

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Seventeenth Legislature
42nd Day

Monday, April 24, 1972

The Assembly met at 10:00 o'clock a.m.

On the Orders of the Day.

REPORT ON PRAIRIE AGRICULTURAL MACHINERY INSTITUTE

HON. J.R. MESSER (Minister of Agriculture): — Mr. Speaker, before the Orders of the Day I should like to table a report of the Interprovincial Study Committee on a proposed Prairie Agricultural Machinery Institute for the Provinces of Saskatchewan, Alberta and Manitoba. I think it was in July when I had some discussions with the Ministers of Agriculture from Manitoba and Alberta in regard to a Prairie Agricultural Machinery Testing Institute. The report has now been completed. The recommendation of the report is that an institute be established in Saskatchewan with satellite centre in Manitoba and Alberta at a total cost of some \$1 million capital to be spent over a three or four-year period with an annual operating budget of something in the neighbourhood of \$800,000. Headquarters for this testing institute would be in Saskatchewan. There would be engineering staff in Saskatchewan to the two satellite stations. We are estimating that we shall have floor space in Saskatchewan of some 20,000 square feet with 7,500 square feet in each of the other provinces. It is proposed that costs be divided, 35 per cent Alberta, 45 per cent Saskatchewan and 20 per cent Manitoba, based on the number of commercial farms and machinery sales. I have had some correspondence with the Federal Minister of Agriculture in regard to the proposal. He is considering some recognition by the Federal Government. We are hopeful that in the months to come we shall come to some agreement whereby we shall be able to establish an Agricultural Machinery Testing Institute that will give provisions for testing of farm machinery in the prairie basin.

SOME HON. MEMBERS: Hear, hear!

SECOND READINGS

HON. G.T. SNYDER (Minister of Labour) moved second reading of Bill No. 105 — **An Act respecting Trade Unions and the Right of Employees to organize in Trade Unions of their own choosing for the Purpose of Bargaining Collectively with their Employers.**

He said: Mr. Speaker, the introduction of a new Trade Union Act represents a significant milestone in the history of the operation of the collective bargaining process in Saskatchewan. It is anticipated that this Act will herald a new era for present and potential union members and their employers in terms of the protection of the freedom to organize and the promotion of effective labor-management relations. Bill No. 105 represents the fulfilment of a long-standing commitment of the present administration to take action to redraft The Trade Union Act in the light of the need to rejuvenate the legislation to better suit the current demands and the need to repair the damage inflicted on the labor relations system over the past seven years or so.

The right of workers to organize freely has not always been acknowledged in law, Mr. Speaker. It will be recalled that trade unions were a product of the Industrial Revolution. Realizing their inferior bargaining position as individuals to improve the deplorable wages and working conditions confronting them, the workers in one local trade union after another agreed to negotiate with their employers as a unit and to refuse to underbid each other. Unfortunately, they were constantly hampered by the law. The freedom to organize in trade unions under English law was won only after a prolonged struggle of over 100 years.

Labor Unions were formed in British North America before Confederation. As early as 1827 a group of printers in Quebec City had established a combined trade union, a mutual assistance society which regulated wages in their trade, cared for their sick and provided social and recreational aid for their members. Skilled workers of other crafts followed the example of the printers. However, early trade unions in Canada had no legal status. In 1872 a printers' strike in Toronto resulted in the arrest of union leaders on charges of criminal conspiracy, an event which led to agitation for reform of the law applying to trade unions.

As a consequence, Mr. Speaker, legislation was enacted defining unions as legitimate associations. With the removal of legal impediments to unions the labor movement advanced at an accelerated rate. It became almost universally recognized that the rights of workers to organize into unions of their own choosing and to bargain collectively with their employers through these unions is a fundamental and democratic right. The nations of the world affirmed this fact when after the First World War they established the International Labour Organization. The constitution of the ILO set forth certain principles which are considered to be of special and urgent importance for regulating labor conditions and second among these after that primary condition following only after the general tenet that labor must not be treated as a commodity, is the principle that employed persons must have the right to organize for all lawful purposes. It was an endorsement of this philosophy that The Trade Union Act was passed in Saskatchewan in 1944, Mr. Speaker.

Among the important sections of the Act were those dealing with union security, voluntary conciliation and the right of civil servants to bargain collectively all unprecedented at that particular time in Canada. Through provisions of maintenance of union membership, check-off union dues and protection from unfair labor practices, The Trade Union Act provided an important measure of union security not previously available. Simple speedy certification and other procedures of industrial democracy assisted wage earners through trade organizations to play their rightful role to the fullest extent. Dismissal or discrimination for union activity, refusal to bargain collectively and bargaining with company dominated unions were prohibited.

Some ill-informed individuals, Mr. Speaker, still sometimes ask why so much emphasis is placed in this country on unions and on the collective bargaining system. Well, Mr. Speaker, a good many experts have spoken out on this matter representing labor, management and government alike. The consensus of opinion is that collective bargaining is the most efficient means of regulating conditions of employment. It is true that as the Senate National Finance Committee pointed out last fall and I quote,

Collective bargaining is and probably always will be one of the noisiest economic processes known to man and this makes unions especially vulnerable to being designated as major social and economic scapegoats.

The fact remains, Mr. Speaker, that the collective bargaining system represents a mechanism with equality of treatment and standardization of conditions. As such it is advantageous to employees, to employers and to the public as a whole. Despite its imperfections the free collective bargaining procedure is one best suited to Canada's mixed type of economy and our particular kind of democratic society.

In enacting The Trade Union Act in 1944, the Government of the day anticipated two major truths. Firstly, at a time when industrialization was speeding up, the principle of collective bargaining would assist in the growth of Saskatchewan in an orderly and rational way. Secondly, the expansion of unions would be encouraged which would be accompanied by increasing prosperity for all working people. It is fair to say that this, in fact, turned out to be the case. Union membership rose dramatically, Mr. Speaker, and unions have played a positive and a constructive role in the development of the province since that time.

Up to 1964 the Act functioned as an important instrument of effective and harmonious labor-management relations. Then something happened that will be recalled rather vividly, Mr. Speaker. Over the next seven years not only did the Act cease to keep pace with the demands of our technologically based society but the fundamental convictions underlying the legislation began to be eroded through a series of legislative amendments. Mr. Speaker, the present Act which is before us purports to remove some of the negative and some of the disruptive features added to it. At the same time, the legislation will be equipped to meet the emerging requirements of today's industrial work setting. If the collective bargaining system is to operate smoothly and efficiently, it is essential that the democratic prerogatives of employees to form labor unions be adequately protected and that the legislative guidelines be established to make certain that unions will have the bargaining power needed to make the system work in a meaningful way.

The first major change in the Bill, Mr. Speaker, concerns the definition of the word 'employee'. This section is of vital importance. A number of amendments in the recent past have been blatant attempts to weaken unions and to withhold union membership from a substantial number of persons by excluding certain categories of employees from collective bargaining units. The new definition will clarify the status of managerial employees in such a manner that only persons with a primary responsibility to actually exercise authority and actually perform managerial functions may be excluded from the application of the term 'employee' for collective bargaining purposes. Another new clause is intended to establish with certainty that any person engaged by another individual to perform services will be considered an employee rather than an independent contractor if the Labour Relations Board deems that the relationship between them is of an employer-employee nature. Furthermore, the Bill makes provision for a situation in which a contractor supplies the services of his employees to a principal. In such cases the Labour Relations Board may determine whether the principal or the contractor is the employer for the purpose of bargaining

collectively. This provision is intended to cover the kind of situation in which the real employer is the principal and the use of a contractor represents an artificial and a deliberate attempt to discourage the right of the employees to be certified with the principal.

In 1966, Mr. Speaker, an amendment to The Trade Union Act permitted the members of professional associations to opt out of a labor union merely on the strength of their professional association membership. It is proposed that these clauses be removed inasmuch as it is considered that the membership in a trade union should be determined on the basis of the inclusion of these persons within the collective bargaining unit designated rather than on the basis of them holding a professional certificate.

The number of members of the Labour Relations Board under the terms of Bill 105 would be reduced from seven to five under the new legislation to streamline the activities of the Board to make it less clumsy and cumbersome. The only restriction that will be placed upon the Board membership is that employer and employee representation will be equal on the Labour Relations Board. Allowance is also made for the appointment by the Lieutenant-Governor-in-Council of an executive office to the Labour Relations Board to whom the Board could delegate any of its powers and functions subject to an appeal. It is expected that this procedure will improve and speed up the resolution of cases referred to the Board while maintaining the best interests of the parties involved.

The powers of the Labour Relations Board will be increased to deal with the so-called build-up principle, Mr. Speaker, the essence of which is that a union application for certification may be dismissed because the employer argues that his labor force is not yet up to full strength and will be increased in the near future. This viewpoint has been allowed to creep into Saskatchewan labor law over the past few years and as an obvious tactic to avoid union certification is a concept which is alien to industrial democracy.

Prior to 1966, Mr. Speaker, the Labour Relations Board had the right to certify a union where it was satisfied that the union represented a majority of the employees. In the 1966 amendment it was indicated that where the union showed less than 60 per cent support the Board was obliged to order a vote before issuing a certification order. In the interests of fair play and common sense, Mr. Speaker, Bill 105 would reinstate the previous position.

Mr. Speaker, one of the fundamental principles underlying the positive impact of The Trade Union Act on union security resides in the section of the Act which prohibits specified unfair labor practices. In 1966 the so-called free speech clause was added to this section, the result of which was that employer interference and intimidation was encouraged and industrial unrest was fomented. In effect, Mr. Speaker, the free speech clause was a licence by the employer to intimidate. I am pleased to say that this inappropriate and anti-labor clause is being removed by amendments in the Bill which is before us.

Among new, unfair, labor practices identified in the Bill are the refusal of an employer to allow a trade union

representative to enter the employer's premises in which an employee resides if the employee wishes the labor union representative to have such access and the interrogation of employees by an employer as to whether or not they have exercised a right under the Act. In addition, Mr. Speaker, the requirement that secret ballot be taken to authorize a strike has been clarified to make it properly operable, which poor draftsmanship under the previous administration made impossible. It is spelled out that the ballot shall be taken of all employees who are members of the trade union selected to represent the employees in the appropriate bargaining unit.

In 1969, Mr. Speaker, a 'hot cargo' clause as it was added to the Act making it an unfair labor practice for unions or employees to decline to handle goods being delivered by a carrier unless there was a valid dispute with that carrier. This provision has been eliminated in the light of its denial of the privilege of free men and women to withdraw their only bargaining asset, their labor, if they so choose.

Under the terms of the 1969 amendment, a strike vote could be taken every 30 days after a strike began on the application of any individual involved. This measure, Mr. Speaker, was an obvious attempt at strike breaking by taking advantage of the financial pressures exerted upon workers who had not received a pay cheque for a month. In addition, Mr. Speaker, it prevented genuine bargaining from taking place and discouraging early work stoppage settlements. This section has been removed in light of the fact, Mr. Speaker, that this section as it was formerly incorporated in the Act almost guaranteed that there would not be a strike of any shorter duration than 30 days.

Under the terms of the amendment The Arbitration Act will no longer apply to labor arbitrations arranged in accordance with the provisions of the collective bargaining agreement. The application of The Arbitration Act to labor arbitrations has severely restricted the power of arbitration boards to accept evidence and to vary the penalty imposed upon any employee. As a result the amendment to The Trade Union Act which is before us will assign to an arbitration board the flexible rights to accept evidence and to vary a penalty.

Still on the subject of arbitration, Mr. Speaker, another change would allow the Chairman of the Labour Relations Board to select a chairman of an arbitration board established under the collective bargaining agreement where the employer and employees' nominees could not agree upon a chairman. Previously, the selection was made by a judge of the Court of Queen's Bench.

In 1966 the previous administration inserted a clause in The Trade Union Act which permitted collective bargaining agreements of up to three years' duration. Unfortunately, it has been the experience, Mr. Speaker, that this has tended to encourage front-end loading, a device whereby the employer allows a large pay increase in the first year of the contract and a much lower increase in the second and third year. This type of arrangement, Mr. Speaker, promotes inflation in the first year and then produces the setting for industrial unrest in the second and third years when the employees are saddled with small wage adjustments bearing no relationship to the changes in the cost of living. Accordingly, Bill 105 will limit the maximum duration of agreements to a two-year period.

One of the most important security provisions of The Trade Union Act is that which specifies that all members of the union and all new employees shall maintain union membership as a condition of employment. The present amendment would stipulate that existing employees at the time of certification who chose not to join the union are obliged to tender regular period dues to that union. The rationale for this action is that while an individual employed at the time of certification had the right to opt out of the union, he should not be in a position to enjoy the benefits won by the union without having to pay his monthly dues.

Mr. Speaker, the Bill being submitted for the approval of this Assembly is the end product of the comprehensive review of The Trade Union Act which has been carried on over the last number of months. As readily seen, it is a voluminous piece of legislation and I have attempted only to highlight the significant changes at this time.

In summary, I think it's accurate to suggest that the new Act will extend the kind of safeguards to employees and their organizations which were originally contemplated in the 1944 legislation. At the same time, the Act will strengthen and streamline the whole process of collective bargaining to guarantee that it will be a viable and dynamic growth catalyst for the Saskatchewan economy. Accordingly, Mr. Speaker, it's with a great deal of pleasure that I move that Bill 105, a Bill to amend The Trade Union Act will now be read a second time.

