affect their lives or in other words replace the pattern of dependency with resources and decision-making powers over the resources and to remove the North and the northern people from a pattern of dependency to a pattern of inter-dependency with the rest of Saskatchewan.

Therefore, in order to bring this about we propose a single department as is provided for in the legislation to be known as the Department of Northern Saskatchewan. It will be responsible to one Minister and, as we have said before, many of the agencies of other departments of government that are operating in the North will come under the direction of that individual Minister.

We are as well, Mr. Speaker, providing for a Northern Development Advisory Council. This will consist primarily of northern residents. The number of northern residents on that advisory council will have the veto power of voting in that they will comprise the majority of the members of the advisory council. In addition to those northern residents it will also include people of the various academic disciplines and representatives from the major native organizations such as The Metis Society of Saskatchewan and the Federation of Saskatchewan Indians. In addition, Mr. Speaker, we propose to provide the legislation for the development of local municipal government. Up to now no civic election process has been provided in the North. I say this with one exception, there have been provided local councils which have been elected in a minor way but generally a local

municipal government or civil government in the North is something which has not been a fact. We propose in the legislation to provide for the establishment of northern municipal councils or the election of municipal councils which will then give the people an opportunity to voice their opinions in the development of their own affairs.

The Department of Northern Saskatchewan will in the years to come, we believe, have headquarters in La Ronge with similar administrative centres at Buffalo Narrows, at Creighton and at Uranium City. In the single Department there is little realization, much less real appreciation of the fact that problems of the North are different from those of the southerly developed sectors of the province. To try and administer them in the same way is an indictment on our inability to cope outside the established and traditional structures. We have concluded that the North is different. The people in the North have continued to say this and have continued to say that administration of government in the North, therefore, must likewise be different. Different because of all the factors that I have mentioned earlier and perhaps more so because the rapid and economic social changes which impose all the classic problems of acculturation. This is the process of adaptation when two cultures come together in first-hand contact and when that happens they are accentuated by the imposed changes in our technological system and in our economic developments which impose themselves more definitely and more strictly upon a culture which is required to undergo almost 100 per cent of the adaptation process.

The idea or the concept of a single agency for Northern Saskatchewan is not a new one. It was studied by the Budget Bureau of the Government as early as 1951. One of the quotations taken from the Budget Bureau's study of that year says in part, this:

Something of a problem has been created by the fact that no effective device has been provided to co-ordinate the highly inter-related activities in the North.

An inter-departmental co-ordinating committee was established several years ago but has almost ceased to function and has become ineffective. Yet the need for co-ordination is even greater today than it was several years ago. The need for co-ordination is emphasized by the fact that friction and differences of opinion regarding the appropriateness of separate programs are beginning to develop between Northern administrations and the representatives of other departments.

It was acknowledged then that differences did exist between the various government agencies and the various departments of government, and that in order to resolve that problem consideration needed to be given to a co-ordinating agency which would bring about some change. In 1958 the Director of Research and Planning for Natural Resources who then had the responsibility for the administration of The Northern Administration District Act and the programs of the North, in his consideration of this and in his observations reported to the Centre of Community Studies, said this:

Then, as now, programs were being conceived and executed from Regina along functional lines of administration. Each Department such as Education, Health, Social Welfare,

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Agriculture, Municipal Affairs and Natural Resources were framing objectives, formulating methods and choosing personnel without reference to other departments, despite the fact that officials of each department were readily acknowledging the activities of their departments were very closely related to one another.

Here again consideration was given to the acknowledgement of the fact that in the administration of the affairs of Northern Saskatchewan, it was necessary to choose a different type of administrative organization than that which is considered to be useful to the government departments in the South.

Again in 1960 under the direction of Gus MacDonald, who was formerly with the Department of Natural Resources, it was recommended that a single agency be implemented. In 1968, under the previous administration, under the former Government, there was set up the Task Force on Northern Saskatchewan, for comprehensive development of Northern Saskatchewan under the Federal FRED Program or FRED legislation.

