

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session - Seventeenth Legislature**  
**47th Day**

**Monday, May 1, 1972**

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

**QUESTIONS**

**AMENDMENTS TO THE LIQUOR ACT**

**MR. C.P. MacDONALD (Milestone):**— Mr. Speaker, before the Orders of the Day I should like to direct a question to the Premier.

I notice Mr. Premier that we have had introduced in the House amendments to The Liquor Act, whereby it permits Government liquor stores to stay open for longer hours, but there has been no Bill introduced which is related to the public needs of the community which expands hours or carries out the recommendations of the Alcohol Committee. Do you intend to introduce this Bill in this Session.

**HON. A.E. BLAKENEY (Premier):**— Mr. Speaker, I am happy to advise the House that that Bill is at the printers and I had hoped that it would be back by now. We are looking forward to it tomorrow, but we will see. Our results with the printers have not been what we would like and many of the Bills, I think, are going to have to be ITEK-ed in the next few days.

The reason why I indicated that the Liquor Bill would be sent to the Non-controversial Bills Committee is that it includes a principle which will be in the Liquor Licensing Act which I thought would be fully debated and I thought that once we had debated The Liquor Licensing Act, the Liquor Bill would follow as tail with hide. It is our intention, very definitely, to bring a Bill incorporating, I think, a good number of the recommendations of the Liquor Committee.

**ANNOUNCEMENT**

**EXPANSION OF EXPLORATION PERMITS ON OIL SHALE AREA**

**HON. K. THORSON (Minister of Minerals Resources):**— Mr. Speaker, before the Orders of the Day I should like to inform the House of the latest expansion of exploration permits in the oil shale area north of Meadow Lake.

Members will remember that about ten days ago I announced that Shell Canada Limited had taken under permit 1.7 million acres. Since then four other companies have applied for permits in the area. They are Hudson Bay Oil and Gas Company Limited Hewitt Oil (Alberta) Limited, Surf Exploration Limited, Roughbark Petroleum Limited. Shell Canada has expanded the number of acres it has under permit. So now the total number of acres under permit in that northwest section of Saskatchewan is 2.8 million instead of the former 1.7 million.

**SOME HON. MEMBERS:** Hear, hear!

## ADJOURNED DEBATES

### SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Blakeney that Bill No. 109 - **An Act relating to the Payment of Succession Duty** be now read a second time.

**MR. K.R. MacLEOD (Regina Albert Park):**— Mr. Speaker, I thought perhaps we needed a moment of sweet reasonableness this morning so I thought I would speak briefly to this Bill.

This Bill, Mr. Speaker, very frankly we regard as a threat to the farm and business community, to farm and business partnerships but we regard it as something entirely different from that in addition. The justification given by the Premier for the Act that it will effect only a few people. He says, "Only a few people in Saskatchewan will be hurt, less than 5 per cent and perhaps less than 2 per cent."

If that were true and accurate we should not have a great deal to say about the Bill, although frankly, we are not sure that anybody can justify any action on the ground of the amount of people that will be hurt by saying that there won't be many people hurt and therefore it is a good Bill.

Frankly, the number of people that will be hurt will go far beyond those who pay the tax. The simplest and best example is the Smith-Roles example in Saskatoon. We aren't going to get any money out of Mr. Roles in Saskatoon at all. He isn't going to stay here so the loss is to the Treasury, whatever it is, will definitely be a loss. But what we will lose are the jobs produced by that business and the people of Saskatchewan who are going to be hurt are going to be the ordinary working people of Saskatchewan. The Succession Duty tax hurts people far beyond the numbers who actually pay tax.

If the only person hurt was the person who paid a dollar in tax, the law would not be an insidious law at all, but the insidious feature of it is that it hurts many people who never will be forced to pay a dollar's worth of tax.

The Premier has said that this is not double taxation. I disagree with that. If you have a capital gain of \$100 you will pay a tax on it. Presumably your tax will be \$12.50. Then you will pay a succession duty on the other \$87.50 of profit. And the only part that is not taxed double is that part which is the first tax. The only thing that isn't subject to double taxation is the tax itself but every other part of what we are talking about is subject to double taxation. I totally disagree with the Premier when he says there is no double taxation because, in fact, there is double taxation.

There is a particular case where there is an unfairness that applies to husbands and wives. Where a husband and wife have worked together and have placed all their property in the hands of the husband instead of in both names, they find that under these Acts they are going to receive particular punishment for having done it this way. If a husband and wife work together to earn \$300,000 and if, by chance, they placed it all in his name, this estate, upon the husband's death, would bear a

substantial tax. If during their lifetime they had been a little more careful in the handling of their affairs and placed it equally in the hands of the wife and in the hands of the husband that estate would bear no tax whatsoever. Very little reasonable planning of the estate would eliminate all tax and yet would give to the husband and the wife the total benefit of the entire estate during their lifetime and to the survivor on death. Any tax planner with any experience at all would see to it that neither party paid any tax, and yet they had the entire benefit of the entire \$300,000 estate during the lifetime of both of them and during the lifetime of the survivor, and then as it is passed to the children it would do so tax free.

On the other hand, as I say if in fact the parties had accidentally placed it in the hands of the husband - a not uncommon practice - a substantial amount would be paid in tax for the same situation except that they had made a slight change in the way they handled the title. Yet, the entire property may well be the product of their joint effort.

Mr. Speaker, I oppose the Bill on three grounds. First: it is a threat not just to the people who pay the tax. That is the very smallest part of the threat. The threat is to the working man and woman in Saskatchewan who do not ever have to pay any part of the tax. Secondly, it is double taxation. There is no question about it. Thirdly, it will create an artificial unfairness which the Bill ought not to produce but which in fact it does.

**SOME HON. MEMBERS:** Hear, hear!

**MR. D.W. CODY (Watrous):**— Mr. Speaker, it is always interesting to listen to the Member for Albert Park (Mr. MacLeod). I don't think that it is even really worth starting to criticize the things that he has said this morning because it really didn't make that much sense to me.

The other day, however, he said that we could hold this Bill off for a year so that people could rearrange their affairs. The other day one of the other gentlemen said we should have a plebiscite on the Land Bank and another one said The Teachers' Salary Agreements Act should have a six months hoist. I don't know how many pieces of legislation that the Opposition here would like to see us hold off.

**MR. STEUART:**— Most of it.

**MR. CODY:**— But I'll tell you that we have to do some of these things because the people of the Province of Saskatchewan want them and we are prepared to do what the people of this Province ask us to do.

Mr. Speaker, I rise this morning in support of this legislation. I represent a constituency of fair-minded people, people that are willing to stand up and be counted in the face of Liberal criticism of an Act which will merely ask the wealthy people to share with others less fortunate than themselves.

Mr. Speaker, for any society which believes in fair taxation, succession duties are an integral part of its tax system. By taxing wealth which is passed from generation to generation

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we are maintaining our commitment to social equality. Succession duties are essential if we wish to check the unlimited concentration of wealth in the hands of only a small minority of our future generations.

If we fail to tax great concentrations of wealth we can be guaranteed that future generations will not exercise equality of opportunity. To be against succession duties is to be against equality of opportunity. We cannot have one without the other. To be against succession duties, in my mind, is to say that you are against the small farmers. It is to say that you are against small businessmen and it is to say that you are against the poor in general. To be against succession duties will be to say that you want wealthy people to become even wealthier.

Mr. Speaker, this is the basic difference between the New Democratic Party and the Liberals. We, in the New Democratic Party, believe that all people should enjoy equal opportunity. We believe in helping small farmers. We believe in helping small businessmen and the poor in general. The Liberals are different. They believe that the rich should get richer and if you are poor you should be stamped on and become even poorer.

In Canada and in other countries wealth is created by a society as a whole, not just by a chosen few. No one person can accumulate wealth without receiving assistance from other members of society. The businessman requires a great variety of services to be provided if he is to make a profit. He cannot do this alone. Considering himself a self-made man, the wealthy man likes to pretend that his labor alone produced this wealth and produced his good fortune. They are only telling a part of the truth, Mr. Speaker, because we are dependent on each other in order to make an income, it follows that the creation of wealth is not an individual matter but one that concerns us all. Similarly the passing of wealth from one generation to the next is not solely a private decision but one that affects us all.

We are committed, on this side of the House, to providing opportunities for everyone. We have every right to reduce disparities of wealth in future generations by enacting gift tax and succession duty legislation.

Contrary to the grumblings of big business and their defendants across the way, a succession duty does not constitute double taxation like the Hon. Member for Albert Park mentioned.

The proposed legislation does not tax the estate as such. It taxes the beneficiaries. Consequently the wealth involved is unearned wealth to the beneficiaries.

Society has every right to distribute part of this unearned wealth. It has every right to have some of the unearned wealth and income passed on to less fortunate citizens who need a helping hand. What the critics of the succession duties conveniently forget is that without them we would have to raise taxes in other areas. I think that was mentioned the other day from the Opposition. Are they in favor of more regressive taxation? Do they think that the poor should be taxed at the same rate as the rich? They don't say so, but logically this is the only conclusion that one can come to. The profits of doom have argued that succession duties will rob the hard-working entrepreneur and destroy the family farm, just like the Member for Albert Park just said.

Let's look at the facts. The Federal Government had an estate tax as early as 1941 under the leadership of that radical socialist, William Lyon Mackenzie King. Ontario has had succession duties going back to 1892. How heavy was that taxation? The effective tax rate on the highest estate under the Federal Government, under the Federal legislation, was a mere 18 per cent. Is a tax this low robbing the rich? In Saskatchewan it is estimated as the Premier outlined the other day, that about 3 per cent out of all the estates will be taxed under this new proposed legislation. A tax this mild can hardly be considered punitive. What about the family farm? It is estimated that the capital investment in the average Saskatchewan farm in 1970 totalled \$63,100. This does not even include deductions for farm debts.

Since the exemption to a prime beneficiary with a spouse under the proposed legislation will be \$200,000, clearly the average farm will not be affected by succession duties. The Department of Agriculture estimates that less than 10 per cent of Saskatchewan farms have a total investment value of \$150,000. Obviously anyone who suggest that a family farm will be destroyed by succession duties is not interested in the truth. I am afraid that we are going to have to say that about the Member for Albert Park this morning.

What do tax experts say on this question? At the 23rd annual Canadian Tax Foundation Conference last November in Vancouver, one expert noted that it is difficult to think of a less efficient way of encouraging savings and risk taking investment than eliminating the estate tax.