MR. D.F. MacDONALD (Moose Jaw North): — Mr. Speaker, I should just like to say a few words at this time. It is interesting that the NDP said prior to the last election that they would enact a new Trade Union Act and today we have a new Trade Union Act introduced and we will be told that we can tick off another promise on the orange card, I am sure. But can we really? The NDP promised a new Trade Union Act and I emphasize the word 'new'. I think the widely held definition of the word 'new' would be something of recent origin or at least it would be considered something other than the old. By these definitions, this so-called new Trade Union Act is not a new document at all. We find that the Government opposite is keeping this promise by the same methods and tactics that they would have us believe that they have kept their promise to reduce the education mill rate to 25 mills. They have not lowered the mill rates and they have not brought in a new Trade Union Act. The only thing new about it is that this is the old Act with a notably few number of amendments and it is given a new name. It is not a new Act for another reason. There is nothing of any substance to show that this is legislation that contains provisions for the present or the future. This is an Act that provides for yesterday's conditions. The Bill should have been yesterday's legislation and in fact, it is yesterday's legislation. Certainly, not new and I say, regrettably so.

I think the NDP election promise to enact a new Trade Union Act was a good promise and one that deserved to be kept. Our society does need new, progressive legislation in the field of labor-management relations. The employees need it and the employers need it and most of all, the public needs new, progressive legislation in this field. We need changes because change surrounds us. We have watched society change so that the economic development which had its base first in agriculture

April 24, 1972

and then shifted to industrialism but in the last ten or fifteen years we have moved into a new era where service has become the base of development. We have developed to the stage where the so-called white collar worker now outnumbers the so-called blue collar worker. The problems and solutions of today are not the same as ten or fifteen years ago. This is the reason we do need and we do deserve a new Trade Union Act.

There is no provision in this Act to deal with, surely, the most serious problem faced by employees today. And here I refer to the changes taking place in the working place which could roughly be grouped under the name of automation. This must be one of the most serious challenges facing the collective working man in today's society. I think that for many employees this problem would take priority over wages and other working conditions. There is no doubt that in the near future we will see in this area the main basis for labor-management dispute. There is a need for provision to reduce this area of pressure and reduce the strikes that will occur because of the effects of automation. I think it is obvious and we have had an example in Moose Jaw, that any strikes that occur with automation problems as a base, will be long, hard and cruel.

The main purpose of legislation with respect to trade unions is to promote good industrial relations. That this Bill is not new is indeed seen in the fact that there are no new provisions to facilitate the resolving of differences between employees and employers. There is nothing new in this Bill 105 to promote healthy industrial relations between employee and employer. I think it is also fair to say that any legislation dealing with labor should be designed so that the individual is assured of the maximum possible protection. It should also be designed to allow for the maximum possible freedom for the individual.

The changes in this proposed new Trade Union Act from those of the old do not allow for any increased freedom or protection for individual employees. In fact, the contrary is true. Some features added in Bill 105 will decrease both freedom and protection of individuals. There is nothing in the proposed changes that differ from the old provisions that will enhance or fortify the area of collective bargaining. In fact, the net result of change will be to hinder the collective bargaining process.

The collective bargaining process as we know it today is being watched and observed by the general public everywhere. I would agree and most of the public would agree that the present collective bargaining process is better than whatever method we have had in the past to settle negotiations. But that doesn't mean that either I, or the majority of the general public, think that the process is perfect or that it doesn't need changes and improvements. And this is the great failure of the Bill before us. It doesn't make for even the slightest improvement in the area of collective bargaining.

Mr. Speaker, we've had a great number of Bills before us on Friday and I should like to consider this particular Bill in greater detail. I will ask leave to adjourn the debate at this time.

Debate adjourned.

MR. SNYDER (Minister of Labour) moved second reading of Bill No. 100 – **An Act respecting the Department of Labour.**

He said: As you are aware, Mr. Speaker, the present Bill represents a new and an up-dated version of The Department of Labour Act, the Act on which the organization and the operation of the Department of Labour is based.

This statute hardly qualifies as a bulky piece of legislation like the one I just finished introducing, Mr. Speaker. However, I think it is fair to suggest that it embodies the following biblical admonition to be found in the Book of Ecclesiastes,

Let thy speech be short, comprehending much in a few words.

The lack of the size of the Bill in no way diminishes the fact that it packs a pretty powerful wallop in terms of its impact on the social and economic life of the province. After all, it must be remembered that the programs of the Department profoundly affect, in a great way, all of the members of the labor force and their families who comprise the majority of the population. In addition, they exert an indirect influence on other sectors of the community as well.

The objectives of the activities of the Department have been formulated on the premise that the promotion of the welfare of the labor force and the public is essential to the encouragement of progress in an orderly and appropriate manner. To accomplish this goal, the Department carries on comprehensive legislative programs related to labor standards, covering a full range of minimum acceptable levels of wages and working conditions. It carries on a review of labor-management relations designed to facilitate collective bargaining and promote industrial peace, of apprenticeship and tradesmen's qualifications in order to utilize our manpower resources efficiently, of industrial and domestic safety and of employees' pension plans.

The Department of Labour was established as a separate Department of Government in 1944 when the first CCF Government took office. Prior to that time, the administration of the inadequate and outdated labor legislation which existed was regulated by a bureau in another government department. On October 8, 1919, the Saskatchewan executive of the Trades and Labour Congress had met with Ministers of the Government of Saskatchewan to request an extension of the powers of the existing Bureau of Labour and the elevation of its position to that of a government department under a responsible Minister. However, Mr. Speaker, it took 25 years before this aim was achieved in October 1944 at a special session of the Saskatchewan Legislature. This action was taken in anticipation of the increasingly important part that labor would play in the life of this traditionally agricultural province. It was recognized that the provincial economy was undergoing a fundamental change and that to assure a bright industrial future it was essential to create an environment favorable to the development of effective and democratic participation in the life of the province by the fast-growing non-agricultural labor force.

Accompanying the organization of the department was the enactment of a series of progressive labor laws many of which were hailed as unique and subsequently duplicated by other

Canadian provinces. Mr. Speaker, since 1964 an attempt has been made to downgrade the status of the Labour Department to make it a third rate kind of a service ranking below all other departments of the Government. The most charitable comment which can be made on this action is that it was a reflection of extremely short-sighted thinking. It's almost impossible to exaggerate the importance of the contribution made by working people to the prosperity of Canada and to Saskatchewan. Surely, it doesn't require too much imagination to realize that in the absence of labor oriented strategies to guarantee an equitable and productive work setting, many other programs of government would lose a great deal of their significance.

One major change in the proposed new Department Act is intended to permit the operations of the industrial safety program which will be transferred to the Department of Labour from the Workmen's Compensation Board to continue to be financed from the revenues of the Workmen's Compensation Board. The new Act stipulates that an estimate of the program cost incurred in connection with the administration of the safety program in a given calendar year will be provided to the Board by the Minister of Labour on or before June 30th of that year. It is intended to allow the Board to calculate the appropriate level of the employer contributions at the time of the regular summer employment assessment in July. As directed by the Lieutenant-Governor-in-Council on the basis of the cost estimate provided by the Minister of Labour, the actual administration costs of a given calendar year will then be paid into the consolidated fund on or before January 31st of the following year. A similar section will be incorporated into The Workmen's Compensation Accident Fund Act to enable the Board to make the required payments.

The second change is the addition of three Acts to the list of those which will be administered by the Department of Labour – The Occupational Health Act, The Radiation Safety Act, The Fire Departments Platoon Act. As you know, the first Act is a new piece of legislation which will facilitate the expansion and improvement of the occupational health program. The Act is assigned to the Department of Labour in order to provide for the transfer of responsibility for the Occupational Health Branch formerly housed with the Department of Public Health. The assignment of this activity to the Department of Labour, together with the Industrial Safety Branch of the Workmen's Compensation Board, will permit the Department to set up and to operate a more adequate and a more standardized safety service to accommodate the complex safety demands of this age of technology. As the Occupational Health Branch is being moved to the Department of Labour, it was felt that it was advisable to shift The Radiation Health and Safety Act as well. Responsibility for The Fire Departments Platoon Act has been transferred to the Department of Labour from the Department of Municipal Affairs inasmuch as its main thrust centres on labor-management relations applicable to city fire departments. Furthermore, there are a number of labor standards statutes on the present departmental list which are no longer in force having been repealed and replaced by The Labour Standards Act.

Finally, the present Department of Labour Act contains a reference to The Employee Pension Plan Registration and Disclosure Act which has been replaced by The Pension Benefits Act.

Mr. Speaker, the Bill which is before you will allow the Department of Labour to implement the reorganization of its

programs into four major divisions – labor services, occupational health and safety, research and planning and finally, administrative services. This will make possible the development of a properly integrated set of labor functions which will be continually extended and refined to translate more appropriately into action the goals of Government labor policy. Apart from purely substantive issues, the introduction of a new Department of Labour Act symbolizes the reinstatement of the Department of Labour to the important position it previously occupied in the priorities of government policy and planning. Accordingly, Mr. Speaker, I am pleased to move that this Bill be now read a second time.

MR. D.F. MacDONALD (Moose Jaw North): — Mr. Speaker, I don't have a great deal to say about this. I'm not going to comment on The Department of Labour Act itself. What we are really dealing with here is one small amendment to the Act. I don't think there is any need to comment on the entire Act. We are really discussing one amendment.

The one amendment, of course, is that the clause providing for the industrial safety division will be included in this. We have indicated our support and we do intend to support this particular clause.

Motion agreed to and Bill read a second time.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 49 – **An Act to amend The Magistrates' Courts Act.**

He said: Mr. Speaker, these amendments to the Magistrates' Courts Act, amendments which reflect the concern that the Government has about the work and importance of the work carried out by the magistrates of the Province of Saskatchewan. I want to say at the very beginning that this Act which contains the amendments to the Magistrates' Courts Act does not indicate the final position of this Government or myself as to the organization of the functions delivered by the Magistrates' Courts. In fact the truth of the matter is that the new Government has simply not had enough time to give the detailed type of study that I think is necessary to elevating or improving, in effect upgrading, the services and functions that the Magistrates' Courts perform in the Province of Saskatchewan. I hope within a certain period of months in the near future that will be the subject of perhaps future legislation if necessary or perhaps even concurrently administrative changes in order to upgrade or improve the efficiency of the operation of this very important court. Make no mistake about it, Mr. Speaker, the Magistrates' Court is a very important court. Sometimes I think, primarily among the lawyers, people think that the superior courts, Queen's Bench, Court of Appeal, even the District Court, are courts of more importance than the Magistrates' Court. Although it can be said that these courts are certainly very vital to the entire community system, Members of the House should remember that magistrates handle something in the neighbourhood of 90 to 95 per cent of all criminal cases that are dealt with in the Province of Saskatchewan. These persons deal with criminal charges, with a wide range of sentences, they have the liberty to imprison individuals for long periods of time, their task is a very onerous one and a very important one indeed. Therefore, I think it is incumbent upon all governments to pay special attention to this

particular court because it is the court with whom the people come into contact most frequently. It is a court in which all of us have had some experience with under The Vehicles Act or whatever the infraction might be. It is our impression of the judicial system, it is our estimation as to how efficiently, how fairly and how impartially this court is being operated. So, as I have said, these amendments do not embody or contain any such finally thought out new approach to the Magistrates' Court, that I tell the Members is in the offing as far as my Department is concerned and the Government is concerned.

What these amendments do is to reflect some immediate concerns that have been expressed to myself by the magistrates themselves. They are primarily concerns respecting pay and concerns respecting pensions. These amendments are designed as follows:

1. To authorize the Lieutenant-Governor-in-Council to increase the salaries beyond the present statutory limitation of \$15,000. That is what the magistrate now gets paid — \$15,000 — and I submit to the Members of this House that that is unrealistic, that magistrates do deserve a substantial increase over the \$15,000 and these amendments will allow the Cabinet to determine the salaries in due course.
2. To authorize the Cabinet to increase the additional salary which is payable to the Chief Judge of the Magistrates' Court beyond the present statutory limitations of \$1,500 per year. The provision would read as follows: that whatever the magistrates would get the Chief Judge is entitled by virtue of his capacity as Chief Judge to an addition of \$1,500 per annum. Members may not be aware that as yet no Chief Judge has been appointed by the Magistrates' Court. This provision has been in this legislation for some number of years but over the course of the former administration and thus far in our administration no appointment of a Chief Judge has yet been finalized.
3. A third amendment will be to permit a judge to retire at age 65 after 25 years service with a full annuity of one-half salary either at his own request or at the request of the Attorney General. That is to say, when a magistrate has attained the age of 65 and has obtained 25 years of service, he may be asked to resign and to retire by the Attorney General or he may choose of his own volition to step down at that time. There will also be provisions with respect to widows where a magistrate has put in ten years of service as a magistrate and passes away while in office. This provision of one-half will be payable to the widow at that particular time. In Committee I think we can discuss further the details of the proposed pension. I can say the pension is somewhat different than those that exist in the Public Service generally and it is a different one that the magistrates themselves prefer.
4. To remove the right of appeal against dismissal where a judge has retired at the request of the Attorney General with full annuity at 65 years, after 25 years of service. Up to now, when an Attorney General asks a magistrate to step down the magistrate has a right of appeal from that decision. It is part of the process of giving magistrates a greater voice and independence so that they are not subject to political or other interference. We do remove the right of appeal, however, when the judge has attained 65 and has had 25 years of service. The

rationale behind that is quite clearly that it would be the intention, certainly, of this Government and I hope subsequent governments, to make sure that the Bench gets younger in age wherever possible and where a magistrate has attained the necessary years and is qualified for the necessary pension, an Attorney General should have the opportunity to ask him to step down and make way for a new magistrate.