This Task Force was disbanded in April 1969 by the Treasury Board. But it is interesting, Mr. Speaker, to know that the former Government in their studies by the Task Force also recognized that it was necessary to bring about a different kind of administration in Northern Saskatchewan than we consider useful to the South. Therefore, it was suggested in that report that a Standing Committee of the Legislature and an establishment of a non-departmental planning agency reporting to a Cabinet committee be established.

Therefore, the Northern administrative structure has been adequately studied and consistently it has been recommended by all those that have looked at it, and the people of the North have consistently requested that the Government change its method of organizational structure and, therefore, Mr. Speaker, we are proposing to bring this legislation, this new Department of Northern Saskatchewan into existence by this Bill.

I want to say, in closing, that we shall place considerable emphasis on the development of the Advisory Council, which I have already indicated will be principally elected members from the North and from the two representative Indian associations of the province. In addition to that there will be appointments made from the Institute for Northern Studies at the University of Saskatchewan and from the Northern Educational Committee of the University, as well as other academic disciplines in the field of economics and so on.

In addition to that, Mr. Speaker, we propose to place heavy emphasis on the community councils or the role of civic government in the North. And, therefore, the development of community councils or councils at the very basic level in the communities such as La Loche, Buffalo Narrows, Pelican Narrows and so on. They will be able to establish at their will, by a vote of the electors, the establishment of local councils which will speak on their behalf to regions and to a northern municipal council. These councils will be given a latitude of appropriating their funds and of programming the developments in their own particular areas. In addition to that the larger regional and district councils will be given grants in order that they, too, may formulate their program development of the North.

I suggest to you, Mr. Speaker, that in view of the many considerations which have been given to this, and in view of the conclusions which have each time come to the conclusion that there must be a different kind of administration than that which we consider to be the appropriate kind of administration here in the South for the development of our own civic requirements and for the development of our own economic and other wellbeing. The people in the North believe there must be a change, there must be a different vehicle, consequently, and in accord with the policy which we set out in our election platform, I am therefore happy, indeed, to move second reading of this Bill.

**Some Hon. Members:** Hear, hear!

**Mr. A.R. Guy (Athabasca):** — Mr. Speaker, I should like to say just a few words before I adjourn the debate on this Bill.

I was a little disappointed that the Minister who supposedly will be in charge of this Department did not have more details for us this evening. I think one of the weaknesses to date has been the amount of publicity that has been given this Department in the Press and the absolute lack of any concrete details that we are being served up in this House. I am not only referring to the Minister's remarks here this evening, but I refer also to the Estimates which show no great amounts to be spent. I also refer to the Premier's comments.

Now the Minister tonight appeared to know what is going to happen in the North. I wish he had spent a little more time telling us his thoughts of what the Government was going to do rather than reading the editorials from the Prince Albert Herald and the Leader-Post. Those editorials, Mr. Speaker, were based on the large volume of propaganda that we have been served since the election and during the election last June. The Minister, of course, made a little slip when he made his third quotation when, he had to make some snide remark about the Prince Albert Herald.

We all know that Members opposite, when it comes right down to it, basically do not have much faith in the reporting of the provincial newspapers in this Province. They always claim they are the tools of capitalism, the tools of the big business boys. So I was surprised that the Minister would even refer to any editorials that appeared in these papers.

However he did, and I will admit that those were good editorials. The papers are certainly well aware of changes that are needed in northern Saskatchewan, but as I said, they are basing these editorials on the large volumes of propaganda that we have been subject to since the election. And for that reason I would have been much happier if the Minister, instead of reading the editorials, had given us his views of exactly what this Department was going to be doing, and how it was going to be established. When one looks at the Act there is only one section in it and it is headed, 'The powers of the Minister'. It gives him absolute and complete power to do anything at any time and in any place in northern Saskatchewan. I think we have to have some concern in view of the actions of the Government opposite on other occasions regarding these wide-sweeping powers of the Minister when there is nothing in the Act to say where those powers are to be directed. I think the Minister will agree with me that in this particular Act, An Act to establish the Department of Northern Saskatchewan, there is nothing but this

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section on what the Minister is able to do.