The elimination of the estate taxes is unlikely to have any significant positive impact on savings. Another noted that a tax system could not be properly based on ability to pay unless it includes a wealth tax. Finally a third noted that the so-called adverse economic effect of death duties were such weak arguments that they deserve little consideration. Three members in the experts' field of taxation, that is what they said.

I can't think why the Opposition Members would get up and have something to say, obviously they are not experts in this field. The third member also noted that estate and gift taxes are among the best physical instruments ever designed.

I think it is clear by now that there is no legitimate rationale for eliminating succession duties. If we are to maintain our commitment toward greater social equality we must continue to tax this form of unearned wealth.

Mr. Speaker, a succession duty does not constitute double taxation; it does not rob the hard working entrepreneur; it does not destroy the family farm and it is for those reasons, Mr. Speaker, that I think it is simply fair taxation based on equality and based on the ability to pay and I support the Bill wholeheartedly.

**SOME HON. MEMBERS:** Hear, hear!

**MR. D.G. STEUART (Leader of the Opposition):**— Mr. Speaker, in rising to oppose this particular tax and this Bill, there are many questions that I think the Government should give serious consideration to when they come into

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considering this Bill in the Committee of the Whole.

For example, is a cash estate and an investment estate, for example, one with shares in an active Saskatchewan corporation, to be treated the same. A cash estate can meet the payments but how does an investment estate meet them? Well obviously by liquidating the company through a sale or to strip the company so its operations could be jeopardized. I think that more serious consideration should be given to this aspect of this Bill.

Selling the company to an outsider would clear the estate. Is it the intention to move control of bigger business enterprises, enterprises say over \$150,000 or \$200,000 into the hands of multi-national corporations. For example, in the hotel field, an international chain could purchase a hotel in Saskatchewan with the major shareholders of the international chain living in the United States. If, for example, the head of the corporation died, the hotel in Saskatchewan would not be liable for estate tax in Saskatchewan. Yet if a Saskatchewan citizen owned a hotel his estate would be taxed and taxed heavily. Is it better to be an outsider owning property in Saskatchewan than a Saskatchewan resident. This appears to be the philosophy behind, or at least part of the philosophy, behind this Bill. The unfortunate result of this tax could be, of course, to drive the control of more of our medium and large size businesses that are now owned by Saskatchewan people into other hands.

Another question will be, people in business must ask themselves who come under this taxation, how think do you spread your capital. Again it could mean that only multi-national corporations can own our bigger businesses. I can understand taxing the cash part of an estate. Should the shares of a Saskatchewan company be taxed as long as the beneficiaries living in our province continue to hold them? This, in fact, would keep the capital in the hands of Saskatchewan residents. Shouldn't capital invested in Saskatchewan get preferential treatment regardless of who is the beneficiary. I say it should. I think we have to ask ourselves will this tax force Saskatchewan residents to liquidate their holdings. I hope this isn't the intent. The idea I presume is to distribute capital. I realize capital in shares and capital in cash is considered the same, but I question if it should be. Surely the incentive to develop should be greater than the incentive to buy savings bonds or debentures for example. Life insurance is now taxed. Couldn't it be exempt if it was used to clear the estate tax on shares? This way the corporation could remain strong and healthy and yet the province would receive a tax benefit. I should sincerely hate, and I am sure that all Members of this House, would hate to see all of our bigger Saskatchewan companies owned by outsiders. There are few investors with \$200,000 to place as down payments on hotels, apartments or shopping complexes, and here is an example of what could take place if no wife was involved as a beneficiary. In 1972 net value \$200,000. In 1992 net value \$1 million due to capital payments and inflation. The owner dies, the capital gains tax would be \$1 million minus \$200,000, \$800,000 times 25 per cent for \$200,000. The estate tax on \$800,000 minus \$150,000 exemptions or \$650,000 taxed as high as 42 per cent equals \$273,000 or a total of \$473,000. This would leave a little over \$500,000 left to the estate. If the beneficiaries maintained this investment and over ten years once again built it up to \$1 million and then died, the estates tax would be again approximately \$375,000, leaving a

net of \$625,000 to the heirs. This means that ten years of building up an additional \$473,000 investment would net them a total of \$98,000. It might have been better off to sell and take the capital and retire. This surely isn't our aim. Capital investment should be encouraged. Now couldn't a different tax structure apply if the children kept the investment in a Saskatchewan company. Surely we don't want to force them to strip these companies and jeopardize their future. This is a serious problem especially here in Saskatchewan, to spread capital to a reasonable extent and yet encourage investment.

If this situation is to be solved it needs to be studied in depth. I feel that as a result of this tax, that is a possible result of this tax, the only owners of bigger business would end up being public, national or international companies and I hope that this isn't the goal of the Government opposite.

I think we need to take a look at the history of tax reform in Saskatchewan because this is all part of the entire package as far as Saskatchewan people are concerned. We had the White Paper introduced back in October of 1969. We had hearings, committees, representation, provincial conferences and then the House of Commons considered it, debated it in the resulting Bill. The result, a new system of taxation. The result was new rates, the elimination of hundreds of thousands from our tax rolls. The addition of capital gains tax and the elimination of estate and gift tax as part, and I emphasize as part of the package which was accepted. The result for Saskatchewan, however, which has eliminated 75 per cent of the succession duties is now to add a full and tougher tax which was not part of the tax reform. I feel this is a breach of faith for present and future earners and savers in Saskatchewan who accepted tax reform based upon the elimination of death duties or death taxes only to find out that these were not the terms that they thought they were accepting. I think it makes a mockery of tax reform, Mr. Speaker.

The Federal Government has vacated the field that tax reform apparently intended to tax all increases of wealth by the income tax and corporation tax and the new capital gains tax which was levied at a progressively higher rate as a person's income increased. On this philosophy which was considered an unnecessarily heavy burden to tax additionally a person's life savings, every dollar which will have already been taxed sufficiently and in this regard it is in fact double taxation. Three provinces in Canada have and continue to have succession duty taxes, namely British Columbia, Ontario and Quebec. We know that B.C. and Ontario are considering lessening the tax by increasing exempt transfers from husband to wife and by increasing exemptions on total estates. Six provinces, including Saskatchewan, have invaded this field as a result of Mr. Benson's offer to administer the tax collection temporarily and I emphasize temporarily. Already the Government in Nova Scotia has indicated this tax is a temporary revenue. Any withdrawal by one Maritime province could force withdrawal by others and the two socialist governments of Saskatchewan and Manitoba could find themselves alone with the necessity of collecting the tax themselves. Most important for Saskatchewan is that our neighboring wheat, cattle and oil producing Province of Alberta is staying out of this taxation. I think this is a very, very serious situation. They are staying out of this taxation. Already they have great growth and large revenues and offer

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their people a better standard of living and, in fact, in most areas a gentler climate. Alberta is a 'have' province, but similar in so many respects to Saskatchewan that our people can easily decide to spend their lives working there in order to keep their savings for their families. I'm sure that Alberta officials knowing all this are quietly laughing at Saskatchewan's stupidity and rubbing their hands in glee at the prospects of a shift of productive population to their province.

Now in all the years that Saskatchewan shared the Federal Estates Tax I don't think we ever collected much more or even as much as one per cent of our total budget. So while the proposed tax is very heavy for some estates, the total collection has meant little to the province. Now, regardless of any person's view on what should happen to estates, any tax which collects relatively so little I don't think is a worthwhile tax when you consider the results that it might and I think probably will have.

Now why has Saskatchewan collected so little. It has been a Saskatchewan economic fact of life that most people with productive careers who have earned and saved a lot of money have retired and moved to less rigorous climates to enjoy the balance of their lives. We only need to review this winter's climate to know why. They also take their savings with them however acquired such as pension benefits, the result of the sales of their farms or business, sales of their house and all their insurance policies, investment in bonds and shares and all else that they have. As a result when in due course they die all estate tax, succession duties, are collected by other governments and none by Saskatchewan where the money was earned. Unfortunately every person who moves vacates a house, an apartment and a newcomer, if any, occupies what has been vacated. Hence the economic activity of a new house or apartment is created in provinces like British Columbia and Saskatchewan again loses out. Additionally all sales tax on furniture, the purchase of cars, clothes, other essentials are collected elsewhere. So, Mr. Speaker, Saskatchewan loses twice. 1. The estate or succession duty tax which we do not collect on the savings earned by former residents. 2. All of the taxes from the economic activity which leaves with the person and is lost to us for as long as they live. It is also an economic fact that the people with the largest businesses are also the people who can most easily move to milder climates. So now to the already rugged climate, if this Government adds a tougher economic climate, surely it guarantees that people whose death it is intended to tax simply will not be here to have their estates taxed. Indeed if they can move to B.C. where such taxes can be less, or Alberta where there is no such tax, why in fact should they stay. How this can help Saskatchewan which needs population, which needs taxpayers, is beyond me. It is clear, however, that this philosophy and this punitive taxation will help the provinces in Canada which are already better off than we are, based upon the obvious fact that such a tax chases people away. It chases away much needed investment from Saskatchewan and because they will collect a relatively small amount of money, the previous Government abolished, our Government abolished, the provincial share of the tax and not only gave our people incentive to stay but others an incentive, at no cost to the Treasury, to move to Saskatchewan.

Mr. Speaker, let's face it, the loss of just one head office is painful to Saskatchewan because we have so few. Every



removal causes a loss of jobs, prospective jobs, not in Canada but in Saskatchewan. It seems that while wind and flood and snow, drought and grasshoppers and army worms and 45 below zero temperatures have failed to drive Saskatchewan people away the NDP will do this with one ill considered stroke of the tax pen. In fact the avoidance of this tax will offer a bonus for leaving. Our people acquire estates through many endeavors all of which involve saving and investing. Many save through pension plans, including the Canada Pension Plan, company plans and private plans. The latter will now be taxed. Additionally the payment on a house mortgage is an investment providing an estate. Others use life insurance, others take on debts and add to farm land and machinery to improve the economics of their farm and their livestock operation. Others operate and build small businesses and make them larger based on Saskatchewan rather than outside ownership. Surly we know the benefits of having Saskatchewan ownership rather than control being lodged elsewhere, Toronto or Vancouver or the United States of America. Now we know what inflation has done to values. Dollars worth less, houses are worth more of the cheaper dollars. Over many years this happens to farms, machinery and houses and buildings, in fact to almost all values. So that all of a sudden on death the deceased family finds that assets which only produced a modest income are now in the taxable bracket. For example a farm which has been slowly expanded to stay economic now has to be reduced or sold outright to produce succession money and is no longer economic. The manufacturing plant or a business has been expanded to keep up with costs, succession duties tax could require a total or partial sale. The result the whole farm or the whole business could be lost. It could be sold to the highest bidder and the capital may be from outside Saskatchewan and very likely will be. Any sensible person faced with a prospect of a breakup of his assets on death will dispose of them during his lifetime. Now who can guess when that final date will arrive so most will sell early and if their estates are taxable in Saskatchewan they will move and this Province will lose productive citizens. We will in fact collect no tax and face a loss of productivity, of the individual, and the investment capital as well.