5. A fifth amendment would provide for a Court of Appeal where the magistrate is asked to step down, a Court of Appeal consisting of three judges of the Court of Appeal may inquire into the circumstances leading to the dismissal of the magistrate. The present appeal provision is one or more judges of the Court of Queen's Bench. If an Attorney General asks a magistrate to step down and the magistrate should object, presently he has a right to appeal to a member of the Queen's Bench Court. I always thought that this was fairly satisfactory but the Magistrates' Association feels that it is not adequate protection and they have suggested that the appeal provision be changed to read three judges of the Court of Appeal. So, therefore, the Government has complied with the request of the Association. Most of these requests are at their instance. I do think it is a bit more cumbersome but I do feel that any magistrate who is asked to step down by the Attorney General, the circumstances would have to be fairly strong before the Attorney General does that because of the obvious implications if the case is not made out. So, whether it is a three-judge situation or a one Queen's Bench judge situation, it really doesn't matter to the Government, it certainly doesn't matter to me.

6. A sixth provision would authorize the Cabinet to fix salaries for part-time judges and a seventh provision of the amendments would provide for annuities to the widow and the children of a judge who was killed while engaged in the performance of his duties and the amounts equal to the annuities that would have been payable had the judge retired upon becoming entitled to a full annuity of one-half salary. In other words, where he gets killed while in the course of his employment – a lot of them do quite a bit of travelling – the widow is entitled to the same provisions as if he had been retired with full pension. These situations are also at the request of the Magistrates' Association.

Mr. Speaker, those are the essence of the amendments for this particular Bill. We have to do very much more thinking on the question of pensions generally for magistrates and the question of salaries generally. This, I think, can only be done properly once we define the role of the Magistrates' Court in the criminal system. I intend to, within the next several weeks, upon adjournment or prorogation of this House, to undertake a full-fledged study of the Magistrates' Court, its operations, its efficiency, recommendations for changes if necessary. I anticipate that I will be asking the assistance of not only the magistrates but of counsel in Saskatchewan who have had experience in this area. We will be looking at ways and means to upgrade and to elevate this very important position and this very important office.

Mr. Speaker, I think all Members should agree to the principle of these amendments. With these few words and a brief indication of Government intention in the future, it gives me great pleasure to move second reading of this Bill.

MR. J.G. LANE (Lumsden): — Mr. Speaker, we note from the remarks of the Attorney General that the proposed amendments are not substantive and are not a substantive study of the role of the Magistrates' Courts in the Province of Saskatchewan. The Attorney General, of course, is quite right when it is estimated that approximately 90 per cent of all court cases are heard by magistrates in Saskatchewan. There has not been a major assessment of the role of that court. Unfortunately, it is not being done and the Attorney General has undertaken this morning to assure that. We are concerned as the Opposition, we know that most of the changes in The Magistrates' Courts Act have to deal with salaries and pensions. The contempt provisions are not of that nature but the Attorney General has stated in second reading this morning that these were requested and probably quite rightly so by the magistrates themselves.

The tenor of these amendments raise some concerns in my mind. The public may not be aware that the only courts to which the Provincial Government can make the appointments is the Magistrates' Courts. We are concerned from the possibilities of the political nature of some of the possible appointments that can be made. We are especially concerned in light of the fact that we have, for example, one of the Attorney General's former law partners as a Deputy Minister and he has appointed defeated candidates to his own staff. These indications do not augur well for any study of the role of the magistrate in the Province of Saskatchewan. The Provincial Government appointment of magistrates, I would suggest if the Attorney General is going to study the role and these are his proposals this morning, that when there is such a study and if such a role change is deemed necessary, that it be made clear that the present magistrate will not have a job guarantee. I should think that if there is going to be a substantial role change, that the whole assessment of capability should be made in that role change study and those magistrates who will not come up to the qualifications that the study may determine should not be automatically given an appointment to a new Magistrates' Court. Again the changes are mainly of, if I can use the word, mercenary nature. I would close my remarks with that concern that the Opposition has in this matter.

MR. K.R. MacLEOD (Regina Albert Park): — Mr. Speaker, I only have two basic comments on this Bill. One of my principal criticisms of the present Government and particularly the Attorney General is that he has, under normal conditions, taken far too much unto himself. It has been the practice of this Government to put in the hands of the Ministers what ought properly to be in the hands of the Legislature. I regret, however, that my position on this particular Bill would appear to be against that general principle because we have a difficulty with respect to our courts and particularly with respect to our Magistrates' Courts. Over the years we have appointed a number of magistrates who do not serve quite to the standard that I, as a practising barrister and solicitor, would like to see achieved. Consequently, I should like, in this respect, to voice my concern at the Hon. Attorney General making it ever more difficult to dismiss a magistrate who just is not and who to the knowledge of all the lawyers, is not practising to a standard acceptable to the Bar. Now it is quite one thing to say that a magistrate isn't doing his duty well and quite another thing to be able to find some particular thing upon which to base a dismissal. We all know that day

after day, week after week, a magistrate does a very poor and inadequate job but those are the very magistrates whom we shall find virtually impossible to get rid of. I understand fully what the Hon. Attorney General faces in trying to eliminate some of the weaker judges.

The first problem is to replace them with better judges and I agree that the increase in salaries and upgrading of the standard of the court and upgrading the status of the court will do much to attract the kind of person that we want as a magistrate in this province. That, of course, is the first problem, to get people to do the job adequately and satisfactorily for the people of Saskatchewan. The Attorney General is quite right, to the Magistrates' Court come most of the ordinary citizens of the province. Almost every citizen at one time or another faces a magistrate in connection with his ordinary life even if it is only for a speeding ticket. So, therefore, more than any of our courts, the Magistrates' Court actually touches upon the very lives of the individuals and touches upon the lives of more individuals than any other court in our land, certainly, more than the Court of Queen's Bench. It is, therefore, important that we get high quality people on the court. You can't get high quality people on the court unless high quality people are prepared to accept appointments to the court. But I do not think it solves that problem by making it more difficult for the Attorney General to dispose of magistrates who just aren't doing their jobs.

Two quick examples will be worth noting and I won't mention names at all. We all know the kind of a magistrate who daily goes through his tasks writing up his judgments after he has heard half of the case. There is no way of proving it yet every lawyer knows that it happens and that it is against the very fundamentals of British justice. On the other hand we see a magistrate in Toronto who in perhaps a moment of weakness made some very uncomplimentary remarks about a Moslem. Those remarks were totally uncalled for and cannot be accepted but it might surprise us and it may well be that he would be a far better magistrate day by day than 25 or 50 per cent of all the magistrates they have got down there. I don't know that, but I am saying that kind of mistake upon which you may justify a dismissal is frequently made by the very magistrate who is, by and large, day by day, one of the better magistrates. I fully appreciate and understand the problem of the Attorney General and I, for one, would like to see him have more power and more discretion in weeding out what are known to be the weak magistrates and getting into the court stronger and better magistrates. As I say, that is generally opposed to the position I have taken with respect to this Government because by and large and when they can't figure out a solution to anything they will take the solution into the hands of the Minister and he'll figure something out and I oppose that approach generally.

The second point I have to make is that I think there is yet a weakness in the pension part of the Bill and I shall deal with that specifically when it comes to Committee stage.

MR. ROMANOW: — Mr. Speaker, let me say that I appreciate the suggestions made by the Member from Albert Park with respect to this question of upgrading the quality of magistrates because I think that's basically what he's addressing his remarks to. I think he answers the primary question when he says that what we have to

do is make the job attractive enough to get men and women of high calibre to join the Bench, the Provincial Bench. That means such things as increased pay and increased pension benefits and attaching certain benefits to the office and making it a little bit easier from the administrative standpoint for them thereby allowing them to concentrate more on making the types of right decisions that I think they should be concentrating on. And I don't want to belabor the point. It appears that we have identified the problem which is, namely, to isolate those that merit disciplining, if I may call it that, but at the same time not disciplining in such a way that it could be argued with any substance that there is political interference with respect to the court and this is a task that any Attorney General faces with a great deal of difficulty.

That's the type of thing that this study is really directed to. I said earlier in my opening remarks that I wasn't so much concerned about getting into individual analysis of the quality of individual magistrates because I think that is fraught with all sorts of dangers. I do think that the question of a mechanism for internal discipline will be part and parcel of the overall objective which we seek to obtain. The upgrading of the court generally is the type of direction that this review is going to take.

I appreciate the reservation he has on pensions. I should like to discuss that with the Member from Albert Park in more detail in Committee of the Whole. I must frankly admit, in second reading, I'm not one who knows very much about pensions but I'll certainly try to answer any questions that you have in that area.

I regret very much the remarks of the Member from Lumsden (Mr. Lane) who I think sees pretty well every Bill that I certainly introduce and the Government introduces as something which has some political dark tone, political nature and overtone to it. I regret very much the suggestion that we would be . . .

MR. STEUART: — Can't recognize the water shed when you see one.

MR. ROMANOW: — That's right . . . that he would be viewing an important matter like the Magistrates' Court from the standpoint of partisan politics. He can hold that opinion if he wants. He obviously does. I can say that I don't think that comment was made of the former Attorney General. I don't think it was even made of the Attorney General, Mr. Walker, before Mr. Heald. It might be accurate about me, I don't know. Maybe he's got it dead on, but I think that type of comment is unfortunate because all that it does is undermine public confidence in that area in which we seek to build up confidence, namely the Magistrates' Court where, if the appointments are made, they should be only on merit. I regret very, very sincerely the tenor of those remarks. However, if he persists in pursuing them, well, I guess that's his right.

I can only conclude, Mr. Speaker, by saying that we will very seriously give consideration to the comments raised by the Member from Albert Park (Mr. MacLeod) who, in my estimation, has contributed some good points in the second reading.

Motion agreed to and Bill read a second time.

HON. J.R. MESSER (Minister of Agriculture) moved second reading of Bill No. 115 – **An Act respecting the Foreign Ownership of Agricultural Lands in Saskatchewan.**

He said: Mr. Speaker, most of the agricultural land in the Province of Saskatchewan is now operated by family farms. The social life and community life of rural Saskatchewan depends upon a vital contribution from the families who live on and operate those farms in our province today. The pattern of family ownership of farms is well established and I think has been successful to this point in time.

In the Province of Saskatchewan where agriculture is by far and away the most important industry, the ownership of our agricultural resources is crucial to the economic and social development and well being of the province.

Our towns and cities are, in fact, dependent upon the trade that they enjoy with the rural community for their income and for their stability and/or growth. The churches and social clubs of our rural areas will thrive only if the population they serve does not decrease further. Public investment in recreational and leisure time facilities can be justified only if the use of them by the members of the community is rather extensive.

The pattern of family ownership and operation of farms has become exposed to two important kinds of dangers. One is the danger of the purchase and ownership of our agricultural lands by non-residents. Certainly, we welcome persons who come to Saskatchewan from other parts of Canada and indeed from anywhere in the world, who intend to put their roots down deep into the soil of our province and to reach out to other members of the community and to live as part of an economic and social viable structure. However, the purchase and ownership in some substantial cases of blocks of land by persons or corporations whose intention does not involve Canadian, or for that matter, Saskatchewan citizenship adds little to the economic stability and indeed in many cases poses a very grave threat to the survival of small business in our rural towns and villages.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — The effect of such ownership is cumulative. These purchases generally involve the sale of several farm units and the loss of population of several farm families from the local community. The farm in the usual case is operated with very large equipment and a reduced work force. When the exodus of people from the farm land itself is added to the inevitable loss of employment in the shops and stores, a decrease of the dealerships in the local communities, the impact of foreign ownership on the community can be very considerable indeed. This impact is obviously not limited or restricted to economic considerations but extends even more significantly to the entire social fabric of the local community in the province itself.

If we recognize the importance of agriculture in our province and I believe we must, and if we agree that the goal of viable and personally fulfilling community life is a personal goal, then we require social policy on the use of land that will ensure that land is operated in the best interest of our local communities and of our province as a whole.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — The land, Mr. Speaker, the land that is purchased by non-residents is land that is owned by persons or organizations who, in many cases, are outside the normal constraints of the democratic process. The land that will be purchased by the Saskatchewan Land Bank Commission is land that will be held by the Crown or by the Land Bank and therefore, is land that is subject to the will of the people of Saskatchewan. The option to purchase will be built into a Land Bank Commission. There is no corresponding option to purchase built when Saskatchewan land is sold to non-resident owners or to large corporations. The policies needed for use of land in the public interest require the examination of two somewhat related kinds of ownership.

I've discussed the problem in the first instance in respect to non-resident ownership but many of the forces operating in respect to non-resident ownership also apply in the case of corporate ownership. Indeed, it is conceivable that corporate ownership may be a more fundamental important question than non-resident ownership. It is essential to realize, however, that the word 'corporation' has a variety of shades and meanings. It is not the intention of the Government to prevent the formation of corporations by families. Such corporation is an option which the family farm should enjoy because it may fit the particular needs of the family farm in providing a disposal or dispersal of ownership, a prospect of a smooth transfer of the assets and certain other advantages which the family regards or may regard as important. The corporation which a family owns is a corporation in a legal sense while in the practical sense the family farm and the family that operate it are as legitimate a part of the rural scene as the family farm which has the legal existence of a partnership or co-op or as a single proprietorship.

Mr. Speaker, it is our intention to appoint a select committee to consider the questions of foreign ownership and corporate ownership of agricultural land. The committee will be concerned with agricultural lands and not lands that are within the boundaries of incorporated towns or villages or cities. The committee will travel about the province with a pre-planned series of meetings to hear briefs from interested citizens on the matter of foreign and corporate ownership of land. Legal counsel will be attached to the committee. If it believes that such a venture will be a wise use of its time and its resources, the committee may choose to visit some of the adjoining states along the US-Canada border which have already enacted legislation respecting the ownership and corporate ownership of farm land. In the course of the meetings the committee will be holding in Saskatchewan, the opinions of people of Saskatchewan will be brought to light and the final form that the legislation respecting the foreign and corporate ownership will take will reflect the view and the concerns of our residents in this province.