Now he has mentioned that there would be a Northern Advisory Council. Well this may or may not take place because there is nothing in the Act to say that there is going to be an Advisory Council and I think there should have been a breakdown into exactly what some of the organizational structure was going to be. He says there is going to be local, municipal government. And, again, I hope that he is right, but there is nothing in the Act to say that the Government must proceed in that manner. There is just a very general section, as I say, giving the Minister absolute control over every aspect of development of the North. I hope when he closes the debate on this Bill that he will fill us in with more of the details.

The other reason that I am a little concerned that they are not as sure of what they are going to do as the Minister would lead us to believe tonight and also the Budget Speech of the Premier (Mr. Blakeney) when he said that it is the intention of the Government eventually to bring about some kind of split in government services between North and South Saskatchewan.

In other words, the change is going to be made eventually, but this year only the nucleus of the Department would be formed. Now Press releases, certainly the ones on which the editorials in the newspaper have been based, were on the understanding that this year the organization and the Budget would be substantial to carry out these very wide-reaching programs. Then the Premier went on:

In the future it is planned to transfer to the Department of Northern Saskatchewan responsibility for the majority of Government services.

Again, we don't know what services. Certainly there is nothing in the Bill that tells us what services other than the general coverage of every service of the government. But the Premier doesn't say every service, he says the majority. And he doesn't say when, he says in the future sometime. And he says:

The grouping of most Government services under one administration.

Again, we should feel surer if we knew exactly what services are going to be included. So I suggest, Mr. Speaker, that the idea of the Northern Department is not as clear-cut in the minds of our friends opposite as they would like to lead us to believe.

I hope that this is not merely a bit of window-dressing to act as a camouflage for the promise that they made last June, that they were going to establish a Northern Department.

The question of whether they should establish a Northern Department or whether they shouldn't I think was well covered by the Minister. We have had studies done under different administrations and basically they all came up with the suggestion that perhaps a new department should be considered. But I want to remind my friends opposite, and I am sure that the Minister who introduced this Bill, is aware of it, that the setting up of a new department is not going to satisfy or answer all the problems of northern Saskatchewan.

It is going to be the programs and it is going to be the approach that this new department takes that is going to determine whether there is going to be a new deal for Northern Saskatchewan.

The single agency, as he pointed out, is not a new proposition. He mentioned that there would be many challenges, many solutions would not be easy. And, again, this is why I am a little concerned about the Bill because in the Bill there is nothing to suggest how these challenges, how these solutions are going to be faced and how they are going to be brought about.

The Estimates, as you are well aware, include a bare \$100,000. Well we are all aware that \$100,000 is going to do nothing in solving the problems of northern Saskatchewan other than hire a few additional staff.

There is nothing in the Bill to suggest that there is going to be the consultation and the participation that has been promised and which the Minister mentioned tonight. I hope that he is right in his desire to consult with the people. I must say, and I will be saying a little more about this later on, but his record to date is not that good. I think this is one of the major concerns of the people in the North today. They have been fed continually the idea that this new department will not be set up until there has been significant consultation. And as I go through the North today I find that consultation is not taking place except in a very limited form with very limited people. In fact it has become wide knowledge throughout the North that this whole plan of a Northern Department and the way that it is being established is being devised not by the Minister, not by the Premier, but by the defeated NDP candidate and his campaign manager. This is right, Mr. Attorney General.