Now, I ask the Government to consider carefully whether a tax which people will attempt to avoid with success is worth the losses we will face on account of the tax. In Saskatchewan over the years savings have been thought to accumulate and are usually represented by assets, not cash. Those people who reach a taxable bracket after income and corporation and capital gains tax will be now faced with a tough new tax on assets. Why then will they continue to work hard to develop a value much of which will go to the government. Surely our values are reversed if we put a disincentive on savings. This becomes an incentive to work less and spend more. Will such people necessarily spend more in Saskatchewan, again much of it will be spent in milder climates and a great deal of it in the southern United States. How can such spending, I guess you could call the equivalent of expense account living, help the Saskatchewan economy? Not only is it a disincentive to save but you will in fact offer them a bonus to leave in the form of lower taxes elsewhere. What young person would not accept a big bonus to take a job in Alberta or British Columbia? Indeed what older person with a taxable estate will not do the same thing.

Mr. Speaker, who can't escape, who is tied down? Well, the

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fact is that it's the farmer who can't escape. He will end up paying the tax and what folly to add yet another tax to agriculture production in Saskatchewan while at the same time mouthing slogans that the NDP are in fact the friend of the farmers. This Government which claims to be so interested in people will praise our citizens while they live and feel their wallets when they die. What pious hypocrisy! Whose estate is intended to be taxed? Oh, this Government will answer, as we heard the Member from Watrous (Mr. Cody) say, the wealthy. Since we know that we have not too many of these people in Saskatchewan, those we have or far too many of those that we have, will arrange their affairs to escape this tax. Then who will pay? Mostly it will be small or medium-sized businessmen or farmers who can't escape. We will not place, as far as the Liberal Party is concerned, our people in this position. A Liberal Government three years from now will repeal this tax. If this legislation is passed we can do nothing for Saskatchewan until a change of Government and we can only advise our people to stay alive until '75 and vote against this Government in the next election.

This is a bad tax and regardless of the philosophy of the Government opposite or anyone that says, well it is not unreasonable to tax the wealthy estates when people die so we avoid the unfair act of accumulation of great wealth by individuals who didn't earn it, regardless of that philosophy whether that philosophy is right or wrong, the hard fact of life is that we have a tax haven right next door in Alberta. If every province in this country charged exactly the same tax at the same rate of taxation this would be a different situation. Whether the tax was fair, or unfair, whether in fact it was double taxation or not we at least could say, they can't escape. This would not be an incentive to drive them out of Saskatchewan into Alberta or into British Columbia where I think they will get treatment not as tough in this regard as they will get in Saskatchewan. But this is a fact of life so here we are struggling for people, struggling for capital, struggling for investment and by one stroke of the pen we are making it easier, much better, much more profitable and adding an incentive for people who are already drifting out of here under our government and under your Government to go at an even faster rate. I think this is an ill-considered tax, I think it is a sop. You are not going to collect that much money out of it. You are going to force people out of this Province. You are going to force capital out of this Province. I honestly think you should reconsider it. If the situation was not such in Alberta then I think your argument and your case would be much stronger. The tax haven in Alberta - your case is so weak that it is almost destroyed. That's essentially, Mr. Speaker, why we will not support this tax, why we will not vote for this Bill.

**SOME HON. MEMBERS:** Hear, hear!

**MR. P.P. MOSTOWAY (Hanley):**— Mr. Speaker, I should like to make a few comments in regard to this Bill, but first of all in reply to the Member from Albert Park (Mr. MacLeod) who said it would hurt some - well, I would prefer to look at it a little differently. I would say that it will really hurt no one at all, and that most of the people in the province will not be affected. When the Leader of the Opposition said that the Liberals would take this tax off in three years, I thought he was talking about Saskatchewan. Which province was that that he was referring to.

But first let me say that I am satisfied that the \$200 maximum which could be inherited tax free by certain beneficiaries is a very reasonable figure indeed. I say this because, in my opinion, very few individuals in the province leave estates greater than that when they pass on. Therefore, once again, it will affect only a few and I am convinced that it will be for the common good. Mr. Speaker, I maintain that it is morally wrong to allow an individual or individuals to accumulate vast amounts, often - however, not all the time - unfairly and then on death pass on this accumulated wealth thereby perpetuating a closed shop aristocracy of wealth based not on effort or merit but on birth. And I want to go on record as saying that I am against automatic privilege of birth. We have too many people in this Province who came to this country to escape just such nonsense as that. We have too many people in our province who came here and took a lot of dirt struggling to get on their feet. Privileges, if you may call them that, were very often denied them. In fact, many of these sometimes unfairly contributed out of all proportion to the coffers of the rich at that time and the extremely rich of today.

Mr. Speaker, I see the situation as a bit of a race, a race for wealth. Only there is one thing wrong. You see, a few have had a darn good head start. I don't propose that the race be run over again but I do propose that we don't perpetuate the inequities involved. Our Saskatchewan people, and I am talking about the people of Hanley constituency, and I have talked to many of them lately, can see no justification for the old - and it may be, I am not so sure, the Liberal laissez-faire attitude which Members opposite are so bent on sometimes thrusting down some throats.

Mr. Speaker, in talking about our Land Bank, the Members opposite made much of the fact that each generation of up and coming young farmers should be more or less on their own in acquiring land. Well, if they carry that to its logical conclusion, they will have to grudgingly support this Bill for it implies that inheritors will be allowed a good inheritance, but after that they will have to make it on their own.

Therefore, I say to Members opposite, be consistent or openly support this Bill. If you do this, I am sure the citizens of the province will certainly not hold it against you. In fact, it is right, Members opposite, to admit to being wrong when fresh and relevant facts are brought to light. Again, I implore them to come to the side of what I will call in all sincerity, equity, morality and certainly 95 per cent of the people of this Province. Furthermore, if they do not support this Bill, one can assume that all of the other provinces of Canada are wrong with the exception of Tory Alberta which, incidentally, will be running up a deficit of nearly a couple of hundred million this year. And that was mentioned too. You know, the thing that amazes me when I go to Alberta, the province that has had all kinds of money thrown into the provincial coffers year after year, the thing that amazes me is not the development that they have there, but why they haven't got a lot more development. Are Members opposite saying that Alberta is right in not introducing such legislation? Well, if they are, I can only assume that the Members opposite are really only old line Tories at heart.

**SOME HON. MEMBERS:** Hear, hear!

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**MR. MOSTOWAY:**— Mr. Speaker, I find it difficult to find any sympathy for those who would turn their backs on any province in which they manage to accumulate a vast amount of wealth. I can't generate any tears for them. I find it difficult to think that some would, like the Irvings and the Trujillos literally say, "I knew the rules of the game when I started." Yes, and I'll grant that many of them can say, "I have worked hard, but now I have decided that I don't like the rules, good-bye." Can our farmers do that? Can our small businessmen or miners or laborers or housewives? To those who think of Alberta as a haven of escape from this Bill, well, I have heard it said that nearly 90 per cent of the total rebate money last year was given to two families.

**MR. STEUART:**— No!

**MR. MOSTOWAY:**— All right, 89 per cent. Is this what we want in our province? And while I am at it, what will Members opposite tell prospective - this is the gist of what I get from them - when they tell prospective leavers of this Province about British Columbia, the land of mountains, forests, lakes, rivers and inheritance taxes.

Mr. Speaker, when the Liberal Government at Ottawa decided to get out of this field of taxation, it seems it was bent on, once again, giving certain portions of the country a good shellacking. When it did this, it stopped collecting taxes from eastern based firms which make much of their profits from sales on the Prairies. Now, because most of these firms accumulate their wealth in Ontario and Quebec from sales throughout Canada, now inheritance taxes are paid to these provinces only to be collected and spent entirely in these provinces. Now, I ask you if this is right? Should we not be sharing in these tax moneys seeing as how we on the Prairies helped toward the accumulation of this wealth? This is just one more example of the inequity that I mentioned earlier. Thanks to the Liberals whether they be in Ottawa or in this House. How much more morally proper it would have been for the Federal Government to continue the same policy which they saw fit to implement for the past many years.

No, Mr. Speaker, I don't think the few people who have vast amounts of wealth at their disposal, I don't think they are going to get too much sympathy from the people of this Province. They are going to say to those who would inherit, they are simply going to say, "They've had the cream of the crop already. They've had certain advantages and privileges that the majority of the people of this Province don't have, nor will they ever have, nor will they be able to pass on to their children." I know this, Mr. Speaker, because I have gone out, as I mentioned before, in my constituency and people pretty well all over, having heard an explanation of this Bill, this proposed legislation, are behind this Government 100 per cent. I support the motion.

**SOME HON. MEMBERS:** Hear, hear!

**MR. C. P. MacDONALD (Milestone):**— Mr. Speaker, I have a few comments to make this morning. First of all this Bill is typical and the remarks of the Members opposite is typical of the socialists. You know, they say, "We want to lift up the poor, and the way we want to lift up the poor is pull down the rich." Mr. Speaker, one of the

major emotional problems in Canada today is the accumulation of Canadian capital. We hear our socialist friends opposite talking about the foreign ownership of Canada. They even bring in a Bill and disguise it, and call it foreign ownership because they know the emotional reaction of the people of Canada will perhaps make it a little more palatable. They know that foreign ownership of Canadian industries is a major problem. But, Mr. Speaker, there is no way that we can prevent foreign ownership of the Canadian economy unless we encourage the accumulation of Canadian capital. And the weakness of the Premier's argument and the weakness of the two Members opposite argument is that they make no distinction between money and assets. No distinction whatsoever.

We listen to the Member from Hanley stand up here and talk. He makes \$20,000 a year. He puts away and he's got a pension when he retires of \$10,000 or \$12,000 a year. But he has no assets. He is not subject to succession duties. Let's take the farmer in his constituency that he is talking about. He spends a lifetime of trying to pay for those assets that he possesses. He may live on \$2,500 or \$3,000 a year. In fact, in the last four or five years, he has been living on a four and five bushel quota. How many times do we hear that the farmer is money poor and assets rich. He starves all his life in order to build up his property. And when the Premier talks about money and wealth, it isn't wealth in an apple box, he can't pull the dollar bills out and throw it in and pay the succession duties. That wealth is assets, it is made up of land, of property, of equipment. And the only way those succession duties can be paid is to destroy those assets.