I expect that briefs will be presented, not only by individuals, but also by farm organizations and I feel certain by local Chambers of Commerce and other civic organizations that will recognize clearly the importance of stabilizing populations in rural Saskatchewan to provide the economic basis for the survival of towns and the social basis for thriving church communities, social and leisure associations and organizations.

The commitment of this Government is a commitment to agriculture because agriculture is the basis of our economy.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — But in terms of democratic process itself, our commitment is to an involvement of the grassroots of the province. This committee will go to the grassroots to find and to report what the people on the farms, in the towns of Saskatchewan believe and really do want in this vital area of land use and community well-being.

It may well be, Mr. Speaker, in fact I think it will be the case, they will lay down and give us the recommendations that will be needed in regard to the Orders-in-Council and the regulations that will have to be passed pertaining to this legislation.

It's fully expected that through the series of meetings, the briefs that they will be receiving during their discussion of the proposed legislation, that amendments will be forthcoming. Amendments that will be attached to this Act at a later date.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — But, Mr. Speaker, due to the seriousness of land transferred tendencies, I give notice that the legislation . . .

MR. LANE: — What . . .

MR. MESSER: — You'll have your opportunity to get up and talk to the Bill, Mr. Member from Lumsden and I want you to listen carefully to what I have to say so that you're not confused when you get around to making some remarks if you have any intentions of doing it.

AN HON. MEMBER: — Seems to be confused on every issue, shouldn't be any different on this one.

MR. THIBAUT: — I want to hear what this Minister has to say. Could you keep some of those yappers down a bit because this is important legislation before the House today and it means a lot to this province and I want to hear it.

MR. STEUART: — Mr. Speaker, we have hearing aid attachments.

MR. SPEAKER: — Order, order!

MR. MESSER: — Now, Mr. Speaker, I don't think it is the need of the hearing aids that is required, it's to control some of the mouths to your left. If they would use the opportunity that is available to them to speak when the time is appropriate we could probably enhance the business of the House.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — However, Mr. Speaker, due to the seriousness . . . it starts again . . . due to the seriousness of land transfer, I give notice

April 24, 1972

that the legislation which will be enacted respecting foreign and corporate ownership of land will be made retroactive to April 1. We know that the income situation of Saskatchewan farmers is critical and that a great deal of land will be coming into the market in the coming months. If that land changes hands between Saskatchewan farmers or between Saskatchewan farmers and/or the Land Bank Commission, then the assets of our land will not pass out of our hands at prices which may be regarded some years in the future as unreasonably low, nor will it allow further land transfers to be sold to foreign based or absentee owners from the Province of Saskatchewan.

Foreign and corporate purchasers of land are usually not limited by shortages of capital in the way that our farmers are. Consequently, we believe it essential and entirely just that we now give notice that the legislation will be made retroactive. Prospective purchasers now have been advised forthrightly and fairly that they should have regard to the effects of the forthcoming legislation when they are considering any land acquisition in the province from that date on.

The responsibility for social and economic policy rests in any democratic system with the Legislature. It is the responsibility of Legislatures to enact a legal framework in which the social and economic policies continue to be made in the best interests of our province and without restriction or limitation that would be a consequence of ownership of Saskatchewan land by non-resident or large corporations.

Mr. Speaker, the legislation that will be enacted on the basis of the report that will be submitted by the committee will be legislation that will assure an active and rewarding social and economic life for all of Saskatchewan.

I know, Mr. Speaker, that there have been some remarks made by Members opposite and other people interested in the Province of Saskatchewan.

May I just take a moment to enlighten some of the Members as to why we are in that sense restrictive to people that are domiciled in the province. And the comparison that I should like to give them is that if we are, in fact, concerned about foreign ownership of land, and I think many of the Members of this Legislative Assembly are, both on the Government and on the Opposition side, I've had some discussion with some of the Members opposite with regard to some land that is now being offered for sale, a large tract of land which may well be purchased by someone who is situated outside of the Province of Saskatchewan, or at least, bought by a corporation outside of Saskatchewan and perhaps managed by someone who would be domiciled in Saskatchewan, these people, I think, realize as we do that this has a detrimental effect in regard to a lot of people in these areas. I asked that if we do not restrict it to those who are domiciled in the Province of Saskatchewan, there's really little difference between keeping a corporation or a person who is non-resident of Canada, an example would be a resident of the United States from purchasing land, thereby aggravating the problems that we're concerned about in small urban Saskatchewan and rural Saskatchewan if we do not also extend that restriction to people who are resident in places such as Toronto or Vancouver or other provinces in Canada that may be doing exactly the same thing. So we have to have some sort of power that will give us the opportunity to look at people who are in fact domiciled in

Saskatchewan and make exemption for those that we think are not domiciled here but are not in any way restricting or causing hardship in regard to the transfers of land in Saskatchewan.

That will be the job of the committee and that is why in the Bill we have a number of regulations that the committee, I think, will be discussing at their hearings and with the people of Saskatchewan who will be presenting briefs to them, in regard to designating the number of acres or the value of land holdings in the province, that should be exempt, in regard to classifying non-resident persons and in regard to exempting non-resident persons. It may well be that after the committee has finished its hearings in the province, that some of the things that we are now suggesting in the regulations may, in fact, become legislation.

I simply close, Mr. Speaker, in saying that it is a serious problem that we are confronted with now, we want to take some action now so that we do not continue to have large tracts of land purchased by non-resident persons. It is because of these reasons, Mr. Speaker, that I am proud and happy to move second reading of a Bill respecting the foreign ownership of land in Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. D.G. STEUART (Leader of the Opposition): — Mr. Speaker, it seems more and more, on this side of the House that we stand up and say we are in favor of the principle of something the Government is legislating about or legislating for or legislating against. But they go too far. And, of course, usually there are shouts from the Government that we are protecting our friends, calls from the other side that we are just looking after the big shots — like in the case of the Land Bank — ‘you are worried about your big, capitalistic friends or you are not really interested in protecting Saskatchewan people’ and so on. I must say it again about this Bill because I think this is, without a doubt, one of the most terrible pieces of legislation that we have ever seen brought before this House in the history of this province. No one in this day and age, I am sure, or very few people, would oppose the idea of some control of the purchase and the ownership of our basic farm or agricultural land by Saskatchewan people or Canadian people or regulating the ownership by bona fide non-Canadians.

Let’s face it, we are talking, in most instances, about Americans. If, in fact, there has been a great deal of Saskatchewan farm land bought up and controlled by Americans or other people who do not live in Canada — non-residents of Canada — then this move or a move by this Government to control this would be a step in the right direction. But this Bill that we have in front of us, this Act — and I challenge the Members opposite to read the Act carefully — does not distinguish between Canadian residents, Canadians, and foreigners or people who live in the United States. In other words, an individual who lives in Lloydminster who may have decided for some reason to move a half a block or a quarter of a block, move outside of Saskatchewan into Alberta or a farmer who from here on once this Bill is passed, if it is passed in its present form, farms his land, develops his land in Saskatchewan and decided to move to British Columbia to retire but wants to continue to own his land because he might come back or he wants to live on the proceeds of his

land and dispose of it later on, is going to be treated exactly the same as someone who lives in the United States or England or Germany or anywhere else outside of Canada.

There is another very valid point that is of concern as we look at this Bill. The Minister raises the question of corporate ownership outside of Saskatchewan. In other words, the question of land being owned by corporations whose head office is in Toronto or Vancouver or somewhere else outside of Saskatchewan. Some of this land may have been seized years ago because our farmers fell behind in their mortgages. That land has now been owned or maybe more of it has been bought out. This is a totally different problem than the question of foreign ownership and should be dealt with differently. Trying to put the two together in one Act has, without a doubt, complicated the writing of this Act and may be one of the basic reasons why the Minister has had to say, as the Government is saying so often these days, we will deal with that in regulations. Now, if there is much land owned outside of Saskatchewan by corporation then let the Government deal with it, but don't put all corporate farm ownership in one bag. There are farmers in Saskatchewan who, for reasons of their own, have formed corporations.

MR. MESSER: — I said that.

MR. STEUART: — Yes, but in this case they may be outside of Saskatchewan or some of the partnerships might have moved to Vancouver and they still come back here and farm the land. You have lumped them all together in this Act and it's not good enough to say, 'well, we will exempt them by regulations when we identify the problem'.

MR. MESSER: — It's before a committee.

MR. STEUART: — Yes, this is the next point. He says that we are going to set up a committee, a select committee to study the problem. Why not set up the committee, identify the problems, find out what the people think and what they want and then write the legislation? Surely, he has put the cart before the horse. What the Minister is doing, they are rushing in here in their first Session and they want to wave some foreign control ownership Act to say, 'look what we have done, look how wonderful we are. We have moved immediately within ten months of our election to control the foreign ownership of land in the Province of Saskatchewan. But we admit that there is such a serious problem and it is so complicated we are going to set up a select committee and that select committee is going to go all over the province and study the situation'. And he has already said, 'And if we made mistakes and there is no doubt we have made mistakes in this Bill, we will be prepared to amend them'.

MR. MESSER: — We haven't made any mistakes at all.

MR. STEUART: — You haven't made any mistakes in this Bill, okay that's fine. I'm glad to hear you admit that. Let's take a look at the Bill. Let's take a look at this Act, Section 2, for example. In this Bill, Mr. Messer, you have lumped everyone who lives outside of Saskatchewan, no matter if they lived in Saskatchewan

all of their lives and farmed and helped to build this province up, immediately upon moving outside of Saskatchewan to British Columbia or Alberta or anywhere else, you have lumped them in the same bag as everyone who lives outside of this country. In other words, you are calling them foreigners. Now you say you will bring in regulations to soften it, but that's not good enough. What you are doing in this Act, you are balkanizing this province, you are building a wall around Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. STEUART: — Let's take a look at this Act that you say you haven't made any mistakes in. Section 3, acquisition by non-resident persons of land in excess of a certain amount prohibited, you don't tell us what this amount is. We asked you that the other day because there is a serious concern by people who legitimately lend money to farmers and the farmers need that money. There is a legitimate concern about the amount of land you have in mind and I say that this will impede it right now until you clear that question up. But, anyway, let's see what you say in Section 3. You say in Section 3 that it is against the law for anyone to get a gift of land from Saskatchewan if they are non-resident. You say it is against the law for someone to inherit a piece of land if they are not residents of Saskatchewan. So here we have a situation of somebody living in Alberta whose father dies and he leaves him some land. The individual may not even be aware of it, aware that he was mentioned in the will. The father dies, he leaves some land to his son who happens to live in Alberta. Maybe he wants to come back after he can arrange his affairs in two or three years. That individual has broken your law. He is not aware that he has broken the law. He didn't ask anybody to leave him some land, he didn't even know he was going to get a gift, for example. You say there is nothing wrong with the Act. Read that portion of the Act!

MR. MESSER: — Pretty weak!

MR. STEUART: — No, it's not pretty weak, it's bad legislation. In Section 4 is the first mention of the regulations. You say then that the land specified in the regulations that the person may lawfully own. Again, you haven't told us how much land is involved, whether it's a quarter section or a section or five sections and again, you tell us that you won't really decide that until after the hearings. This period of uncertainty is not going to be cleared up eventually when you pass this Bill with your steam-roller majority. It's not going to really be settled, according to your own words, for more than six months or a year. Well, again, this uncertainty. Go and check with the people who are in the business of financing land and go and check with some of the farmers who will want to finance land and find out what this uncertainty is doing. I say this very sincerely. I don't think it is good enough and you should say you intend to exempt anything over a section or two sections or whatever you intend to exempt and then they can deal on that basis. You should give them a very clear guarantee and if later on, due to the hearings or any other reasons, legitimate reasons, you change your mind and change the regulation and change the size of the exempt portion of land, that what they have already done will be exempt. In other words, so they can carry on and do business until such time as finally you decide, however you decide, on the exempt parcel of land. I suggest that you look at that very seriously.

Then you say in Section 6 that if an individual receives the land and is a non-resident, that they will have to refund the money. Well, again, I say, what happens when the person who receives the money died or has left Saskatchewan and is a non-resident even of this country? How are you going to get the money back? You don't say, you just have a pious hope that the acquisition agreement, arrangement or disposition made in contravention of this Act is invalid and any consideration given thereunder shall be refunded or returned to the non-resident person by the person by whom it was received upon the request of the non-resident or the Attorney General. If a person lives down in New York or Toronto or in West Germany, I suggest that this is a particular part of the Act that you'll never be able to enforce.

Again, you have made this Bill retroactive and there is some reason for retroactivity in this case. Once you have announced a credible piece of legislation there may be people who would try to get in under it or make a gift or dispose of some land or acquire land, some people who are non-residents of this country or this province who might want to acquire land and thus escape the terms or conditions laid down in this legislation but surely you don't have to go back to April 1st. Not only that, you say that you'll have hearings and you'll make amendments and so that will be retroactive as well. So, we don't really know when this Bill will be settled. Certainly, you have indicated very clearly in your speech that we will not see the settlement of this Bill when it is passed. First, there are the regulations, second, there will be the hearings and you have clearly told us and told the people of this province that you intend to amend the Act after you have the hearings.