**Mr. Romanow:** — No, no.

**Mr. Guy:** — I am not saying that they shouldn't be doing this. All I am saying is that the people in northern Saskatchewan are concerned that there has been a lack of consultation to date. Now the Minister says there will be considerably more and I hope that he will carry this out. I have no reason to believe that he doesn't mean it when he says it here in the Legislature. All I am saying is that to date there is some reason to believe that the consultation that has been promised is not taking place. He suggests that there will be more efficiency and that by co-ordinating the efforts of all departments it will be better for all. I have no reason to suggest that this is not true. But, again, I do say that the setting up of a department will not automatically mean these will take place. In fact, there is a very great danger that really what we will be doing is creating another layer of bureaucracy as this quite often happens when you set up a co-ordinating department. I am sure that the Minister is quite aware of it and, in fact, will become more aware of it as he has to deal with his colleagues in the Cabinet in this regard.

Regardless of whether you are taking Education, Welfare or Mineral Resources, or what have you, under this new department you are not going to get away from the fact that most of the policy is going to still be determined by the central agency Education, of Welfare, or Mineral Resources, and you as the Northern Department will only be co-ordinating that policy. You won't be making policy in education. Oh, if you think that

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this is going to occur, I am afraid that you are going to be in for some major disagreements with your colleagues. Either that or you are going to build up such a bureaucracy that you won't be able to handle it. Because if you are going to have the staff to run your own education show absolute and separate from the Department of Education for the Province of Saskatchewan, then I would have to suggest very respectfully that you will be doomed to failure before you begin. I think that you can't cut out your education, your welfare, your health and your other departments completely and provide all the services through your Northern Department. I don't think it's feasible, I don't think it's practical. If you decide to do it that way, I'll certainly be watching it with great interest and we'll wish you well. But I think that you should reconsider that.

There are several other matters which I should like to refer to, Mr. Speaker, so I should like to ask leave to adjourn the debate.

Debate adjourned.

**Mr. Bowerman (Minister of Indian and Metis)** moved second reading of Bill No. 69 – **An Act to provide for the Promotion of the Development of Human Resources in Saskatchewan.**

He said: Mr. Speaker, The Human Resources Development Act, 1972, will bring into being an agency that will not only fill the vacancy of services that will remain following the repeal of the Saskatchewan Indian and Metis Department but it will also bring into existence more than that. The purpose of the Human Resources Development Agency which will be established by this Act will be for the promotion and the development of all disadvantaged persons and communities in Saskatchewan. It will seek to involve the disadvantaged groups in our society in their own self-improvement programs. One of the difficulties in dealing with the hard-core disadvantaged groups is their limited access to the higher levels of government and the ability or the inability that they have to be able to cope with the ever increasing size of government and the ever increasing impersonality of government. Therefore, the Human Resources Development Agency is being proposed in order that it may provide the opportunities and access for the disadvantaged groups and persons in our society an opportunity to relate to government and in order that government may be more responsive to those particular needs. Failure of the present agencies and the departments of government effectively to help the poor and disadvantaged groups is one of the major reasons why this agency has been established. Line departments of government are established in a fashion which permits a rather stereotyped kind of organization that produces the kind of response which does not really facilitate the very basic needs that people in this particular out of the mainstream society have need for. Therefore, the reasons again for the legislation is to establish an agency through which effective help might come to those particular groups.

The increasing obsolescence of human skills which continues to result from our technological change brings an ever growing segment of our society into increasing levels of unemployment. Not only increasing levels of unemployment but brings about a dependency and alienation from the mainstream of society. The development of a poverty culture is the inevitable result of that kind of situation and that kind of growth which is taking place in our society. This is characterized by the apathy and