You take a fellow like Smith-Roles . . .

**MR. BOWERMAN:**— How many are there like Smith-Roles?

**MR. MacDONALD:**— That's the problem with you. I don't care if there is only one because it is a man like Smith-Roles that hires 70 people. We don't have many entrepreneurs in Saskatchewan. We don't have very many people that have the imagination and the drive and the hustle to go out like Smith-Roles and put every cent he makes back into his business, to turn around and hire 70 or 80 people, that buy bread at the grocery store, that go on the bus in the morning, these are the people that we are talking about. And it's the four or five or six or 10 or 20 people that make Saskatchewan tick. It's those people that build Saskatchewan. And when you talk about 5 or 10 or 20, I don't care if it is 30 or 40, don't tell me that \$3 million is only a few, it is quite a few. If you remember the weakness of the arguments of the socialists, they think that wealth is made up of money in an apple box, that it is made up of stocks and bonds, it is made up of the millionaire with money in the bank and that he can write a cheque to pay his succession tax. That is not what estate tax and succession duties are going to be paid on. The vast majority will be paid on assets, on property, on equipment, on jobs. That's what's going to hurt Saskatchewan. And to say that we are only going to tax a few and that this is a terrible thing to build up wealth, it is a terrible thing to accumulate money, a terrible thing to accumulate property, a terrible thing to build up a factory, a terrible thing to build up an industry, an industry that is an asset, that's what's going to be taxed on succession duties. And don't say it is going to be money and

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the wealthy and the rich with dollar bills in an apple box, because that just isn't true.

Mr. Speaker, I have a few more remarks to say on this and I beg leave to adjourn the debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Blakeney that Bill No. 108 - **An Act relating to the Payment of Gift Tax** be now read a second time.

**MR. K. R. MacLEOD (Regina Albert Park):**— Mr. Speaker, when the Hon. Premier introduced the Bill he mentioned that it was a companion to The Succession Duty Act and much of the things that can be said about the one can be said equally about the other.

The Hon. Member for Watrous (Mr. Cody) in speaking to the last debate mentioned that wealth is created by society as a whole. And he is right about that. And he suggests that succession duties and gift taxes are fair taxation as instruments of social equality, or words to this effect. And that's right, we don't quarrel with that at all. He suggests that society will somehow be disturbed if we fail to tax great concentrations of wealth, and I think in the broad principle that is true. But we are not going to be able to tax great concentrations of wealth in Saskatchewan because we aren't going to have great concentrations of wealth in Saskatchewan because of the economic decisions made by the NDP Government.

They are very impressed by the number of people that are affected by both of these Bills. Two per cent is the word. I suggest, Mr. Speaker, it's 100 per cent of the people of Saskatchewan that are affected by these Bills, which are economically poor decisions.

I am in agreement with much that is said over there, on the philosophy of it. I know that we are not all going to end up the same way and I agree that we should all have the same chance at the starting gate. But the one thing that we cannot do is control the Alberta decision. We may well assume that Alberta is wrong in not having a succession duty. I would personally like to see Alberta have a succession duty. Then the argument on the Bill in Saskatchewan would take an entirely different turn. I do not regard it as sound and reasonable financing of the Alberta economy that they should let themselves go \$200 million into debt this current year. I would oppose that kind of conduct if it occurred in Saskatchewan. But the assumptions which are being made by the NDP are totally false. They are assumptions based upon what Liberals are doing and what Liberals are saying and they are total misrepresentations. They have totally missed the point. Now they do so either because they don't understand it or don't want to understand it or because they are motivated by narrow, political prejudice and are interpreting our words in such a way as to give a political connotation satisfactory to them and for narrow, political reasons only.

Now, I suggest to them, quite frankly, that these two Bills hurt 100 per cent of the people of Saskatchewan. They hurt the working man who may never be forced to pay succession duty or

gift taxes. They hurt all of us. They hurt us because many people have an opportunity to make a reasonable decision about whether they will go to Alberta or go to Saskatchewan. When businesses have the right to choose, and all other factors are equal between Saskatchewan and Alberta, there is no question about it that the presence of the statutes we are talking about this morning will tip the scale in favor of Alberta. And that is the gist and substance of our argument. And those on the other side who say otherwise are totally misrepresenting what we are saying over here.

I should like to see all of Canada have identical taxes in this area. And if they did have identical taxes in this area, the decision-making would be on other matters, on other grounds. We would be able to attract or not attract business on the soundness of other policies. Frankly, Mr. Speaker, it is a bad economic decision which the Government of Saskatchewan is making. They are making it for narrow, political reasons and I suggest that in the broad context, they are making the wrong decision and in the end they are making a bad decision because in the end the people will realize that they have done it in the name of social equality, the same sort of thing that occurred in Spain at the time of the Spanish Inquisition. All good things seem to be done in the name of goodness and religion and in many cases those are the very worst things that could be done.

I notice that the Member for Hanley (Mr. Mostoway) in talking about examples of wealth did not give examples of wealth in Saskatchewan. Any huge concentration of wealth that he can discuss will be a huge concentration of wealth somewhere else. He cannot point to Rockefellers and Eatons and Irvings and people of this sort in Saskatchewan. We don't have them here. And I should like to have them here. I should like us to have economic policies that would attract them here and then in due course hopefully we could apply the kind of succession duty that would bring to us the kind of money and social equality that we talk about.

Now dealing simply and briefly with some of the details, the one thing that they have said is that there is not double taxation. They have quoted experts on other parts of the Bill but when it comes to double taxation, Mr. Speaker, they won't get experts to say it is not double taxation because the experts aren't saying that. It is, in fact, double taxation and any reasonable discussion and calculation of what occurs will prove that it is double taxation. There are some oddities in the Bill which bother me that is that The Gift Tax Act applies to everybody. And it applies to people even when those people aren't going to be troubled by The Succession Duty Act. Even if a man has an estate of less than \$200,000 or \$150,000 or \$100,000, and is able to pass it on to his wife and children without any succession duty he is still subject to The Gift Tax Act. He may have a total estate of \$100,000 and decide to give a large part of it away to his children. He will be subject to gift taxes. The children will be obliged to wait till father dies before they get the benefits of the exemptions which are in The Succession Duty Act and not in The Gift Tax Act.

I do give credit to the Government Members for not saying that the Federal Government got out of the gift tax and estate tax field in favor of the provinces. They have at last come to the right situation there. They have identified the fact that the Federal Government didn't get out of these two areas in

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favor of anybody. The Federal Government got out of them and applied a Capital Gains Tax believing that in that way they would charge a tax on a large part of the estate.

One of the basic problems we have is the way the law was put into effect. People by law are presumed to know the law. If a man was very seriously ill on the 15th of January and went to his lawyer and said, "I would like to revise my affairs so that I could take advantage of the Succession Duty and Gift Tax Acts as they now exist in Saskatchewan," the lawyer would say to him, "Well, I know that I know the law, because the law says so and I know that you know the law because the law says you know the law," but in fact nobody knew the law because changes were still being made up until the time it was presented to the House. If that man died on April 15, he would have died legally knowing the law which didn't even exist at the time. That is one of the evils of having retroactive legislation.

If a man wanted to give \$10,000 in bonds to his wife he would find that he couldn't do that unless he spread it out over a period of time. Because if he wanted to give \$10,000 to his wife and if that was his entire estate, it would still be subject to gift tax. The Gift Tax Act applies even in cases where there is no possibility of a tax being applied on the estate or the succession when a man dies. Now to make myself very clear, I am suggesting to the Government what they have done in these Acts is fostered their prejudice. They have put in The Succession Duty Act, not for the revenue, but so that they can go around the country and tell everybody that they believe in social equality. And I suggest because of their economic decisions they are confirming us in a social inequality or at least a social equality at a very low level. They want Saskatchewan to be equal in poverty. The entire procedure of this Government has been to demonstrate that it is more concerned with its own political philosophy than it is with the welfare and the well-being of Saskatchewan as a province and of its citizens individually and as a group.

Mr. Speaker, I regret because of the actual situation which exists in Canada namely, the presence of our greatest competitor next door, Alberta, without the kind of statutes that we have, I am obliged to oppose the Bill. And I state this very clearly so that if they are going to misrepresent me they will know in fact they are doing so deliberately. If the Province of Alberta had a Gift Tax Act similar to this, if they had a Succession Duty Act similar to this Province, the comments and the arguments that I have made would have been entirely different. Mr. Speaker, because of the realities of life and the condition of laws in other provinces I am obliged to oppose the Bill.

**SOME HON. MEMBERS:** Hear, hear!

**HON. A. E. BLAKENEY (Premier):**— Mr. Speaker, I think that most of our debate could and should perhaps be on the Succession Duty Bill since I believe these are companion Bills and I therefore will not detain the House at length.

May I just comment on the difficult position which the Opposition seems to be trying to take. They assert, if Alberta had a different position our position would be, quote, "entirely different." They don't indicate what it would be. They had an opportunity on many, many occasions to say what their position would be. When the Federal Government withdrew from the Estate



tax and gift tax field, they had an opportunity to say that they opposed that. They in fact were the Government of the day when that was announced. But they didn't oppose that then. They didn't oppose it then because they believed then and they believe now that wealth should not be taxed.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BLAKENEY:**— Their opportunity was abundantly clear when Mr. Benson announced in June of 1971 that the Federal Government proposed to withdraw from both of those fields. They had a full and complete opportunity either during the campaign in which they were all candidates or from the Treasury benches which they then occupied, to state that in their judgment this would be bad for Canada, that in their judgment estate taxes and gift taxes should be collected nationally and distributed nationally. But they failed to take that position. That is the position that should be taken by any responsible person in Saskatchewan.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BLAKENEY:**— That is the position which I believe every province in Canada should be advocating because I believe that large pools of wealth are accumulated by the work of all people in Canada.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BLAKENEY:**— In believe that these estates, whether held by a person who is about to die or part of the estate on death, whether the subject of gift taxes or estate taxes, have been accumulated by the economic activity which takes place from sea to sea. It seems to me perfectly clear that we in Saskatchewan, whatever our Party, should be advocating the national collection of those taxes and the national distribution of those taxes. And I say it was the position of our Party, and in times past it was the position of the Liberal Party, that these taxes should be collected nationally and distributed nationally. It is only recently that the Saskatchewan Liberal Party has departed from those principles which are good for Saskatchewan, and has adopted principles which are good only for the wealthy.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BLAKENEY:**— There is no doubt, whatever, and I invite Hon. Members opposite to present a counter-argument, to our position that these taxes should be collected nationally and should be distributed nationally. Mr. Speaker, they had a full opportunity to advocate their position. They did not advocate it when they had the full opportunity and when it might have had some effect on their Federal Liberal colleagues. And when they no longer had that opportunity, when the people of Saskatchewan dispensed with their services, they then come into this House and say, "Oh, if Alberta had it, our position would be different. If Alberta had it, we would then favor a gift tax." Or did they say that, not quite. No, of course, they didn't. They didn't say anything about what their position was.