Another incredible statement the Minister made, if you people were noticing or listening and I hope that the Hon. Member from Kinistino (Mr. Thibault) heard this part. He said, "What really is the difference between someone who lives in Toronto or Alberta or Manitoba or British Columbia and someone who lives in America?" As far as that Government is concerned, evidently they will all be treated the same way. Actually what you are saying by a stroke of the pen, by this Act, is that everyone who lives outside of Saskatchewan, as far as the NDP Government of this Province is concerned, will be, in fact, considered a foreigner and will be very limited in their rights to receive land, to own land or to farm land in the Province of Saskatchewan. Well, again, Mr. Speaker, let me say that we will support an Act or regulations that, in fact, takes some practical steps to control the ownership of farm land by Americans or other people who are not Canadian citizens. We would be prepared to look at and support an Act that does something about the corporate ownership of land by corporations outside of Saskatchewan, non-farmers, non-residents, but that again is another separate problem and should be dealt with separately. We would be prepared to support and co-operate with the Government in both situations. But let me say, unless the Government is prepared to amend this Bill very drastically and spell out in detail exactly what they mean and exactly what they are trying to do, then we cannot support this Bill. I suggest that they consider taking the Bill off the Order Paper, set up their select committee, have their hearings, identify the problems. The Minister wasn't able to come in here and say, I don't know whether he can later on, here is the exact amount of farm land that's owned by Americans, for example. It was so many sections in 1950, it was so many sections in 1960 and in 1970, or last

year it was so much and now it is so many sections, so it is growing and it is a very serious problem. I hope he can come in and say to us, "Now we'll talk about corporate ownership of land, like corporations, non-farmers and non-residents of Saskatchewan. Here is how much land they own and they are increasing this amount of land year by year." This is a growing problem and we need to do something practical about it. Certainly to me, that is a sensible and sound way to proceed. This is totally unsound, it is a threat and I think a companion piece to the Land Bank and the Minister in his speech did talk about the Land Bank in this connection. Certainly, in its present form we can do nothing but oppose it and oppose it with everything we have.

Mr. Speaker, because we haven't had the time to study all the implications of this Bill or the speech made by the Minister, I beg leave to adjourn the debate.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — Mr. Speaker, if I may on a Point of Order and for the clarification of the Members opposite. I may be at fault in this. I endeavored to give an indication that we were, in fact, going to refer it to a special intersessional committee but I apparently did not make it clear that it will be my recommendation on closing of second reading that it goes to a committee before it goes to Committee of the Whole or before it gets third reading in this House. So, in fact, a lot of the things that the Leader of the Opposition has said will not be legislated but they will first of all be scrutinized by the committee to have third reading at some later date and at some later session. Now, maybe you did understand. From your remarks, I would assume that perhaps you did not.

MR. McISAAC: — Mr. Speaker, on a Point of Order, on a Point of House Privilege. May I suggest that you direct the Minister to take that Bill back and give it second reading again. He hasn't given it second reading. He hasn't told us what he is going to do with it or what he wants to do with it. Now, after so-called moving of second reading, he tells us he intends to refer it to a Committee of the House when the House is sitting. If that isn't a breach of the privileges of the House, I don't know what is.

MR. MESSER: — I said a special committee, not the Committee that would be reviewing it while this House sat. I said a special intersessional committee would be structured to look into the Bill before the next session of the Legislature.

MR. SPEAKER: — I think that any discussion between the two sides can be carried on at a later time. The Hon. Leader of the Opposition has asked leave to adjourn the debate.

MR. STEUART: — I think, with all deference, the Minister has raised a very key point in our consideration of this Bill. Leaving aside for the moment the question of propriety that was raised by the Member who just spoke on our side, may I ask a question? Is the Minister saying that the House give second reading

and it will not be referred to Committee of the Whole, it will not be proceeded with, it will be referred to some select standing committee that he intends to set up, then after they have had the hearings, presumably this summer, they'll bring it back to another session and say, 'now we've had the hearings, we're going to move some amendments'.

MR. SPEAKER: — Order! I think we are getting into too much of a debate on the detail here. I accept your motion for asking leave to adjourn the debate. I should like to read to you from Beauchesne, page 264, No. 77,

Every Public Bill shall be read twice in the House before committal or amendment.

So, otherwise the Bill, according to Beauchesne, must have second reading before it can be referred to either a standing committee or a special committee. I believe that the details of these can be arranged by discussion between the Members during the time of the adjournment of this Bill. The Hon. Leader of the Opposition has asked leave to adjourn the debate.

Debate adjourned.

MR. STEUART: — Mr. Speaker, I asked a question and I believe it is customary — I asked if my interpretation of what you said is that you were telling the House . . .

MR. SPEAKER: — The Hon. Member and the Member can discuss and ask their questions back and forth. I don't think we can debate this on the adjourning of motion.

MR. McISAAC: — Mr. Speaker, on a Point of Order or on a Point of Privilege. Whether or not we should be debating, I think this is the worst breach of a motion on a piece of legislation that I have seen in my years in this House. Here is a Minister who brings in a Bill that's a very vital Bill and a very key one and he doesn't really give it second reading. What I think he did is tear up the speech after he saw some concerns expressed in the Press and decided to refer it to a committee. He doesn't really tell us what he is going to do and . . .

MR. SPEAKER: — Order! I tried to read to the House from the Ruling in Beauchesne that every Bill shall be read twice in the House before committal can be discussed and can be discussed at a later time and I cannot permit a debate on the details at this time.

MR. WEATHERALD: — Mr. Speaker, I should like to ask the Minister for clarification before he takes his seat. Now, by a special committee . . .

MR. SPEAKER: — Order! The Minister has already taken his seat, the Leader of the Opposition was up. If you start speaking now, the debate is adjourned.

MR. WEATHERALD: — I don't believe he has, Mr. Speaker, he can entertain a question if he wishes.

MR. SPEAKER: — No. When he moved second reading, you may at that time have asked a question for clarification but since that time the Leader of the Opposition has spoken and the debate has been adjourned in his name. So, you cannot ask the Minister a question now before he takes his seat because he has already taken it.

WELCOME TO MELVILLE LEGION CADET CORPS

MR. J.R. KOWALCHUK (Melville): — Mr. Speaker, it is with a great deal of pleasure that I want to introduce to this House a fine group of young men from the Melville Legion Cadet Corps located in the Speaker's Gallery. Melville is noted for the many successful Legion Cadet Corps in the past. It is due to such men as the one with them today, Captain A. Nagler, who is here with them today, that makes cadet instruction possible. These 28 young men and Captain Nagler were brought in an Army bus to this city. Mr. Speaker, I am sure all Members of this House wish them well and that they go home today with a better appreciation and a better understanding of our democratic system of government. We hope they have an enjoyable afternoon and a safe trip home.

HON. MEMBERS: Hear, hear!

WELCOME TO STUDENTS

MR. E.C. WHELAN (Regina North West): — Mr. Speaker, through you I am proud to introduce to this House 19 Grade Eight students from Al Pickard School in the east gallery from Regina North West. Their teacher, Bill Forest, is with this intelligent group of young people. Members join me, I am sure, in welcoming them to this House and expressing best wishes for a pleasant and informative visit to this Legislature.

HON. MEMBERS: Hear, hear!

MR. H.H. ROLFES (Saskatoon Nutana South): — Mr. Speaker, I should like at this time to introduce a group of 29 students from John Lake School in Saskatoon. They are accompanied by their teacher, Miss Schultz. I hope that they enjoy their stay here this afternoon and that it will be edifying for them. I wish them a safe trip back home and I ask the Members to join with me in wishing them a good day in Regina.

HON. MEMBERS: Hear, hear!

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Messer that Bill No. 110 – **An Act to facilitate the Acquisition and Disposition of Farm Land in Saskatchewan** be now read a second time.

MR. T.M. WEATHERALD: — Well, Mr. Speaker, to say the least . . .

SOME HON. MEMBERS: Hear, hear!

MR. WEATHERALD: — I am pleased to have such an enthusiastic audience. I must say for a Party who did as much talking as the Members opposite did during the election campaign and since, it is disappointing indeed to find that they haven't got a single speaker willing to say anything on this Bill. Since it was your turn after the Leader of the Opposition to finish the debate, I'll take up where the Members opposite fail to take up.

Mr. Speaker, throughout Canada agriculture is confronted with great difficulties which require bold and imaginative solutions. The ultimate solution to many of these problems hinges on developing adequate markets for farm products and to have these markets return a satisfactory income to the producer. Mr. Speaker, I can safely say that a failure to develop these markets and the need for the products which we, as farmers, produce, if we fail to develop these markets and a need for our production, then we, as farmers, will have very little reason to exist.

Some of this market development rests with farmers themselves and we have been happy to acknowledge this fact and through producers' groups the various farm organizations have made a very worthwhile effort to develop markets for agricultural produce. The great responsibility for marketing farm products rests really with our Provincial and Federal Governments and the ability to gain enough income in these markets by governmental action many farmers still recognize as a fact of life. Many farmers, I am sure, would like to change this situation but at least for the foreseeable future, despite our efforts and the efforts of many farm organizations, we shall still be dependent on the actions of both the Provincial and Federal Government in the field of agriculture. The failure to generate enough income through our farms and all the rest of the tinkering in agriculture, Mr. Speaker, that so much time is spent discussing will certainly have very little effect. It is a recognized fact throughout Saskatchewan that there is need for transferring farm land from one generation of farmers to another and I should like to cite a few reasons that we on this side feel that a new method or improved system of transfer of land is needed.

1. Mr. Speaker, many of our farm operations are presently getting close to retirement age and these persons on their retirement simply must be replaced by younger farmers.

2. Mr. Speaker, we must do everything we can to retain as many viable farm units as possible and this is the only way many communities dependent on agriculture can continue to survive.

3. Mr. Speaker, rural depopulation from a social point of view is simply not desirable nor is it wanted by Saskatchewan people. The question then, Mr. Speaker, having said the reason why we need a new system of land transfer, a system which will keep as many people on the farms as possible, the question then is, Mr. Speaker, has the Government opposite developed such a plan to meet a generally recognized and defined problem? The answer, Mr. Speaker, from all of us on this side of the Legislature is a resounding, No.

The plan put forward by the Government opposite fails on several major counts:

1. It is a rental plan and not an ownership one.
2. The high cash cost of the rental which will be required from the tenant.
3. Mr. Speaker, and one which I think will be of great concern to all people of Saskatchewan regardless of their dependency on agriculture, is the tremendous mass of political involvement. It is possible in this plan in which I am convinced is frightening to every fair-minded person in our province.
4. Mr. Speaker, the administration costs of this plan are going to be tremendously high to the taxpayers of Saskatchewan.

I want to deal, Mr. Speaker, with each of these at length. First of all, the concept of a rental plan which we on this side of the House disagree with. We believe that we have not yet passed the stage in our province's development when people do not yet have the utmost desire that they should own land instead of renting. It is still the ambition of every single farmer, I am convinced to own his own land, to farm his own land and to operate it free of government interference. The likelihood of a person who leases land under this plan, owning it is practically negligible. The only provision to buy is for the full price in cash over a period of six months. This has been spelled out in the legislation. It is interesting to note that the Waffle Group of the NDP suggested at the NDP convention that there should be no provision to buy and that the Government has actually, I think, in this legislation, accepted that provision by a back door. The prospect of a renter saving enough cash to buy or develop enough equity to borrow the money and then buy is small indeed when one considers the high cost rent proposed and the current low returns in agriculture. Mr. Speaker, I know that the Members opposite will say that the renter can go to the Farm Credit Corporation or the renter can go to the bank after he's been in operation for some time. But I would remind the Members opposite, Mr. Speaker, that under this plan the point system is set up so that the people who will likely be renters are people who are of small acreages today, people who will be just starting a satisfactory living and a satisfactory income for their family, the likelihood of them ever being able to save enough money or to be able to ever borrow the amount of money to actually buy is small indeed. The chances, therefore, of any person who rents land under this system buying is practically zero. Therefore, that is why I say that over a long period of time, this is a rental plan, very little land will ever be bought under the cash provisions.

The high cost of rent, Mr. Speaker, by the Minister's own admission at various times in this House, the net returns to

farmers are low and I think that even in the year past about \$2,500 net per farmer was quoted as far as the average farmer in Saskatchewan's net income was concerned last year. The rental under this plan is based on the rate of interest plus taxes. The rate of interest being calculated on the market value. Now the Minister last year in what was a reasonably good borrowing year as far as money was concerned for the Province of Saskatchewan, one of the lower years, he quoted the figure of seven per cent. This multiplied by \$100 an acre land, if that was the market price – The Saskatchewan Federation of Agriculture in their booklet suggested about \$70 per acre on the average – but Mr. Speaker, this plus taxes means practically every single farmer renting land will pay somewhere in the neighborhood of cash rent of \$7 to \$9 per acre. I personally know of a few farmers today in Saskatchewan who have cash rental agreements for \$8 an acre and this includes taxes being paid for them. These farmers are complaining strongly about their agreements and in many cases are thinking of terminating them with the person they are paying this type of rent to. So, Mr. Speaker, the cash rental to most farmers would be somewhere between \$7 and \$9 per acre depending on the market price of land and whatever the interest rate turns out to be. This, I suggest, practically every renter will find substantially too high. He will not find it very attractive for him to enter into. Few farmers, therefore, except the best established ones, can pay this type of rent or are likely to enter into this type of a Land Bank scheme. Certainly, young farmers with family responsibilities and little income backing them cannot afford this type of rent and maintain a certain standard of living. The provision of the Government establishing rents every February 1st is of great concern to most farmers that I have spoken to. If there is one thing a farmer wants, it's a long-term agreement so that he knows exactly what it will cost him. Yet the Government in this legislation has produced a document which provides for the Cabinet each year setting a different rent as of February 1st. This cannot help but create great uncertainty to the person who is renting land and the person who will be farming it over a period of years.

I come to the aspect of political involvement. The potential under this plan and the certainty of massive political involvement boggles the mind. I read, Mr. Speaker, the Minister's remarks in setting up the Land Bank scheme. Three commissioners appointed by the Cabinet, regional committees to advise the commission, a division of the province into six Land Bank regions, within each region there would be two subsections and then each subregion would have a Land Bank officer resident in the area. Now, Mr. Speaker, there isn't one single Member in this Legislature, I should think, by this time who hasn't experienced the problem of a piece of land coming up in his area for lease. And in the past the Province has had a lease plan which was fair and which used the point system, a similar system to what is advocated here. And yet, for many leases, six or seven people will be equally legitimate to receive the quarter section of land.