dependence patterns which are so much a part of that particular segment of society. It creates a society isolation and a lack of identification of people with the main groups or with the mainstream society and, therefore, sets them apart to become a very undesirable segment of our social environment which can only be, and which is, the natural outgrowth of that kind of development. When persons find themselves in those conditions they increasingly lack knowledge and experience in order to be able to use the present services and the resources to help themselves and to bring about change within their own social structure. Therefore, it is inevitable that they will become not only socially disadvantaged but become economically disadvantaged and the economic disadvantages become the end of the road in that regard. Therefore, once they become socially disadvantaged and economically disadvantaged they are exposed to what governments usually produce in the line department system, a paternalistic dependency pattern which brings to them, and imposed from above upon them, programs which the line departments, agencies, planners and developers consider to be the programs which they need. It does not provide the opportunity, or usually does not provide the opportunity, for people to be able to think through their problems and to bring about change as a result of considering their own plight. In order to bring into existence a development pattern which will make them a part of the system, people must feel they are a part of that system. Then they are indeed making progress within themselves.

The structure of the organization is considered to be a department although not a department organization in the extent that it is set up to be a development agency. It will consist of a Minister in Charge of the agency, a director will be the person who will formulate the program or implement the program rather. There will be some program staff, a field staff and there will also be a citizens' advisory council which will be established as the monitoring arm of the agency itself and be able to bring about a communication from the disadvantaged groups in society to communicate with government in order that they may inform the agency and keep the agency informed as to the programs which are most effective in the developing of this particular segment of society. The objectives and functions of the agency may be classified as communication, or one of them may be classified as communication in order to help people in government exchange the kind of experience and ideas which will bring about a relationship between government and this part of our society. It will be an informational process and a communication process which will disseminate information about services and resources of government. There are programs within the Federal and Provincial Government now, perhaps more programs than are necessary, but programs which are not able to be taken advantage of because of dependency pattern which a great number of people find themselves in, who are in these areas of the disadvantaged groups. It will, as well, be an involvement program to help persons in authority to keep informed about the problems and the needs of these groups of people and these segments of our society.

The other aspect of the agency will be to bring about an awareness among the people; an appeal to their self-interest creating an awareness of problems and of possible ways of solving those problems promoting community and citizen involvement in the development of programs which they believe will bring about the kind of economic and social development which to them will be useful and will help to associate or bring them back

into the mainstream society.

The third function may be considered the development of organizations or support groups in order that they may find within society or within their level of society people concerned for the same kind of problems and people who are aware of the same kind of patterns which they have. As a result, we shall be able to organize around those problems and will be able to sort out the difficulties which will bring them out of those dependency patterns and be able to suggest to government and to the programs that government have in the various departments the particular kind of programs which will be useful in the development of their particular selves. I think of the Mustard Seed Operation which is taking place in Regina as perhaps one of those examples of a group of people who have got themselves together and have recognized the problem which they face as individuals. Having recognized this problem they find a considerable amount of support from one another in order to be able to solve the problems which they find are mutually real and conscious to them. In addition, we hope that the agency will provide for innovative ideas, in other words, promote new ways of solving problems and meeting the needs of the people, encourage new forms of service delivery to them, encourage and define new forms of local organization and to sponsor and to encourage the kind of research which will solve many of the problems which they see and recognize as being their problems.

A fifth function is to help to bring about a change in the moving into the social pattern of the mainstream society of those persons who desire to once again become inter-dependent and recognize the responsibilities which they have as individual citizens and respond to those services and those needs which they have as individuals as well as to be able to make a contribution to the system.

We also hope to promote change of attitudes and values related to the disadvantaged and to social, cultural and economic development in order that the particular groups that find themselves in this area of disadvantage will also be able to find support in others who are in like circumstances and in addition with the help that is offered through the agency be able to find their way clear and make suggestions to bring themselves out of those conditions.