**SOME HON. MEMBERS:** Hear, hear!

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**MR. BLAKENEY:**— They didn't say anything about what their position was.

**MR. STEUART:**— Our position was clear.

**MR. BLAKENEY:**— Mr. Speaker, the Member for Prince Albert West (Mr. Steuart) demonstrates that he doesn't know what Bill we are on. When every second, every second of the time that he occupied the Treasury benches there was a gift tax in Canada and a gift tax more severe than the one which we now have before us.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BLAKENEY:**— And so far as I am aware, he in his position as Provincial Treasurer and Deputy Premier never advocated that that be changed by the former Liberal Government. I note the position of the Members opposite as being one where they are afraid to state their positions.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BLAKENEY:**— They are afraid to say whether they would be for or against a gift tax. They are afraid to say what their position would be if Alberta had a different position. They simply say, "My comments would be different. I won't tell you what they are and I don't want you to misrepresent them but my comments would be different."

**MR. ROMANOW:**— Shame! My goodness, Ken.

**MR. BLAKENEY:**— Mr. Speaker, it is perfectly clear that they have no position on principle. They did not oppose gift taxes when they were in power, they did not advocate the national collection of succession duties and gift taxes. Their only position is, if it hurts the wealthy, oppose it.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BLAKENEY:**— That is their clear position. They have had a full and complete opportunity to state other positions. They have had that opportunity and will have it again in this House. And I will invite them to use it but until they do so we are entitled to draw appropriate conclusions from their positions and that conclusion is this. They do not advocate the collection and distribution of these taxes nationally, which any person should if he has the interests of Saskatchewan at heart. They do not advocate a gift tax in Saskatchewan even if Alberta had one. All they advocate is that if it hurts the wealthy don't do it. That is their position. We are fully entitled to conclude that from what they have said this morning. That may be their position, it is not our position. This is a fair tax and a just tax and we'll support.

**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. Snyder that 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** - be now read a second time.

**MR. D. G. STEUART (Leader of the Opposition):**— Mr. Speaker, I think this Bill should be renamed, it should be called an Act to Give the Trade Unions a Monopoly or Total Control over their Membership. It will, in fact, strip a great deal of their rights, a great many of their rights and the freedoms that are now enjoyed by the individual members of trade unions, this Act will remove them. It is called an Act Respecting Trade Unions and the Rights of Employees to organize in Trade Unions of their own choosing. This is patently false. For the purpose of bargaining collectively with their employer, that last part of it is correct. Now the Government claims this is legislation dealing with trade unions and therefore this legislation gives rights to trade unions. This Bill is not drafted to take into account, 1. The general public. 2. The employers. 3. The employees, those individual members of trade unions or those people who are working people who are employees who don't happen to be in the trade union movement. Now they can't give some of the rights that they have given in this Bill to the trade unions, the entities, the corporate entities or if they are not called corporate entities they should be, and the entities of trade unions without denying and taking away some of the rights of the general public, the employers and the employees.

**MR. ROMANOW:**— Did he say they should be corporate entities?

**MR. STEUART:**— Yes, I do say trade unions should be corporate entities incidentally. Yes, they should be entities, they should be legal entities, maybe not corporate entities but they should be legal entities, the same as anyone else. I say that, I have always said it. And you say they shouldn't be because you are afraid to say, you believe it yourself. But by granting certain rights to trade union organizations this Bill has without a doubt denied certain rights to the general public, the employers and the employees. The Government has again failed to recognize that good labor relations are a two-sided street. That there is, in fact, not just the rights of the trade unions and those rights should and must be recognized, but not just their rights but the rights of the employers should be recognized as well. On top of that a Trade Union Act, one should remember above all else, is labour legislation. And any legislation dealing with labour should be designed to assure the individual the maximum possible protection and freedom. The very name of the Bill states that employees have the right to organize in trade unions of their own choosing. Now once they have chosen that, their rights under this Bill almost cease to exist. Under the Act, once employees have chosen a union, they may in a practical way, almost never get rid of it. There is, in fact, no practical method of having it decertified. Or, in fact, of guaranteeing the freedom of the union members if they become dissatisfied with that particular union, to belong to another union of their own choosing. Under the Act that is being amended, the individual members, the members of the union had three methods under which they could have a union decertified but not now. One, if they showed evidence, that is 40 per cent of the employees

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they no longer wish to be represented by the particular trade union, the Labour Relations Board would conduct a free vote to determine the issue. So 40 per cent which is a very large and certainly should be recognized as a very serious and adequate number of members of the trade union decided they wanted to choose another trade union, the Labour Relations Board under the old Act would have a free vote, and only if the majority chose, would, in fact, that union be decertified as the bargaining agent of that particular group of employees. 2. Upon amalgamation or take-over by a new trade union, an employee under the old Act could apply to the Labour Relations Board to determine if the new trade union had acquired the rights, the privileges and the duties of the old trade union. Again, a free choice for the individuals. Under the old Act unions couldn't barter, trade the employees in a trade union as if they were chattels. They can under this Act. 3. Under the new Act an employee may lose membership in the union. He may lose membership in the union and if he does then he could lose his job, because once a union has been certified and you are a member of that union it is a condition of employment within that industry that you be a member of the union.

And so if the union removes an individual from the trade union he could, and under the law would, lose his job. What are the conditions under which this man could be placed outside of the union? And I ask the Members opposite, especially the farm Members, to read this Act very carefully, because I say to you very seriously that the rights that you people talk about, that you people boast that you are so interested in, the rights of the individual are seriously threatened and they are, in fact, taken away under this proposed amendment to The Trade Union Act.

Under the new Act, as I said, an employee may lose membership in the union and his job if; 1. He engages in any activity against the trade union. In other words his freedom of speech, if he doesn't like the way the trade union or the bosses of his trade union are acting, if he wants to advocate a new union or advocate some change, it could be considered that he was talking against that particular trade union and he could be put out of the union. If he is out of the union then his job is in jeopardy.

2. He could also lose his membership in the union if he engages in activities on behalf of another trade union. It is therefore impossible if any employee is not satisfied with his union to get any support from his fellow workers, to get even a decertification vote. How can he go out and talk to his fellow workers and say, we are not satisfied with this union? Look what they failed to do; look what they are doing and look at what they are not doing, if, in fact, the threat of expulsion from the union hangs over his head, backed up by the law of the Province of Saskatchewan.

Under this Act the union members becomes chattels of the union and their freedom - as I said earlier - will be stripped and taken away and they will be, in fact, handed over. The individual employee will be handed over under this Act to the union that now represents him or her, they will be handed over to that union, lock, stock and barrel, body and soul.

Formerly when a union was formed under the old Act, the employee had the choice of joining or not. From that time on any new employee was forced, as a condition of work, I think, to join that union. Now if the union is formed and some employees

don't want to join they don't have to but they are forced to pay the union dues even though they don't join.

Again, under the old Act, if there was a strike on and the strike had been called and it was taking place, employees or the employers themselves, could ask for a vote to see if that strike should continue. And if the majority of the union members voted to accept the offer of the company then the strike would be ended. This right has been taken away from them. We have the situation at Hudson Bay where one of the leaders of the International Woodworkers of America came out from British Columbia and a strike was called. The company wanted to continue negotiating, this union official left and couldn't be found. A number of the employees indicated that they wanted to see that strike ended as it was causing terrible hardships. The company had made new offers and they at least wanted to sit down and consider it. They couldn't find the official and as a result in spite of what people in that area considered to be the wishes of the majority of the union, the offers of the company were not even considered, they weren't accepted and the strike dragged on to the detriment of everyone.

This right to vote in the middle of a strike has been taken away from the membership in the union.

Now again they have changed the Act. The way it was before was that before a strike could be called the majority of the membership had to vote in favor of the strike. If you had 100 employees in the plant, 100 union members, then 51 of them had to vote in favor of a strike. Now they have changed that. They say, now it is merely if the majority of the number of members who vote. Now we have seen some funny business go on in this kind of vote where they hold meetings in small halls or they call meetings here or there. What have they to fear? A strike is a very serious business. What have they to fear if, in fact, they get a guarantee that all of the union membership vote and only if a majority of all those members . . .

**MR. SNYDER:**— Did 51 per cent of the voters vote for you?

**MR. STEUART:**— 51 per cent of the people in Prince Albert didn't vote for me, Mr. Snyder, no, and they didn't vote for a lot of you people either, but let me tell you this. Many years back when you held the Government, 51 per cent of the people didn't vote for you.

That is a totally different thing from voting whether I lose my job or I lose my pay check. This is a totally different thing, Mr. Snyder, and if you don't see it then the union movement and the labor movement in this Province is in trouble, and I think they are.

When a strike vote is called, surely the individual members would have the right to vote on whether they lose their pay check, whether they go on strike - and it may drag on for months and months and break them and cause them to lose their homes and cause them tremendous financial setback and heartache as well. What the situation was before was that at least the majority of the union membership had to vote in favor of a strike. Now you have changed that. Why have you changed that?

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You haven't changed it, I think, because a great many strikes were denied, that 40 per cent of the people voted for a strike or they couldn't get the people to vote, so there wasn't a strike called. Whenever the membership of a union want a strike I suggest they get one. I am not denying that. I am saying that today, under this Act when it passes, there is no longer any assurance that an employee will be given the opportunity in voting in a strike vote. So I say to the Government, if you insist on this change then I call on you to have Government supervised strike votes. Government supervised strike votes with fair and impartial people seeing that the vote is carried out openly, that the place where the vote will be held in is fully advertised and it is convenient for all people on various shifts to get out to vote for or against that strike and see that they have the secrecy of the ballot and all the other protection that we have fought for for so long in this country to protect the rights of individuals when they are expressing their own free will. Have a Government supervised strike vote if you insist on making that change.

Mr. Speaker, I think another thing that is a very sad commentary on the Government opposite in regard to the development of this Bill, is that although many employer groups, the other side of the equation, the employers and their representatives have asked to meet to negotiate. Oh, they have been met occasionally by the Minister of Labour (Mr. Snyder), but to meet to negotiate in a meaningful way about the clauses of this Bill. The Minister has refused.