Now, Mr. Speaker, let's put on top of this an area in the Province of Saskatchewan where a political party is virtually unchallenged. You can imagine the pressure that will be put on in various parts in that particular area for some particular individual, Mr. Speaker, to be able to obtain that land. And the Minister of Agriculture says, virtually unchallenged. Well, if you look back in the last forty years, in some constituencies you can find quite a few that have been virtually unchallenged

and they are very unlikely to be challenged to any great extent in the next fifteen or twenty years.

In other words, that political party practically controls what individuals will get in that area as far as land is concerned because they have very little fear of political repercussions as far as they are personally concerned. I could name some of those particular areas in Saskatchewan but I won't because I think all Members can figure that out for themselves. But I should talk, Mr. Speaker, of the political pressures in this Land Bank scheme because it is going to be appointed by the Cabinet, run by the Cabinet and it is very obvious as you look around Saskatchewan in many of the meetings that are being held who the people are who are going to have a great deal of influence on this particular aspect of the Land Banks scheme.

Mr. Speaker, if the Minister doesn't know who has been conducting the local regional meetings he should find out because he will find that most of the people conducting these meetings fall into a very similar political pattern. The administration cost, Mr. Speaker, this year provides for \$600,000 for the Land Bank scheme. Once it reaches a full year's operation it is certain to be considerably more. This money of \$600,000 this year appropriated disappears into the bureaucracy and provides no direct help to the farmer on the land. Directly applied, Mr. Speaker, and I hope the Minister will take notice of this, because he said that for \$372 more per year a farmer could own a half section over and above the rental he would have paid. For \$372 more over 25 years you could buy a half section.

Well, Mr. Speaker, the \$600,000 that is estimated this year for administration costs would subsidize 1,612 farmers to the extent of \$372 per year. In other words, just the administration costs would buy one half section of land for 1,612 farmers in the Province of Saskatchewan.

The Minister of Agriculture says that for \$372 more than the rental he will pay, the farmer could own his half section. I have shown the Minister that for 1,612 farmers this could mean a difference between ownership just by putting in the money that he is putting into the scheme as far as administration is concerned.

Mr. Speaker, the point that we make is simply that the difference between the rental and the cost of ownership over a period of time is very, very little different. That is why we put the emphasis on ownership.

Mr. Speaker, having criticized the Government's plan I don't feel that it is altogether satisfactory not to offer an alternative and we consider, on our side of the House, that we offer a satisfactory alternative which will surpass the acceptability of the one that has been put by the Government to us at this date.

I hope that all the people we have over there will be more willing to speak than they were previous to my turn.

SOME HON. MEMBERS: Hear, hear!

MR. WEATHERALD: — Mr. Speaker, having been critical of the plan put forward by the Government opposite and having recognized a

need for an improved system of land transfer, I now wish to put forward what we believe is a valid alternative.

There are some potential young farmers and other persons, Mr. Speaker, on small acreages who have been unable to obtain the necessary credit and finances to either begin or continue farming. The Province of Saskatchewan should recognize these persons who have the necessary qualifications and the background to be farmers. They could be recognized in a manner similar to what has been suggested. The need for land which I think is the basic point system on Crown land now existing, these people could be recognized by a need for land, the proximity of land to that which they already operate, whether the seller of the land had expressed a specific wish as to who got the land, the extent of the applicant's commitment to farming, farm experience, educational and financial records. I think in the present point system existing as to leases under Crown land, that most of these are already taken into consideration.

If we apply these principles, Mr. Speaker, to some individuals who now are confronted with difficulty of going into agriculture, if we apply the principles to these persons and if these persons are unable to obtain a normal loan through the Farm Credit Corporation, they should then be able to obtain a loan by the Province providing such a guarantee.

This plan, Mr. Speaker, should be coupled with a selective interest rate subsidy for such persons in time when interest rates reach particularly high levels. These persons would, therefore, have a low guaranteed rate of interest at least until they could become established. I think, Mr. Speaker, that this would be a most satisfactory way of dealing with both young people and people who can be legitimate farmers but now have no way of starting up their operations.

SOME HON. MEMBERS: Hear, hear!

MR. WEATHERALD: — Mr. Speaker, the money being spent for administration of the proposed Land Bank scheme could go a long way in this regard. Here I am referring to the \$600,000. This plan would have these advantages which the Land Bank proposed does not have. First of all, it would foster individual ownership of the family farm. We would again continue to put the emphasis on ownership rather than the aspect of rental.

SOME HON. MEMBERS: Hear, hear!

MR. WEATHERALD: — The Minister, in his comments, talked of the cash which would be available through the rental plan and suggested that on a half section — about \$372. Well, where I come from, Mr. Speaker, that buys exactly one cow a year and I don't think it will buy any more where he lives. So the cash available to the farmer to improve his farm under the rental plan simply does not exist. For \$372 per year, savings under this plan rather than ownership, you can buy exactly one cow a year and sometimes it wouldn't even be a very good cow at that.

MR. MacLEOD: — 25 cows . . .

MR. WEATHERALD: — Yes, my colleague says, in 25 years you could buy 25 cows.

Mr. Speaker, this plan would provide entry into farming for any qualified persons. It would make use of the prevailing Farm Credit Corporation administration and therefore remove the need of creating a further bureaucracy at great expense. It is obvious that the bureaucratic element is in most government programs; this usually gets about 25 cents or 30 cents out of every dollar that is spent by the government and the Land Bank program looks as if it should gross a million dollars easily in the next year or so. And, again, the amount of benefit to the farmer for the expense will be very small.

It seems a pity that most Government programs continue ahead in this direction, that the persons anticipating or trying to get help usually end up by getting about 30 cents out of every dollar that the Government puts into it. But the Government opposite, again, seems to persist by setting up a whole new administrative bureaucracy in the Land Bank scheme.

Now, Mr. Speaker, the scheme that I propose would, I think, also remove the great danger of massive political interference that is inherent in the proposal that the Government has put forward.

SOME HON. MEMBERS: Hear, hear!

MR. WEATHERALD: — The Farm Credit Corporation has been free of political influence. The lending institutions have been free of political influence and I think that this is most desirable to continue, that any intervention in the assistance of farmers still continues to be free of political influence in province.

Mr. Speaker, we, on this side of the House, support the need of retaining a farm population in rural communities to the greatest possible extent. We need policies and programs to bring this about. The people of Saskatchewan expect such action. I have, in the time that I have taken, put forward what I think are sincere objections to the Government's proposal in their Land Bank scheme and what I consider to be sensible and reasonable alternatives to the plan that they have suggested.

Mr. Speaker, we, on this side of the House, would urge them to consider the proposals that we have put forward as serious proposals and proposals which will in the long run accomplish the same objectives that they are considering but will remove the dangers of political influence, will remove the dangers of an additional great bureaucracy at taxpayers' expense and will in the long run put into the agricultural system in the Province of Saskatchewan an opportunity to the young person who wants to farm, the person who is qualified to farm, the person who should be a farmer. We think that the suggestions we put forward will do that in a much more successful way than what we have seen in the Government's proposed Land Bank program.

It is therefore, obvious, Mr. Speaker, that I will not be supporting this Bill.

MR. A. THIBAUT (Melfort-Kinistino): — Mr. Speaker, you know the feeling I had a while ago when nobody was getting up to speak was that the Members in this Legislature wanted this legislation to pass with great speed

April 24, 1972

indicating the great need for this type of legislation.

SOME HON. MEMBERS: Hear, hear!

MR. THIBAUT: — I am sure that they were not all suffering from arthritis and therefore I want to compliment the Member for Cannington (Mr. Weatherald) for making a contribution to the debate.

I also want to point out that they had seven years to do something about the depletion of the farm population in this province. I want to point out also that there were no constructive suggestions before. What we have been doing in the past is that the bigger farmers were able to get the money to buy land and got bigger and bigger. The weaker ones were encouraged to sell. I had that develop in my district. I am sure there are a lot of farmers who have been trying to buy land and put themselves in debt up to their neck because they thought they had a son who might want the farm.

This would not have been the case if the Land Bank had been there at that time. There would be many farmers today who wouldn't be in debt trying to pay off land at great prices. I would say that in perhaps ten years time, perhaps, it would make as much sense in buying land as it would for someone who wants to educate his children to go out and buy a school.

You raise a family of half a dozen — and that is usually the size in our country — some go for an education and who pays for it? Society pays for it. The taxpayers pay for it. But if one wants to go farming, the father has to try to buy the land if he can. He goes out and borrows the money and mortgages himself up to the gills and the result is that the son tells him, "I don't want to farm." So there he is left with this mess on his hands.

With the Land Bank I am sure that the little farmer who wants to start farming will have a chance. I think I have covered this part of it and let's now look at the picture as it stands in this province today.

The average age of farmers is around 57. Project this question in another ten years and what will you wind up with? You will wind up with a few ant hills of people with the problems of social welfare and everything that goes along with it and a seriously depopulated rural area. I am sure that this Bill is aimed at doing one thing. It is to restock the rural areas with young people. I am sure that this Bill is not going to be a cure-all. There will be mistakes in the Bill and we will find them as we go along. But we are big enough to make changes if we need to.

I want to congratulate the Minister of Agriculture (Mr. Messer) who has turned out to be one of the greatest Ministers of Agriculture in Western Canada . . .

SOME HON. MEMBERS: Hear, hear!

MR. THIBAUT: — . . . who went out to the people and asked them, "What do you want? Here is what we are proposing. Tell us how you would accept it, tell us what you feel."

I am going to tell you something, Mr. Leader of the Opposition, that one of your biggest Liberals – you asked who was attending the meetings – one of your biggest Liberals was at the meeting at Melfort and told me that he was at the Liberal convention . . .

MR. STEUART: — Give me his name.

MR. THIBAUT: — I'll give it to you in private. I'll tell you what he said. He said he was at a Liberal convention some years ago and he suggested something like that and he couldn't find anybody to listen to him. He said, "I haven't joined you yet but I am backing your Land Bank all the way."

I never ask anybody to join but I know that this fellow sooner or later is going to join us when he sees us in operation.

I think agriculture is a very important industry in Western Canada. We can talk about the potash mines. We can talk about the oil wells. I want to say that when the potash mines, when you won't be able to sell your potash any more and when your oil wells will be dry and when the forest will be gone, and the waters will be dirty, that agriculture will still be the main industry in this province. So, why not look after it? I don't think we can look after agriculture with a bunch of people who are getting too old to farm and we have to get some young people in. I think that our Minister of Agriculture is trying to find a way to do this. I say, let us get behind him and give him a chance, give him a try.

SOME HON. MEMBERS: Hear, hear!

MR. THIBAUT: — He is the kind of man that any Party would be proud to have. I am sure that I have great faith and it was clearly indicated tonight when nobody wanted to get up. You said you want this right away and let's get it over with.

Well, Mr. Speaker, that is why my speech on this is very short. Let's get it over with and let's pass the Bill. Let's get going and get some of these young fellows farming again.

SOME HON. MEMBERS: Hear, hear!

MR. L. LARSON (Pelly): — Mr. Speaker, the ominous silence from the Members to your left must be a very obvious indication that they would like to go and hide somewhere.

SOME HON. MEMBERS: Hear, hear!

MR. LARSON: — You know, I think that they are afraid and very reluctant to be put on the spot with regard to this Bill. You know, when you looked at the headlines in the Leader-Post just a couple of days ago, April 22nd, "Steuart Denounces Government Land Bank Plan". After an overture like that I don't blame them for being silent on an issue that is going to be as important as this. I feel very honoured and very proud to have the opportunity to say a word or two about this historical event in the history of our province.

SOME HON. MEMBERS: Hear, hear!

MR. LARSON: — I am absolutely sure that when the whole effect of what we are doing now is felt it will go down in history as did hospitalization, as did Medicare, as did Government Insurance and as did a great number of other things including grid road programs and other like them.

SOME HON. MEMBERS: Hear, hear!

MR. LARSON: — And, Mr. Speaker, the very interesting point about all of this is that we have had absolutely the same approach from the Liberal Party – gloom and doom and opposition. The same broken down old gramophone record. It would have even been interesting and rather enjoyable if they would have gone so far as to change the needle at least so it wouldn't have the squawks and the scratches that we have been so used to listening to.

My friend from Melfort-Kinistino (Mr. Thibault) has pointed out a few of the things that concern him and the position that we really are in. I want to say a few things more along the same lines. I want to say to my friend from Cannington that the figures that he uses become very, very interesting. He uses figures to try to belittle, to try to discredit and to try to distract from the main principle that is involved in this Bill. When you are talking about land transfers in Saskatchewan, you are talking about something that has gone on for a very long time. And if the Liberal Party were in tune with what is going on, were in tune with the times and in tune with what we are faced with, they would realize that something along this line must be done.

I became amused when after the leadership convention we heard talk about a new image, a new direction and a new party.

AN HON. MEMBER: — There it is!

MR. LARSON: — My Hon. friend says, "There it is." It certainly is right over there. Totally out of tune, totally negative. It is difficult to find anyone that can take as negative an approach.

Average age of farmers – 57 years or more. The survey in the Moose Jaw Agricultural Representative District certainly revealed something that many of us who live and work with farm people know is taking place. We know that you can't escape these kinds of things. We see them every time we drive up and down the country. If it were as simple at my Hon. friend from Cannington (Mr. Weatherald) or the Hon. Leader of the Opposition (Mr. Steuart) tried to boisterously reflect the other day, the problem would have solved itself a long time ago. It would not have been with us. There would have been no need to have looked seriously at this situation as we must today. But very obviously, they are closing their eyes.