We, as well, want to mobilize and to bring to bear on problems both physical expertise and peoples' resources in an efficient and effective way making certain that the resources are available to them at the opportune time. We do propose, Mr. Speaker, to provide the agencies, the disadvantaged groups and the disadvantaged people in our society with grants and with the kind of assistance that will provide for their development – not only provide for their development but will give them the opportunity to make contact with others to develop within their own groups and with their own social order the kind of programs which will bring about development and will bring about the results which they most earnestly seek. We are not by the development of the Human Resources Agency and the repeal of the Saskatchewan Indian and Metis Department losing sight of the fact that there are two particular groups in our society, the Metis Society of Saskatchewan, as well as the Federation of Saskatchewan Indians which will be predominantly the groups of people which will largely influence the activities of this agency. Response will be continued to the Indian Associations of the province. But in addition to that there are other disadvantaged individuals

and groups in our society who will be assisted as well. This has been the recommendation of the Indian Associations of the province that we should consider other people who have similar problems and who find themselves in similar economic duress as they do in order that all peoples in those conditions might be assisted to develop and to bring themselves into the mainstream society and respond to those things which most of us receive and are willing to work to get. People in these disadvantaged segments of society are working to do likewise. Therefore, Mr. Speaker, I am pleased to move second reading of a Bill for the establishment of the Human Resources Development Agency.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — Mr. Speaker, we just received this Bill last Friday so I haven't had too much time to review it. I am struck by one fact and that is that here is a Bill that is setting up, not a department, or not even an agency and it is spelled out in far more detail than the Department of Northern Saskatchewan. I just wish that the Minister had been as clear in outlining the responsibility of the Department on which we just had second reading a few minutes ago, as he was in outlining this Human Resources Agency. I think it would have made our work much easier in trying to assess the positive and negative factors.

It appears to me that this Act, the promotion of the Development of Human Resources, is unnecessary when one considers that there are several Acts under which most of this activity could have been carried out. Again I am afraid there is going to be another layer of bureaucracy established to carry out these functions. I think the basic fact that I made in the previous Bill is also or perhaps even more true in this one, that regardless of what you call the agency and how you establish it, it is going to be the programs that are going to determine the success and how sincere the Government opposite is in doing something. I pointed out in an earlier debate that as far as our Indian and Metis people are concerned they are going to have considerably less spent on their behalf under this Act than under Acts that have been used in the past. I am not sure that they are prepared to accept the fact they are receiving less just to have the Indian and Metis Department abolished. I am not sure that they are prepared to see less emphasis and less money spent on their behalf just for having the name Indian and Metis removed.

I wish the Minister in his presentation of this Bill had outlined what other groups he had in mind when he speaks of the disadvantaged. Is he thinking of welfare recipients as a group, is he thinking of Liberals as a group? I hope that we can go to this Department . . .

**Mr. Blakeney:** — . . . Meadow Lake!

**Mr. Guy:** — Well I'll tell you there is certainly no reason why the Liberals couldn't come to this Department to get assistance when the Government can use their own printing company to assist their Party.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — So, Mr. Speaker, we should like more time to assess this

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new department or new agency that the Minister has introduced, so I beg leave to adjourn the debate.

Debate adjourned.

**Hon. Mr. Bowerman (Minister of Indian and Metis)** moved second reading of Bill No. 70 – **An Act to repeal The Saskatchewan Indian and Metis Department Act, 1969.**

He said: Mr. Speaker, the Bill which is before us is An Act to repeal The Saskatchewan Indian and Metis Department Act, and I should like to say that the establishment of The Saskatchewan Indian and Metis Department seemed to be an attempt to help Indian and Metis people and indeed the Government to that extent, the former Government which brought that legislation in is to be commended for the objective and the intent . . .