**MR. SNYDER:**— . . . did in 1966.

**MR. STEUART:**— All right! He has refused and has said in effect that this isn't any of your business, this is a Trade Union Act and it is not the business of the employers or the general public or, in fact, it really isn't the business of the individual membership of the union as well. It is obviously only the business of the Minister of Labour and the heads of the organized labour groups that he intends to sit down with.

To me, Mr. Speaker, this is another example of the war on business that has been started by the NDP Government when they took over office, 10 or 11 months ago, and it has been perpetuated and stepped up, and the Minister of Labour is one of the leaders in this war on business.

If the trade union movement can bring so many blessings to the employees - and I say they can - if you feel that confident, Mr. Minister of Labour and the NDP Government, then why do you have to hedge and give so much power to the unions themselves? Why are you taking away the rights of the individual union member? Why are you saying, in effect, to the union member, whatever union he is, you have practically no rights to get out of that union and any democratic rights you have are gone? I see the Attorney General (Mr. Romanow) shaking his head. I suggest that he read this Bill very carefully because you point out to me, Mr. Attorney General, that if I am a member of a union, if I am working for the Saskatchewan Power Corporation and I am a member of the Oil Chemical and Atomic Workers, or I am working for MacMillan Bloedel and I am a member, or Simpson Timber Company and I am a member of the International Woodworkers of America and I don't like that union, surely to God this is my right not to like that union. So I say to myself

and two or three of my fellow workers, I think we would be better represented by the United Steel Workers or by some other union. Surely this is a freedom that we should have, that those workers should have, to have representing them the union of their choice.

Now they start out to talk against the union. Surely if you want to change your union you must be unhappy with the union that now represents you. So you start out to develop a campaign against the union just as you have the right to develop a campaign against the NDP Government or the Liberal Government or anyone else. The Act now says that you can lose your membership in that union. Would you point out how a dissatisfied union member, in a practical way, or a group of union members in a practical way, can get rid of or get that union decertified as their official bargaining agent and invite another union to come in or form their own union?

I say to you, Mr. Speaker, that it does not exist in a practical way in this Act. So I say that this Act will give existing unions - actually the leadership of existing unions - a monopoly and the power of almost economic life and death over the present membership. I say that it takes away the individual rights and the civil rights and the liberties and the freedom of the individual members. I think that the Members opposite should take another look at it and they should recognize that this is a bad Bill. It is bad for the economic climate in this Province, but what is more important, it is bad for the union membership of this Province and for the working people. I am intending, and the Members on this side are intending, to oppose this Bill as it is now written.

**SOME HON. MEMBERS:** Hear, hear!

**HON. W. E. SMISHEK (Minister of Public Health):**— Mr. Speaker, the speech given by the Leader of the Opposition (Mr. Steuart) comes to me somewhat as a surprise.

Mr. Speaker, I understand that on June 24th, the day after the election, Liberal Cabinet Ministers met in a moment of soberness and sober thought and asked themselves this question: Why did we get defeated? I understand the answer came out loud and clear, in reply, whom haven't we offended? That was the question posed and one after the other said, "Look there isn't a group in the Province of Saskatchewan that we haven't offended." And that is the reason for the defeat. They finally realized it.

They offended the teachers, they offended the farmers, they offended the students, they offended religious groups, they offended the workers. The Liberals attacked everyone in the Province of Saskatchewan and they conceded that on June 24th.

I thought, Mr. Speaker, that ten months after, the Leader of the Opposition would have had some further sobering thoughts and that he would have looked a little more thoroughly and a little more deeply into the reasons for the Liberal defeat. Because if there is anybody that the Liberals attacked, they attacked the working people.

Over and over again, session after session, they brought more and more restrictive legislation against the Trade Union Movement, against the working people of the province. The

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working people recognized what the Liberals did to them and they voted overwhelmingly in support of the NDP and worked to defeat the Liberals. They made that decision very deliberately because they knew that their rights under the Liberals were being stripped every day.

When the Leader of the Opposition talks about workers being stripped of their rights, under this Act, I doubt very much whether he has taken the time to read this Bill. I refer him to page 3, Section 3 and it says, employees have the right to organize in and to form or join or assist trade unions and to bargain collectively through a trade union of their own choosing.

**MR. STEUART:**— What happens then?

**MR. SMISHEK:**— Mr. Speaker, let's carry on. Let's take a look at Section 5. The Board may make orders to determine what a trade union and what constitutes an appropriate bargaining unit, determine what trade union if any represents the majority of employees in an appropriate unit. That guarantees the workers the right to determine what union they want. There is provision in the Bill for votes to be taken if 25 per cent of the workers in a particular plant indicate that they want a trade union. They can apply to the Labour Relations Board and the Labour Relations Board can then conduct a vote. And the truth is, and this is in the Bill, the way the workers got into a union they have exactly the same procedure to follow to decertify a trade union.

**MR. STEUART:**— Show us.

**MR. SMISHEK:**— Well, all you have to do is examine the Bill. It is in the Bill.

**AN HON. MEMBER:**— Read the Bill.

**MR. SMISHEK:**— I have read the Bill. Under the Liberals there was a double standard. If the workers wanted a union then at least 40 per cent had to indicate and a board could have considered a vote. But in order to be certified automatically, over 60 per cent had to indicate a majority. But if there was a decertification application then the 40 per cent rule didn't apply. To get rid of the union a 25 per cent rule applied. Now, Mr. Speaker, why is it that for certification purposes, the Liberals established a different rule? The truth is that Liberals did everything possible to help the anti-labor employers to get rid of trade unions.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SMISHEK:**— And that was the whole purpose.

**MR. STEUART:**— What percentage . . .

**MR. SMISHEK:**— 25 per cent and the same kind of procedure . . .

**MR. STEUART:**- Oh, no.

**MR. SMISHEK:**— Oh, yes it does. They can



make application to the Labour Relations Board to establish their case in the same kind of way for decertification as for certification. Well, Mr. Speaker, I am thoroughly familiar with the law that existed prior to 1965 and the same procedure is to apply from here on. What we have done basically, Mr. Speaker, in this Bill is restore the trade union rights that existed prior to the Liberals massacring The Trade Union Act. These are the basic changes. Mr. Speaker, let us take a look at 20 years of record under the NDP. The story is conclusively written and recorded that during those 20 years under an NDP Government or CCF Government at that time we had virtual industrial peace. There was good harmony and good working relationships between employers and trade unions.

**MR. MacDONALD (Milestone):**— How could you, you didn't have any industry?

**MR. SMISHEK:**— Well, you sure didn't attract them during seven years.

**MR. STEUART:**— We sure did.

**MR. SMISHEK:**— Name them.

**MR. STEUART:**— People went for seven years.

**MR. SMISHEK:**— Mr. Speaker, during the seven years of Liberal administration there was an outright war declared by the Liberals on trade unions and trade union organization. They brought in Bill 2, they took away the workers' right to strike, they forced compulsory arbitration on the workers. They established rules that made it virtually impossible for workers to organize and to form unions of their choice. They stripped the Department of Labour of any effective people within the Department to assist unions and to assist employers in the area of collective bargaining. They practically did away with the research branch of the Department. I want to commend the Minister of Labour (Mr. Snyder) for his 10 months of hard work in restoring . . .

**SOME HON. MEMBERS:** Hear, hear!

**MR. SMISHEK:**— . . . confidence within the employers and trade unions by the Department of Labour because he has demonstrated that with a new approach of working co-operatively, with higher qualified and additional staff that we can have industrial peace in the Province of Saskatchewan. The truth is that in the last 10 months, Saskatchewan has been almost strike free. It is because there is a willingness on the part of the Minister and a willingness on the part of the Department to work co-operatively with employers and employees. Mr. Speaker, the Hon. Member from Prince Albert West (Mr. Steuart) referred to 30 day strikes, or votes after 30 day strikes. The truth is that that provision really guaranteed that every strike in Saskatchewan would last a minimum of 30 days. That has been the experience with that particular section, it proved to be totally ineffective and we are getting rid of it.

**MR. STEUART:**— You are getting rid of it.

**MR. SMISHEK:**— That's right.

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**MR. STEUART:**— What are you replacing it with?

**MR. SMISHEK:**— We believe that . . .

**MR. STEUART:**— What are you replacing it with, nothing?

**MR. SMISHEK:**— We believe that if free collective bargaining is going to take place then it is a matter for the employees and the employers to work out a relationship. Mr. Speaker, all we had to do is take a look at what the Liberals did to the hospital workers, the number of disputes and strikes and conflicts and boards of conciliations and arbitration . . .

**MR. STEUART:**— How about the Bills?

**MR. SMISHEK:**— . . . that were carrying on for a period of seven years. What the Liberals did was not provide the funds necessary for the hospitals to pay the employees decent wages and establish decent working conditions. Similarly in case of the Government employees, the Public Service. Now when I took office and was given the job of Minister-in-charge of the Public Service Commission there were dozens and dozens of grievances pending to be referred to boards of arbitration and conciliation. Mr. Speaker, I am glad that we were able to clear them all up. We entered collective bargaining in a spirit of co-operation. We were able to enter into bargaining agreements within a matter of a few days after negotiations started.

This Trade Union Act is to be a charter for industrial relations.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SMISHEK:**— It is going to be another first in a number of areas. It is going to update industrial relations legislation to the 1970s. The Liberal legislation dealt with industrial relations on the basis of the dark ages. The Liberals were completely out of tune. They refused to reorganize the need for modern legislation. We shall have to deal with problems in industrial relations in the current period of time. Mr. Speaker, I can tell you this that I have dealt with many employers. When it came to Bill 2 and much of the former Government's other restrictive legislation that they introduced, employer after employer really was opposed to that legislation. Because good employers resist and do not accept compulsory arbitration. In fact I know that the Hon. Member from Regina Lakeview (Mr. McPherson) on one or two occasions expressed his views that he was opposed to compulsion, Government compulsion in labour relations. Now, Mr. Speaker, I want to commend the Minister (Mr. Snyder) for bringing in this particular Trade Union Act. It is good legislation, it has the support of the working people and the majority of the employers. True, there are those employers that have some objections to particular items of the Bill. When the Hon. Member says that we have refused or a Minister has refused to meet employers, that is just not true.

**MR. STEUART:**— He didn't say he met them.

**MR. SMISHEK:**— He has met with them, he has heard their views and he has considered their representation. Mr. Speaker, I believe this is a good Bill and I urge the Members on both sides of the House to give this legislation unanimous approval to set a new charter and establish a new climate for industrial relations in the Province of Saskatchewan.