Even the Government of Canada is concerned. They are very concerned with what is happening. They have tried other routes, other routes that haven't worked. They tried the LIFT program.

AN HON. MEMBER: — Oh, what a sweetheart!

MR. LARSON: — They tried to lift themselves out of some of the difficulties they are in. I pointed out to this House during the last session why we got into this dilemma with regards to grain-handling. In 1968 we set the price of wheat at \$1.95½. We said to our foreign buyers, “Come and get it at this price.” And we said to the Wheat Board, “If you can’t get this price, don’t sell.” And the consequences were that we built up a surplus that we have never had the likes of before. The amount of grain that is moving now is simply a recapturing of what we lost during this Liberal period of trying not to do what had to be done but do something that was not in the interests of agriculture.

SOME HON. MEMBERS: Hear, hear!

MR. LARSON: — We brag about grain sales now and we brag about what is happening, but we are still not getting to the crux of the matter. This Bill recognizes that LIFT, the Task Force and all the good things that were supposed to come out of the Stabilization Program did not come to grips with the problem as it exists. It is growing, it is multiplying. Therefore, this Land Bank is being brought in not as a cure-all but as a vehicle to facilitate the transfer of land from one generation to the next.

SOME HON. MEMBERS: Hear, hear!

MR. LARSON: — Friends across the way know this to be so. You can close your eyes and shake your heads all you like, gentlemen, but the facts of life are that land is not being transferred. I checked with the Farm Credit Corporation the other day and they show that we are down insofar as loans and land transfers are concerned. They are concerned and wondering what they ought to be doing about it. When you mention the Land Bank, they say, Yes, this is a direction that we would be happy to see the Federal Government consider and go into.

Certainly, as I said, it won’t be a cure-all. Certainly, it can’t do what a government the size of Saskatchewan would have to do to take the ills out of agriculture. It can’t subsidize to the point where farmers will make the kind of living that they must have and should have if they are going to survive. But the facts of life are that we are tackling one small, little corner of it and there is no use to try to discredit it and there is no use to try to belittle it, because it’s going to work.

When you look at LIFT, Task Force and Stabilization, you find that the Provincial Liberals were all in favor of these programs. We find that they were not coming up with any alternatives. If you had alternatives, you had seven years to bring them out. We would have given you more than seven years, but for heaven’s sake, start something. Instead of that you allowed it to go from bad to worse and from worse to bad, if that were possible. Now all at once you are talking about something that we are trying to do as if it were no good at all. It’s time you got your heads out of the sand boys, and started looking at what some of the realities around us are.

SOME HON. MEMBERS: Hear, hear!

MR. LARSON: — These things cannot be dodged, they cannot be dumped and they cannot be escaped from. I would invite you to very seriously consider, not your political position, not whether you make good, big headlines or not, but the welfare of the people of Saskatchewan who need something along this line to assist them. If you do this, you will go down as having moved in the direction that is away from the broken gramophone record and the old, worn out needle that I talked about. I invite you all to come with us and join with us. Errors, yes, there will be. If we need subsidies, we will look at them. We will be prepared to implement them to the fullest extent of the capacity of the Province to supply them, but certainly not negatively and destructively to destroy principles that I say again, historians will recall as one of the major steps forward in the history of farming and agriculture in this province.

I am very proud to be associated with a Minister and with a Government that has the courage and is bold enough to take this step and say to the people of Saskatchewan in no uncertain terms that we are prepared to go and we ask you to go with us in this direction. I obviously will be supporting the motion, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. F. MEAKES (Touchwood): — Mr. Speaker, when I listened to the Hon. Leader of the Opposition (Mr. Steuart) when he spoke yesterday and then when I listened to the Hon. Member from Cannington (Mr. Weatherald), I couldn't help but wonder what was the matter with the Liberal Party. We were accused of not wanting to speak. And then the Member for Cannington sat down and the Member for Melfort-Kinistino (Mr. Thibault) got up and he spoke. He sat down and there was a wait and none of the Members from across the way got up. Then the Member for Pelly (Mr. Larson) got up and he spoke. And again, when he sat down, I waited deliberately, hoping that one of the Members from across the way would add something to the debate. But really, so far, the Leader of the Opposition and the Member for Cannington have really contributed very little to the debate except a lot of negativeness.

The only thing that the Member for Cannington suggested was just that we should have another Farm Credit Corporation. And I ask him and I ask this House, what need is there for a second Farm Credit Corporation? The Farm Credit Corporation has done some good things. One of the things the Farm Credit Corporation did do was increase the price of land – it sky-rocketed for quite a long time. I suggest to the Member from Cannington that in doing this kind of program, suggesting this kind of a program, really, all he is suggesting is that another generation and in some places in this province it's four and five generations, have rebought the same land. And each generation has spent a lifetime in paying for the land and then when they get old, they are in that position that they have to sell their land and they can't pass it on.

Then I wondered also why the Members over there were not speaking and it struck me that maybe they hadn't had time to prepare. Because of that, Mr. Speaker, I ask leave to adjourn the debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 78 – **An Act respecting Credit Reporting Agencies** be now read a second time.

MR. J.G. LANE (Lumsden): — Mr. Speaker, we have gone on record as favoring the Department of Consumer Affairs. We do favor it in principle. We think that the need for a control . . .

MR. MacLEOD: — Here, Bill No. 78.

SOME HON. MEMBERS: Hear, hear!

MR. LANE: — I'm sorry I was thinking of Committee of the Whole, Bill No. 5.

AN HON. MEMBER: — You're out of the House so much, you don't know where you're at.

MR. LANE: — The Credit Reporting Agencies Act, Mr. Speaker, is one that has been controlled in most states in the United States and a review of the legislation as proposed by the Government opposite indicates that there is a great deal of material both from the State of New York and the State of New Mexico. And we have some concern and the only concern we have with the proposed Bill is the fact that in small communities in this province, Mr. Speaker, a person who has been supplying credit reporting mainly as a service to other businessmen in the community, who have been doing it only as a side line or an adjunct to his normal business because of the particular business he handles, and I am referring to some cases like real estate operators, insurance agents and so on, where they may be the only one in the community, he has, so to speak, his tabs on the pulse of the community, will be forced because of this legislation to discontinue the practice. He will not be able to afford the registration costs or the penal bond. For this reason, in many, many of the small communities, it will be necessary for the businessman to take the risk himself without being able to check on the credit status of other people. Or it may mean that he will have to go to the credit reporting agencies which is going to add to his cost of carrying on business.

As I say, Mr. Speaker, the general tenor of the Act is such that it has been reviewed and has been brought into legislation in several states in the United States but there has been a consideration that has been ignored by the Attorney General and that is the fact that in small communities this will work a hardship. In principle, we support the Bill.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Thorson that Bill No. 107 – **An Act to amend The Mineral Taxation Act** be now read a second time.

MR. H.E. COUPLAND (Meadow Lake): — Mr. Speaker, I have a few words to say here and I think they apply equally to Bill 106 and 107. However, Mr. Speaker, there is a lot of legislation coming into the House this Session that is indicative of the Government we have

opposite. They are trying to socialize everything. This seems to be the main theme.

This Bill should and will cause a lot of concern to industry in Saskatchewan in fact, to all of the people of Saskatchewan. I say this, Mr. Speaker, because it allows the Government the opportunity to take over the products of industry. Now, I'm not sure that this applies to this Bill, but in my estimation, it's an avenue being opened to socialize the industry in the province. Mr. Speaker, my interpretation of the Bill is that – I should get a hold of the Bill here – just a second.

SOME HON. MEMBERS: Hear, hear!

MR. COUPLAND: — I don't want to get called to order for saying the wrong thing. The main thing in this Bill, Mr. Speaker, is the increase in the rate from ten to twenty cents. And, of course, as we know, this is not in any way going to encourage industry into the province. Then we go on to the last section which is a new penalty clause and I'm wondering why the Government would want to bring in a clause such as this. I've never heard of any cases where they didn't collect the tax but even if they hadn't, it seems to me that in most Bills they generally set a minimum and a maximum. But in this case they just leave it wide open – 'an amount to be prescribed by the Lieutenant-Governor-in-Council'. We find this in so many Bills that are coming in this Session that they are taking the specifics of all the Bills and leaving it to the discretion of the Lieutenant-Governor-in-Council. I think this is a bad way to legislate. I think this leaves it wide open for the Government to be able to take dictatorial attitudes and it leaves people where they don't know what they are up against.

A company looks at an Act like this and they don't know what the penalty is. The Lieutenant-Governor-in-Council can almost put any penalty he wants on and then if they see fit, why they could put on a penalty which is prohibitive and take over the property and this is what they are afraid of. Maybe the Government wouldn't do it but the fact is that if they are not going to do it, why bring this kind of legislation in?

I haven't too much more to say on that one. I'll have a little more to say on No. 106 when it comes up.

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. Thorson that Bill No. 106 – **An Act to amend The Mineral Resources Act** be now read a second time.

MR. COUPLAND: — Mr. Speaker, this is the one that really gives the Government the authority to set up their boards and take over the industry in whatever manner they so desire and as I said before, in my estimation, it's opening an avenue for socialization of the industry. I heard the Minister on TV say this Bill was aimed at the potash industry. If this is so, Mr. Speaker, why did he just not specify this in the Bill?

In my estimation it would mean gas, oil or any other

mineral of any kind in the province.

Mr. Speaker, we've got to realize that these companies spend large amounts of money for exploration in the province because we well know that mines and wells and so on have a habit of running dry and so consequently they keep spending money for exploration to see that there is a continuous supply. As I said earlier, the people of Saskatchewan should be concerned because with this kind of legislation, exploration will not be carried out in this province. These people in industry set aside so much each year for exploration and, of course, they do a very extensive study as to where and how this money is to be expended to their best advantage. A lot of different things enter into this study and I would imagine that the first consideration would be the attitude of the Government towards business. And I say, Mr. Speaker, that they would find this Government wanting on this item.

Then there is the tax, the cost of labor to produce the product, whether there is incentive to industry. I think it is safe to say, Mr. Speaker, that when they take all things into consideration they may settle on some area, even maybe where the tax is higher, or the cost of producing is higher, but all they are concerned about is the net result. That is that they can derive an income that exceeds the expenditures to the extent that they get a fair return on their investment. Needless to say, Mr. Speaker, where there is a threat to their investment as there is going to be here in Saskatchewan, there will be very little investment.

The Minister, when asked if it is his intention or if it is the intention of the Government to nationalize the oil industry, he always comes up with a very vague answer. He says, no it is not their intention but he always ends up by saying that as long as it's not in the public interest. So, in reality, he is saying, 'no we aren't, yes we are' and industry just doesn't know where they stand.

You know, Mr. Speaker, I feel it is very unfair for the rest of the taxpayers of Canada to help us here in Saskatchewan in the form of equalization payments when we drive out industry. We could derive a lot of our own income and not have to call on the Federal Government and other provinces in Canada to supplement our income. You know, it is interesting, Mr. Speaker, I got hold of the Budget for Alberta and I was comparing them and I note in our source of revenue, our mineral tax, we will derive \$6.5 million from mineral tax in Saskatchewan. In Alberta their revenue from mineral tax is \$2.6 million, almost a third of what we get. But then you look at their revenue from the Mineral Department. Ours is around \$40 million and you look at theirs and it is \$312 million. So they encourage industry to develop in theirs and look at the revenue they get which helps to offset the tax. And then when you tie that in with what we derive from personal income tax which, incidentally, is tied to jobs and so on because if we can get industry and create employment we get people paying income tax and our revenue from individual income tax amounts to \$70 million and the personal income tax in Alberta is \$224 million, over three times as high. The same thing applies to corporation tax. From corporations we get \$15 million, in Alberta they get \$75 million, five times as high. This is why I say, Mr. Speaker, that the more we bring in Bills like this to harass industry and drive them out of the province, and this was done for 20

April 24, 1972

years under the former CCF Government and now here we are at it again. And only 10 months in office and we are bringing in legislation to try to scare off industry. I just can't see why the Government is taking this attitude and I can't go along with this Bill.

SOME HON. MEMBERS: Hear, hear!

MR. J.G. RICHARDS (Saskatoon University): — Mr. Speaker, I'm pleased to support this Bill . . .

SOME HON. MEMBERS: Hear, hear!

MR. RICHARDS: — . . . as what I hope is the beginning of public control of the potash industry.

Let us look back upon the history of potash in our province. In 1914 Messrs. MacLean and Wallace, geologists working for the Government of Canada reported on the very high concentration of potassium salts in certain prairie sloughs and I quote,

The percentage of potash in total solids is unusually high, much higher than most of the waters which have been investigated for potash on this continent.

They speculated, Mr. Speaker, about the possibility of a potash industry in the Canadian prairies. But they concluded on a very pessimistic note,

The fact that a powerful monopoly has been established in the potash industry renders it difficult to forecast the success of a venture in this field.

Those were prophetic words, Mr. Speaker. They were referring to the German cartel in potash which existed before World War I but the entire history of the fertilizer industry has been that of an industry dominated by a few large corporations which have been able to control the price of their product to the detriment of farmers throughout the world.

Potash in Saskatchewan has certainly been no exception, with a brief interlude in the middle 1960s when things got out of hand and price competition occurred. Immediately, the leaders of the potash cartel screamed for the Government to end that competition, the element which is supposedly the essence of free enterprise.

Not until 1943 was potash again discovered in Saskatchewan this time while drilling for oil. Under the CCF civil servants in what was to become the Department of Mineral Resources, surveyed the province and by the late 1940s it was apparent that Saskatchewan had phenomenal reserves of potash. Cabinet then had to make political decisions with respect to the development of the industry. Here, Mr. Speaker, I want to level a criticism at our own Party, because we made the easy decision for the short run and decided not to develop potash under public ownership. Although the CCF commissioned feasibility studies which turned out, with certain exceptions, to be fairly accurate, the Cabinet decided in its wisdom that there were more pressing priorities — in welfare, in health, in education — that the Provincial Government should not become involved as a

public entrepreneur in a risky mining enterprise.