**Some Hon. Members:** Hear, hear!

**Mr. Bowerman:** — . . . which they had in mind. Unfortunately I think the records will show that this Department was set up without the consultation with Indian people as to what really was required or what was really wanted. We have earlier said in this Legislature that as early as 1964 when the former Government took office it met with a large number of Indian people in Saskatoon and consulted with them and some things were definitely said about how they wished to approach development and programs relative to them. We believe that the Department did not fulfil the real needs of Indian and Metis people. We believe also that Indian and Metis people expressed discontent. I would quote briefly from an article in the Leader-Post dated December 27th. I quote:

Native leaders are pleased The Indian and Metis Department portfolio may be eliminated early in 1972. David Ahenakew, Chief of The Federation of Saskatchewan Indians, said Thursday dissolution of the Department should have happened a long time ago. Jim Sinclair, president of the Metis Society of Saskatchewan was not quite as enthusiastic but said he was generally in favor of closure. Chief Ahenakew told the Leader-Post that elimination of the Department would be a positive approach. He said programs benefiting native people should be handled by the various other departments. Mr. Sinclair, however, claims he has never had the opportunity of discussing the Department with Mr. Bowerman. He said he favored either dissolution of the Department or total reform to include native administrative personnel.

Therefore, we believe that not only was it the opinion that this Department was not doing the job that it was intended to do but it did not find favor with Indian people in Saskatchewan, therefore, this has brought the repeal of the particular Department. The reason for the failure we believe is the promotion of the value and ideas of our own particular culture rather than responding to the perceptions and the ideas of the native cultures which we were supposed to serve or which the Department should have been serving. Therefore, the Government has consulted with people, with the native people and has come to the conclusion that the Department should be phased out. To replace this

Department we are developing, which has already been given second reading, The Human Resources Development Agency, which will have the following advantages not found in the Indian and Metis Department. The advantages as we consider it will be that it will concentrate on all disadvantaged groups and not just Indian and Metis people, although it will continue to provide Indian and Metis organizations and groups with assistance that they request and will be able to respond to the needs of other groups. Some of the programs for the Indian and Metis Department will be transferred to the Social Welfare Department, or Social Services Department and Department of Education which will be better able to handle those functions and which will respond much better we believe to their needs. The Chief of the Federation of Saskatchewan Indians has indicated that he believed programs designed to help particular native associations or Indian groups should be within the regular structure of the departments which do exist in the Government. And, therefore, Mr. Speaker, we believe that in keeping with the election program which we put forth, that program being if Indian and Metis people wished that the Department Act should be repealed, then we would repeal that Act and establish something other in its stead. I, therefore, am happy to move second reading of the repeal of this Bill.

**Mr. Guy (Athabasca):** — Mr. Speaker, I should like to say a few words in this regard. I think we all recognize that the Minister who has just taken his seat was opposed to the Indian and Metis Department from the very day that it was established. I think it is true to say that the Members opposite did everything in their power to see that that Department wasn't successful from the very day that it was established. I think we know that every individual in that Party used the Indian and Metis as tools in the political game. We know that from the outset of their becoming the Government in 1944 that an honest attempt was made to solve the problems of our Indian and Metis people and as I mentioned in an earlier debate I'm the first one to admit that some of the things we did didn't work out the way that we had anticipated. There is still a great deal to be done but I suggest also that it is not going to be done by any one group alone. The Indian people themselves are not going to solve all their problems, neither will the white people nor any individual groups, whether its business, churches, service groups, the FSI, the Metis Society or anybody else. It's going to take a co-operative and concentrated effort by everybody. I think that by watering this effort down by abolishing a specific department in favor of a department that may or may not put emphasis on the problems of our Indian and Metis people is not a move in the right direction. I think the key statement that was made tonight by the Minister was that the Indian people stated they either wanted the Department abolished or reformed.