**MR. STEUART:**— Will the Member permit a question before he takes his seat? You pointed out very clearly certain sections of the Bill indicating you had read it, about 25 per cent of the vote to get into a union. Then you said they had the same rights to get out of a union, would you tell us what section, because we have missed it, I am sorry.

**MR. SMISHEK:**— Page 7 Section 6 and page 8. The powers of the Labour Relations Board and representative votes.

**MR. MacDONALD (Moose Jaw):**— Where does it say anything in there?

**MR. ROMANOW:**— Stop making speeches of . . .

**MR. STEUART:**— No, no, show us. It is just nonsense, Mr. Speaker, it says nothing about them voting 25 per cent to get out of a union.

**MR. G. B. GRANT (Regina Whitmore Park):**— It is quite evident after listening to the last speaker that there is quite a bit of opposition to this Bill and as several Members wish to speak to it I ask 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. 134 - **An Act respecting Technological Changes and their Effects on Employees** be now read a second time.

**MR. D. F. MacDONALD (Moose Jaw North):**— Mr. Speaker, in continuing the debate on Bill No. 134, I should first of all like to define the problem as I see it. Rapid change has become almost a way of life in today's society and I think we all recognize this fact. As I see it the Government of Saskatchewan in this legislation has a duty to perform in this respect. First, we must encourage technological change in our businesses and industries in Saskatchewan, if we expect to compete successfully in the years ahead. Secondly, we must recognize that these technological changes may seriously dislocate or adversely affect those employees involved. And we must attempt to assure that these effects are minimized. If we accept that we have these two duties to perform regarding advancement of technology then I think it is obvious we must be moderate in our attitudes regarding management or labor interests. We must not create a climate through legislation which might cause detrimental effects in our industrial relations. Rather we should encourage the stabilization of the collective bargaining relationship.

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On the face of things it appears we are confronted by two conflicting goals. First, that business needs maximum freedom in this age of rapid technological change in order to inject new ideas and innovations thereby maintaining its competitive position. Second, is a workers' need for protection or a reasonable guarantee that they will not be thrown out on the street when these changes mean loss of jobs. We are here today to find some solution to help resolve the problem as these two seemingly conflicting goals meet head on. I believe that we must seek provisions that will encourage management and labor to deal with the impact of technological change of employees at the bargaining table. We must also provide encouragement so that these negotiations take place at the normal time for negotiating of a collective agreement. In this manner precedent has proven that by working co-operatively, labor and management can introduce technological changes in a harmonious manner. Intelligent management has been doing so for a long time and it is the duty of this Legislature to provide encouragement for all management to act in this responsible fashion. I think that in considering this Bill, this Legislature should keep in mind that there is another aspect besides the labor management crisis as a result of technological change. And this is, the achieving of a more human and secure community in these times of rapid technological change requires the effective involvement of governments, both Provincial and Federal in a whole range of social and economic areas. In this regard I am fearful that the Saskatchewan Government is not willing to accept this responsibility. It appears that the NDP Government hope to see all issues settled through the adversary system without any government input.

Our Government seems to believe that this is strictly a labor management issue. While it is obvious that labor and management are directly concerned, I think that it should be just as obvious that the Canadian and Saskatchewan public has a great interest also. This is why this Government has a direct responsibility to serve the public interest. I should like, for the benefit of this Assembly, to spell out what the public interest is. First, the public has an interest as a beneficiary of an efficient and technological competitive industry. Second, the public has an interest as a victim of an inefficient industry that is protected by tariffs or subsidies. Surely, we in western Canada recognize this fact. Third, the public has an interest because it supplies the tax base which is used to assist industry to make technological changes or to assist the employees affected by these changes. Fourth, the public has an interest as a victim who is inconvenienced by an industrial strike arising out of failure of labor and management to reach agreement. Mr. Speaker, provisions in Bill 134 will not serve the public interest very well. This Bill encourages head on encounters over technological changes. This is going to produce industrial relations strife which will end in strikes. Because of Bill 134 management will not be willing to negotiate technological change when they know that the contract can be opened at any time. It is also possible that management will be forced to undertake technological changes at the time when contracts are normally negotiated and this will result in an inefficient industry or business in Saskatchewan.

I said the other day that I could not support this Bill unless changes were made to include provisions so that the collective bargaining process is not nullified. This collective bargaining process is far from a perfect instrument but at this point in time it is the best we have and we must strive to see

that it becomes more effective.

In order to encourage negotiation during normal bargaining I would suggest that two provisions be incorporated into this Bill. One, is that bargaining could not be commenced during the closed period of a contract if the collective bargaining agreement contains provisions that are intended to assist employees affected by any technological change to adjust to the effects of the change. Second, bargaining should not be commenced during a closed period of a contract if the collective agreement specifies that the contract cannot be opened during the term of the collective agreement. It can be seen that both these provisions are negotiable. Neither provision need be incorporated into a collective agreement but either provision may be. These two provisions will encourage labor and management to discuss fully and negotiate technological change. If the two parties to the agreement are prepared to take advantage and settle these issues as a part of the overall agreement then we will avoid later confrontations. I think it is also fair to say that Bill 134 should not affect any collective agreements that were entered into before the coming into force of this Bill. Those agreements were made in good faith and unless exempted this Bill would force an overburden on one party who thought that he had bargained in good faith. To impose further obligations on one party makes a mockery out of the negotiations that he went through in order to get that agreement. Mr. Speaker, if these provisions were added to Bill 134, I suggest that it would become legislation that would be fair and more acceptable and would enhance the collective bargaining process.

Mr. Speaker, it is difficult to contemplate the practical effects of this Bill. It will, to a large extent, depend on the Minister of Labour. There is an absence of objective criteria in this Bill like so many others presented to this House. The Minister is given power to specify by regulation. I should think that in many cases it might be better off in the hands of the Labour Relations Board or at least on recommendations of the Labour Relations Board. Such is the case with the Federal Labour Code. I think before passing this Bill, all Members of this Assembly should consider the possibility of adverse results occurring to the general public as a result of Bill 134. We are faced with the need for technological change to be efficient and competitive and the need for employer security as a result of this change. If our business and industry does not remain technologically competitive then it is obvious we won't have any jobs or any employees. I say this not to try to convince anyone that we should forget about the problem and let it work itself out but rather to urge all concerned to use a moderate approach. I also suggest here that the amendments I have proposed are a moderate and a sensible approach and I urge the Assembly to adopt them.

Before taking my seat I should like to urge this Government not to proceed at this time with Bill 134 or The Trade Union Act 105. These Bills are examples of hasty and ill-considered legislative changes. These Bills are a risk to the good relationship based on mutual acceptance and respect that most employees have with their employers in this Province. These two Bills should not be read a second time at this Session. The Government should withdraw the Bill or else let it stand until a fall session. The Government should immediately announce its intention to establish a representative committee to review The Trade Union Act

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**SOME HON. MEMBERS:** Hear, hear!

**MR. MacDONALD:**— . . . and the Act respecting technological change. This is exactly the method used in 1965 by the then Liberal Government. It is the duty of Government to consult with the affected parties before enacting legislation which will result in an imbalance in existing conditions. It is the duty of this Legislature to take this moderate and fair-minded approach and allow representation to be made concerning Bills 105 and 134.

**SOME HON. MEMBERS:** Hear, hear!

**HON. W. E. SMISHEK (Minister of Public Health):**— Mr. Speaker, I am surprised at the remarks of the Hon. Member from Moose Jaw. When The Trade Union Act was introduced a few days ago, he said that he didn't like it because the Act didn't deal with the problems of technological change. The intention of the Government was to bring in Bill 134. Now that there is a Bill to deal with technological change, he says he can't go along with it because he doesn't like it and he doesn't like The Trade Union Act.

**AN HON. MEMBER:**— Typical Liberal, Walter.

**MR. SMISHEK:**— Mr. Speaker, he talks about the need for committees to be established. Well, Mr. Speaker, when it comes to industrial relations, the Liberals had established two or three committees. In fact, Mr. Speaker, some of the recommendations of the committees that were established are finding their way into legislation now. The Liberals refused to act on the very committee and the recommendations that the committees made. We are acting on those recommendations. Mr. Speaker, when it comes to the question of technological change I would commend to the Hon. Member the study by the Federal inquiry under the Judge from Manitoba, Judge Freedman, who made a study on technological change and who made recommendations. I am glad, Mr. Speaker, that the Minister of Labour has brought in legislation, the first legislation of its type in Canada to deal with the problems of technological change.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SMISHEK:**— Mr. Speaker, when the Hon. Member talks about restrictions and that the public interest isn't going to be protected, what about the employee's right to be protected? What about an employee who may have worked for 20 or 30 years under the present system and is subject to layoff on seven days notice, he is subject to be thrown out on the street because there is no protection for him. At the present time when an employer decides to automate and mechanize and bring technological changes. He says that the only time that there should be collective bargaining is when the collective bargaining expires. Can he give us assurance that employers aren't going to introduce automation except when the collective bargaining agreement expires? His argument is totally invalid. Certainly it is not the intention of the Bill to supersede a collective bargaining agreement. All it does in the area of technology is require the parties to bargain and what is wrong with that? The fact is that where you have good industrial relations, collective

bargaining is an ongoing thing. It just doesn't happen once every two or three years. I know that because I have been involved in collective bargaining more than anybody in this House.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SMISHEK:**— The fact is that where you have good industrial relations, the collective bargaining process is an every day thing, in terms of dealing with grievances, in terms of dealing with interpretation of collective bargaining contracts, in terms of changing some things in a collective bargaining agreement because . . .

**MR. STEUART:**— By mutual consent.

**MR. SMISHEK:**— That's precisely. And remember this, that Judge Freedman made it very clear that technology should be part of collective bargaining, not only at the time the collective bargaining expires but should be an ongoing thing. And, Mr. Speaker, that principle is recognized here. And if you are going to deal with technological change and give the workers some rights then surely, Mr. Speaker, it has to be when technological change is taking place, not after it has taken place when the collective bargaining expires. Obviously, the Member knows virtually nothing about industry and nothing about collective bargaining when he brings in this kind of an argument.

Mr. Speaker, I don't know how one satisfies the Members of the Opposition. First of all they argue that you need to bring in legislation to deal with technological change. After we bring in legislation which they don't understand because they know nothing about industrial relations, they say you shouldn't introduce it. Now, Mr. Speaker, that's not the way this Government is going to do business. We know that there is need for this kind of legislation. It is good legislation. I congratulate the Minister of Labour (Mr. Snyder) for bringing it in and urge all Members to support it.