A potash development was risky. Engineers will tell you what a difficult job it was to sink shafts through the Blairmore formation. But, Mr. Speaker, I submit that we on this side of the House bear a share of the blame for the mess that became the Saskatchewan potash industry in the late 1960s. It is not good enough for us to consider our job in the terms of the four-year period before the next election. If we are going to consider ourselves socialists we're going to have to undertake long-run economic planning.

After Cabinet made the decision not to invest public funds in the potash industry, it invited in private capital. Hereafter, of course, the story is very much public knowledge. First came the Potash Company of America which sunk its shaft at Patience Lake close to Saskatoon and many of those miners reside in my constituency. Second came International Minerals and Chemicals to Esterhazy. Then the flood gates burst open in fertilizer enthusiasm of the 1960s. Thomas Ware, ex-Chairman of the Board of Directors of International Minerals and Chemicals was going to be the great savior who was going to feed the world. In a speech delivered in October of 1965 in Saskatoon, Ware confidently predicted,

Nothing but growth lies ahead.

\$700 million was invested in Saskatchewan in the potash industry in the course of one and a half decades. However we now sit, Mr. Speaker, in 1972 with that industry operating at 50 per cent of capacity and the only reason that it can make a profit on the capital invested is because it has increased potash prices to the American farmers and made them pay monopoly prices.

Members talk about the alleged inability of the farmer in Saskatchewan to make wise business decisions and how he has always to go seeking subsidies. In contrast the large, efficient and dynamic American entrepreneur allegedly knows how to make wise business decisions. But these entrepreneurs came and they invested their \$10 million holes in the ground and went financially belly up. In response the Liberal Government established in 1969 what was euphemistically called the Potash Conservation Board. This title implies that potash is somewhat similar to wild life, in that it is going to disappear if you don't conserve it. Our potash, Mr. Speaker, will survive for 25,000 years at present rates of consumption. It is not something about to disappear overnight. To refresh the memory of Members of the House, let me summarize the Potash Conservation Board regulations which came into effect in 1970. Potash prices were increased 60 per cent above 1969 levels; quotas were set for aggregate production and for each individual mine. With Government help the cartel by International Mines and Chemicals re-established its power over Saskatchewan production. In the interlude between 1965 when Mr. Ware was saying that 'nothing but growth lies ahead' International Minerals and Chemicals was re-establishing its control of the cartel, Mr. Ware was deposed in a board room coup d'état because he had brought his huge fertilizer company to the verge of bankruptcy by his irrational decisions based on uninterrupted market growth. I am not trying to suggest, Mr. Speaker, that there is any simple solution to the problems of economic development that can allow us to avoid risk and mistakes, but I do submit that there is no easy solution in the allowing of large corporate investors to make decisions for us

and assuming that we do not have ourselves to think through the problems of costs and markets, power, taxes, quotas, cartels, etc. There is a hard lesson we have hopefully learned via mistakes in the pulp and potash industries – the need to have the technical expertise within the government and the political fortitude within our Party, the New Democratic Party, to take economic risk decisions as public entrepreneurs.

Some simple statistics, Mr. Speaker, may be illustrative of the problems created in the industry. By 1969 we had increased our percentage of offshore potash sales to 37 per cent. After imposition of the cartel prices they collapsed to 20 per cent in 1970, and only slightly increased since – up to 25 per cent in 1971. I do not have the figures for employment in the industry for 1971 but I do have average employment figures comparing 1969 and 1970. Overall there was a decline of approximately 10 per cent in employment in the industry from 2,914 to 2,649 people – despite the fact new mines came on stream in 1970. The aggregate figure, Mr. Speaker, covers a great deal of hardship occurring in particular areas with older mines that laid off more people in percentage terms than the 10 per cent aggregate figure would indicate as there were newer mines coming on stream. The hardest hit was Esterhazy. Esterhazy, according to the figures I have, had an average 893 people employed in the mine in 1969. In 1970 it was only 599 – a decline of 294 people or one-third of the work force in that particular mine. These, Mr. Speaker, are indications of the penalties we have had to pay for our failure to undertake public planning of that resource industry. This is a bipartisan criticism. Certainly, the Members opposite would never, in their last dying gasp, begin to plan rationally for resource development, but we also failed to realize in the 1950s the importance of long-term economic planning and we will pay the penalties again if we do not undertake it.

Mr. Speaker, with pleasure I support second reading of this enabling legislation to allow the Government to establish a marketing board for potash. I hope that it symbolizes the beginning of a significant departure from Liberal policies in resource development.

SOME HON. MEMBERS: Hear, hear!

MR. D.G. STEUART (Leader of the Opposition): — Mr. Speaker, I can always find the Hon. Member from Saskatoon University very interesting. If he accuses us of looking at life through blinders, I must say that I can turn the accusation back. He emphasizes the great benefits that will flow if we can only get some real socialist planning. If we could just get a few five-year programs going in this country it would solve all our problems. Well, I might point out to him that the potash industry across the world has been in trouble, it still is in trouble. It is rather amazing despite, I presume, some of the finest planning you could find in any socialist country in the world I presume because they originated a great deal of it, we find that the Russians who are also very, very large in the potash industry are in just as much trouble and have suffered just as much from overproduction in the so-called private enterprise or free enterprise world.

Mr. Speaker, I think this is bad legislation. I think it is bad for many reasons, many of the reasons that the Hon.

Member for Meadow Lake (Mr. Coupland) pointed out. If, in fact, the Government of Saskatchewan is prepared to move into any phase of our mineral production or sales with government intervention, in other words, if they are prepared to go into the potash industry, the oil industry or the gas industry or the hard rock mineral industry, the powers they are giving themselves under this Act, then let them say so and do so. Let them bring in a detailed Act into this House and tell the people of the Province of Saskatchewan exactly what industry they are moving in on, exactly how they are going to do it and give us the details.

What they are doing in this Bill is creating uncertainty. It appears to me they are a little bit like – somebody asked a lady why people got engaged and she said, well, young men want to say something pretty important but they haven't got quite the intestinal fortitude to say, 'let's get married', they often say, 'let's get engaged'. Well, I don't think the Government quite has the intestinal fortitude to say they are going to nationalize the oil industry or the potash industry or any other industry but in the meantime they are receiving pressure from, I don't know whether it is the more radical element of their Party, but from a great deal of their Party. The spokesman in this House very often it appears is the Member from Saskatoon University (Mr. Richards). But it appears that they want to do something to appease this group and yet they didn't want to go quite all the way so they brought this Act in and said, now we're ready. So, it's bad legislation from that point of view that it doesn't really do anything, all it does is make the investment industry and the mineral industry and investment generally in this province and it makes the people who might be looking at this province nervous and uncertain about the future.

The Hon. Member from Saskatoon University talks about the potash industry. He pointed out how if he had been a Member of the Government with the old CCF in the 1950s, he would have moved into the potash industry instead of letting private investment or free enterprise do it. The first potash industry came in up around Saskatoon and as a matter of fact, it was the Potash Company of America. He said they did have great difficulty and they did. They had a tremendously difficult time to get down through the Blairmore sands. In fact, after they got down there and got their mine in production their mine was flooded and I think they lost something in excess of \$10 million or \$12 million. Now, of course, since the potash industry, with the help, incidentally, of the same potash industry we referred to from West Germany, have solved the problem of getting down through the Blairmore sands, he and other people are now saying the CCF should have taken it over. Well, it would be interesting if they had taken it over. I think it would have been a calamity, I think it would still be a disaster and I hope the majority of the Members of the Government are far too sensible and far-sighted to become involved in such a calamitous course of action. I think they are, I hope they are and if they are then I say, again, that this Bill is just one more form of appeasement to the Wafflers, to the radical element in their Party.

I found it rather amusing that the same Member talks about the tremendously difficult time because of lack of planning. He doesn't mention the fact that we, in Saskatchewan, are developing a potash industry with no control over what was happening in other countries of the world including Russia. The same kind of people who talk like he does were predicting a tremendous

world shortage of food, that because of fertilizer and other breakthroughs, technical breakthroughs around the world the Green Revolution took place. Suddenly we had a surplus of food in this country, a surplus of food in a great deal of the Orient and there was a cutback on the demand for fertilizer that had not been expected by people who do plan and do look ahead but cannot forecast with great certainty all the variables that take place in the markets of the world. But anyway, he says that this potash industry in Saskatchewan is in grave difficulty. The only thing that saved it, the Member for Saskatoon pointed out was that they raised their prices through a cartel or a monopoly and he said they are now gouging the farmers of the United States of America in the form of the cost of fertilizer in which the potash is used. I find it very interesting if this is a fact. If the Members on that side really believe that these capitalistic, monopolistic, potash industrialists are, in fact, gouging the farmers of America or anywhere else that they ship their potash – they ship it also to the Orient and many other places – isn't it amazing, Mr. Speaker, that the NDP are demanding, are right in there at the trough, demanding their fair share of the gouge. If, in fact, the industry is taking a pound of flesh, the NDP say, we want our share of that pound of flesh because we just dealt with a Bill and we have been given notice, as has the potash industry, that the Government of Saskatchewan intends to double its take from this same industry. Well, I'm not blaming them, if the potash industry is in a position to pay more money, more taxes, more royalties, then the Government of Saskatchewan has a responsibility because the potash doesn't belong to the industry, it belongs to the people of the province and they should get their fair share. But I don't think you can have it both ways. If the industry is sick then you should let them recover. If the industry is not sick and they are charging fantastic prices and if you are such a concerned Government and you are concerned about them gouging farmers in the rest of the world, then, Mr. Speaker, the Government has the right and they have the power to go to the same potash industry and say reduce your prices. But, they haven't done that. Oh, no! They have said, in effect, you are making a great grab and a rip-off and we want our share of that rip-off too. I find their position rather inconsistent and I find it rather amazing.

He said one more interesting thing. He said we have had one more bitter lesson from the pulp mill. Well, I think Mr. Blakeney and this Government would love to have one or two more bitter lessons like the Prince Albert pulp mill. I notice by the reports in the paper that the Prince Albert pulp mill just recently increased its production and increased its sales and have now rehired the 17 people they laid off. I would suggest, Mr. Speaker, that one or two more bitter lessons like that would be very welcome news indeed to the rather sad Members opposite as they watch industry leave the province and no new industry come in.

Mr. Speaker, this is a small Bill and a very serious Bill. It gives too much power, again, to the Cabinet. I should be much more concerned than I am now if I thought it was an honest Bill, but I think it's a fake. I think it is a sop to the Wafflers and the radical element of the NDP and so I think it is another piece of phoney place acting that this Government has engaged in from time to time. We want to have more to say about it so I beg leave to adjourn the debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Snyder that Bill No. 80 – **An Act for the Promotion and Protection of the Health and Safety of Persons Engaged in Certain Occupations** be now read a second time.

MR. D.F. MacDONALD (Moose Jaw North): — Mr. Speaker, I asked the other day for leave to adjourn to have another look at this Bill. I expressed the view that the Bill appeared to be housekeeping. In looking at it closer, I find that, in fact, it is a housekeeping Bill. The Bill encompasses many programs that have been carried out in the past by the Workmen's Compensation Board and so on. Programs that have not been, possibly, as effective or as forceful as they indeed should have been at times over the past. I think that this Bill tidies up the general area of industrial safety and it makes for more effectiveness in the general area of health, safety and services and will provide for co-ordination of services previously provided by the Department of Health and the Workmen's Compensation Board. This is not a new program but rather a regrouping of existing services and I would be happy to support the Bill.

MR. J.G. RICHARDS (Saskatoon University): — Mr. Speaker, in response to the comments of the Member opposite that this is merely a piece of housekeeping legislation, I take strong objection. This is a significant departure in the field of occupational health and is something for which the Government should take due credit. The Members opposite, in trying to relegate this Bill to housekeeping status, thereby display their lack of insight into health programs. Here we have and I refer, for example, to Section 20, we have a Bill which allows for the establishment of occupational health committees in places of work. This will involve, in a significant and real way, workers, management and health specialists in the question of occupational health and safety problems at the site of work.

This is no simple housekeeping reform. The previous Government starved the occupational health program. It had no people to do a whole series of things that it should have been undertaking relative to countries such as Holland, relative to even certain things done in primitive Britain, we here in Saskatchewan, in a much more wealthy situation, had a deplorable lack of occupational health facilities. Now, at long last we are beginning to have some adequate conception of the unity of problems of health and safety and the need to involve the worker in them. As an index of our concern about such matters we have transferred the Occupational Health Branch to the Department of Labour to become part of occupational health and safety as an integrated, reorganized, enlarged program which will involve people in their own health decisions. This is no mere housekeeping change, Mr. Speaker, and I think that this House should realize that.

Mr. Speaker, I will support this Bill.

SOME HON. MEMBERS: Hear, hear!

MR. K.R. MacLEOD (Regina Albert Park): — Mr. Speaker, in listening to the remarks of the

April 24, 1972

Minister in presenting this Bill, it was my understanding that he was intending to bring under one umbrella what was a series or group of services scattered in other agencies and departments. Consequently, we gave some study to it, but we were relying upon what the Minister had said believing, of course, that he intended that it should be a further advance in the field.

While we do not intend to say that there is nothing to it, or nothing of substance, it did not occur to me, from the remarks of the Hon. Minister, that this Bill amounts to another watershed type of legislation. Consequently, I think we should have a little further look at it and I beg leave to adjourn the debate.

Debate adjourned.

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