Now there is no reason why the Government opposite, if they are really sincere and concerned about the problems of the Indian people, didn't try to reform the Department before they set out to abolish it. But I think that if you remember correctly long before the election last June, in fact during the last session of the Legislature, they had made up their mind to abolish the Department. This was long before they had any consultation with the Indians, officially or unofficially. They had made up their minds the day that Department was established that they were going to abolish it if they ever got the chance. Unfortunately

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some of the Indian people trust them and believe that they are going to do something in their best interest. I will be waiting with great anticipation to see how this new Department which is taking the place of the Indian and Metis Department is going to work, because I find great inconsistency, Mr. Speaker, in our friends opposite. The Minister earlier this evening, as he spoke in an earlier debate, said we must co-ordinate, we must bring departments together in order to provide services for Northern Saskatchewan, but now in order to provide services to our Indian and Metis people we must separate them, we must get them into the Department of Welfare, the Department of Education and the Department of Industry. They say we must separate them and yet in another context we have to bring them all together. Now you should be doing one or the other. You can't be doing both and be consistent and sensible and responsible. Either you believe in a concentration of services like you have put them in the new Northern Department or you believe in a diffusion of them as you are trying to do here by abolishing the Indian and Metis Department. So it appears to me, Mr. Speaker, and I hate to say this that these Departments are being set up entirely on a political basis rather than on any basis for the services to the people that they are affecting. If they would show some consistency throughout their arguments we should find it much easier to have faith in what they are trying to do. The Attorney General there, he is sitting there with a smile on his face, he knows very well that what I am saying is correct.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — He knows very well and he is saying to himself those fellows in the Opposition aren't as stupid as I thought they were because they see through our ruse.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — I can see it going right through his mind that those fellows have caught on to us. They know that we are playing a political game with the underprivileged and the people of Northern Saskatchewan. Therefore, I would suspect, Mr. Speaker, that it would be the Attorney General's wish to reconsider so that he'll withdraw either one or both of these Acts so as to bring some consistency to his Government because he doesn't want us to go out in the country and say that the Government is inconsistent. I am sure he doesn't.

Then the Minister said that we had failed to consult and again in an earlier debate I mentioned the problems of consultation. What interests me, Mr. Speaker, is that whenever he talks about consultation there are only two groups that he ever refers to. He refers to the Federation of Saskatchewan Indians and the Metis Society. Surely to goodness he is not naïve enough to believe that they represent every individual band and Indian in this Province. I made it quite clear in an earlier debate that our concern was not to satisfy any self interest group whether it was Indian, white or any other. We were interested in providing services through the Indian and Metis Department for every single Indian person in this Province.

**Some Hon. Members:** Hear, hear!

**Mr. Guy:** — And I think that our record has shown to a large extent we succeeded when you look at the number of people that received employment, training courses, houses, power on the reserves, telephone and other services. If you think that by satisfying a particular group at a particular time that you are going to solve the problems of the Indian and Metis people you are going to be badly disillusioned before the next four years is over. We all recognize that whenever you are dealing with any kind of a pressure group or a group that represent a certain percentage of any ethnic group or otherwise, that they all have their little political game to play as well. So I would hope that before you make any final conclusions in regard to this that you will interview the band chiefs, counsellors and individuals as well as the Metis Society and Federation of Saskatchewan Indians.

You know, I was sort of taken back when I looked in the Leader-Post on Saturday and I saw that the Province of Saskatchewan has advertised for an economic development office III and a supervisor of economic development, and I immediately looked to see what department had advertised for these two positions. I found that it is required by the Saskatchewan Indian and Metis Department and applications are to close on April 8, 1972 at which time there is not going to be any Indian and Metis Department according to my friend opposite. So, again I should like to know what kind of a game they are trying to play over there. They talk about consultation but they go ahead and advertise for people in a Department that's going to be abolished. How do they know that this new Department needs an economic development representative or they want a supervisor of economic development? The Minister tells us that he is going to consult before any steps are taken and already they are advertising for staff for a nonexistent department. It is no wonder, Mr. Speaker, that we have some hesitation in believing in what Members opposite are trying to tell us when they are establishing a department on one hand and abolishing a department on the other. There is grave reason to believe that the window dressing and the approach that they seem to be following has some more devious meaning than what we are being led to believe here in this House.

Mr. Speaker, I have considerably more that I wish to say in regards to this particular Bill, therefore, I ask leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 9:30 o'clock p.m.