**SOME HON. MEMBERS:** Hear, hear!

**MR. J. WIEBE (Morse):**— Mr. Speaker, again we have had some astounding words from the Minister of Health (Mr. Smishek) and I must say that his second speech improved a bit more from his first one. But it has prompted further debate and I would beg leave to adjourn debate.

Debate adjourned.

The Assembly recessed until 2:30 o'clock p.m.

## WELCOME TO STUDENTS

**MR. E. L. COWLEY (Biggar):**— Mr. Speaker, I would like to introduce to you and through you to this House a group of 34 students seated in the Speaker's Gallery from Delisle School in the Biggar constituency. The students are from the Delisle, Donovan and the surrounding area. They are accompanied by their teacher Mr. Andy Choloa. I would like to wish them a pleasant stay in Regina and at the Legislature and hope that this afternoon as they watch us going through Estimates, they find the procedure interesting and

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informative. I should also like to wish them a safe journey home.

**HON. MEMBERS:** Hear, hear!

**HON. J. E. BROCKELBANK (Saskatoon-Mayfair):**— Mr. Speaker, it is a great deal of pleasure to introduce to you and through you to the other Members of the Chamber a group of students from Westmount Public School in the constituency of Saskatoon-Mayfair. They are located in the west gallery and they are accompanied by Mrs. Hindmarsh and I see by Mr. Krohn as well. This has a special significance to me because both my boys go to Westmount School. As a matter of fact, one of them was here last year with the visiting group of students. I hope the students find this afternoon's business of the House of some interest to them and I know that we all wish them a safe journey back to Saskatoon-Mayfair.

**HON. MEMBERS:** Hear, hear!

**MR. K. R. MacLEOD:**— Mr. Speaker, and Members of the Legislature, I would like to introduce to you an outstanding group of people in the Speaker's Gallery, a group from the University of Laval in Quebec - Bachelor of Administration students. There are, I think, about 35 to 50 all together in the group, half of whom, I understand are from Regina. The trip from Quebec is a return visit - sort of a hello back to a group that had visited in Quebec from Saskatchewan a year ago. They are in company with an outstanding person from Regina, Miss Marilyn Tames, who is with the group and who has assisted in the organization of this visit. We welcome these students from Quebec and we wish them Bon Voyage.

**HON. MEMBERS:** Hear, hear!

## **SECOND READINGS**

**HON. W. E. SMISHEK (Minister of Health)** moved second reading of Bill No. 135 - **An Act to amend The Medical Profession Act.**

He said: Mr. Speaker, there are six main provisions in the Bill to amend The Medical Profession Act. All of these provisions are designed to ensure that legislation affecting practising physicians in Saskatchewan is consistent. Moreover provisions in this Bill will further promote the best possible care and treatment of our citizens. At the same time the Bill will strengthen the protection of the rights of practising physicians.

Mr. Speaker, I should like to remind the Members of this House that this Bill will be sent to the Committee on Law Amendments and delegated Powers. This Committee will be able to discuss the provisions of this Bill directly with the College of Physicians and Surgeons and the Saskatchewan Medical Association and any other interested parties. I shall keep my remarks brief because I know that the Committee hearings with the profession represented will be a more appropriate occasion for discussion of the implications of these amendments from the viewpoint of the medical profession.

The first amendment will make it easier for a physician



from Australia, New Zealand and the Union of South Africa to establish practice in Saskatchewan. The present legislation recognizes that where the skills of practitioners from these countries is comparable to our own, it is desirable that these foreign licenced physicians should be allowed to move to Saskatchewan, obtain a licence to practise and establish their practice in the province. However, the existing law also states that the Saskatchewan College of Physicians and Surgeons cannot grant a Saskatchewan licence to practise to these doctors unless a reciprocal arrangement with the counterpart organizations in New Zealand, Australia and the Union of South Africa exists. That is, we in Saskatchewan cannot accept qualified doctors in Saskatchewan from these other countries unless the other countries will sign an agreement whereby they will licence our doctors. The reciprocal licensing agreement is not particularly important and can be to the disadvantage of Saskatchewan in individual cases. A similar reciprocal provision was removed by the former Minister, you may recall, in 1967 with respect to the registration of British physicians.

Mr. Speaker, the second amendment provides for a legislative division of the Saskatchewan Medical Association and the College of Physicians and Surgeons. Throughout Canada, the desirability of having a legal separation between the functions of the Medical Association and the functions of the licensing body has been recognized. This amendment to The Medical Profession Act will bring Saskatchewan into line with the accepted method of medical professional organizations. You may know, Mr. Speaker, that the College of Physicians and Surgeons acts as a regulatory and licencing body of medical practitioners and through its functions the College protects the public. The Medical Association functions to protect and advance the interest of physicians. Clearly, these two functions may, on occasion, give rise to a conflict of interest and it is important that the associations are completely separated. The Saskatchewan Medical profession has recently taken steps to separate the two organizations, that is, the SMA and the College have become separated by their own actions. The amendment proposed in this Bill contains the legal provisions to facilitate the development of the two independent organizations.

The amendment to The Saskatchewan Medical Care Insurance Act which already has been passed in this House will ensure that the Saskatchewan Medical Association is able adequately to finance the costs associated with the negotiations carried out by the Medical Association. The negotiation of physicians' fees is one of the primary functions of the SMA. Membership in the Medical Association will be voluntary. However, all physicians who benefit from the negotiations carried out on their behalf by the Medical Association will be required to contribute toward the cost of these negotiations. The College of Physicians and Surgeons is the licensing body for the physicians in Saskatchewan and is able to collect fees as part of the requirements in obtaining a licence to practise. The College has a primary responsibility for maintaining the standards of practice in the province and for protecting the public interest through its licencing and disciplinary powers over practising physicians. The Medical Profession Act presently states that the physician is guilty of professional misconduct if he co-operates in the provision of health services with a person who is not registered under The Medical Profession Act whereby the patient requires professional discretion or skill.

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The third major amendment to The Medical Profession Act allows physicians to co-operate with professionals registered under other Acts of this Assembly which entitle the other professionals to provide services to the sick or to the injured people. The existing law could be used against a physician such as the radiologist or the pathologist who co-operated or provided a report, say to a chiropractor or an optometrist or even a dentist. The Members of this House have previously indicated their support for the citizens of the province who wish to use chiropractic services. This amendment will assist chiropractors in obtaining the best possible services for their patients.

The fourth major amendment in this Bill establishes an appeal tribunal to hear appeals by physicians from the disciplinary action taken by the College of Physicians and Surgeons. The discipline committee of the College of Physicians and Surgeons through the Council of the College has wide powers in disciplining members of the medical profession. This is the existing law and allows for an appeal from the Council's decision to be made to a judge of Court of Queen's Bench.

The establishment of an Appeal Tribunal will enable the appeal to be heard by a body which will have greater knowledge and background to adjudicate the issues under appeal. The Appeal Tribunal will have full authority to examine all the circumstances associated with a case.

Under the present law the Court of Queen's Bench is entitled to review the action taken by the Discipline Committee of the College of Physicians and Surgeons. This amendment states that the appeal will be a new trial. What appeared during the hearings of the Discipline Committee need not affect the hearings by the Tribunal or its conclusion.

The Appeal Tribunal will consist of a judge from the Court of Queen's Bench, a member appointed by the Minister of Public Health and a member appointed by the Dean of the College of Medicine of the University of Saskatchewan.

The provision of psychiatric services, Mr. Speaker, in Saskatchewan is different than other medical specialities. Most psychiatrists are employed in the Public Service. Because of this it is possible and necessary to recruit psychiatrists from many parts of Canada and the world, to practise psychiatry in Saskatchewan. The fifth major amendment to The Medical Profession Act provides for psychiatrists working in the Public Service to be licensed by the College of Physicians and Surgeons for the practice of psychiatry in Saskatchewan. The proposed legislation requires that the speciality qualifications be obtained in designated countries which are recognized by the Saskatchewan authorities as having suitable standards.

Because the psychiatrist is working in a Branch of the Public Service of the Province, in close association with other professionals, it is desirable that greater latitude be permitted in the licensing of these persons. A licence issued to a psychiatrist under this provision of the Act will be automatically cancelled when a psychiatrist ceases to be employed in the Public Service.

The final amendment to this Act would allow for graduates of the Canadian Medical Schools to provide service in Saskatchewan on a temporary basis even though the graduates are not yet

fully qualified to practice medicine. This amendment will clarify the authority to allow recent medical graduates to serve patients when practising physicians are on vacation or are otherwise unable to provide service. This will contribute to the continuity of patient service in Saskatchewan.

Where a recent graduate receives a temporary licence to practise under this provision of the Act, a fully licenced physician would supervise the work of the medical graduate. This amendment was proposed to the College of Physicians and Surgeons and is in line with the existing practices elsewhere in Canada.

Mr. Speaker, we hope that this amendment will have the effect of helping patients by making it easier to assure continuity of medical service, of helping practising physicians, especially those in solo practice and rural practice, by making it easier to provide alternative medical coverage for their patients for short periods of time, and of helping new medical graduates who are gaining experience in medical practice. And, finally, of helping Saskatchewan by providing one more incentive to retain or remain in Saskatchewan to serve our people.

Mr. Speaker, these are the basic amendments to this Act. I move that this Bill be now read a second time and referred to the Committee on Law Amendments and Delegated Powers.

**MR. G. B. GRANT (Regina Whitmore Park):**— Mr. Speaker, just a few remarks about this Bill. Generally speaking we are in agreement with it and I particularly appreciate the extension of the registration privileges, I think this is all pretty good.

The Appeal Board referred to by the Minister leaves something to be desired, I believe. He used the expression that these appeals would be dealt with by knowledgeable people. This depends on the people named to the Appeal Board and they could be all non-medical people, namely, a judge, one named by the Minister and one named by the Dean of Medicine. There is no stipulation that they are necessarily knowledgeable about the medical ethics.

This is a matter which can be discussed in Committee and I believe the College will be speaking in this regard. There is one entire section that I really can't see the purpose of it being included and I refer to Section 39 (a) where it is spelled out that the College of Physicians and Surgeons can't do certain things and I believe it was distinctly understood between the College and the Minister that they would withdraw from this area where they formerly participated, through the Saskatchewan Medical Association and would provide for it in their bylaws. I feel that Section 39 (a) is almost superfluous, bearing in mind that agreement.

The reference to psychiatry I believe is good. We have always had a little difficulty in the retention of psychiatrists here in Saskatchewan. The rate of turnover, I guess, is higher than in any other medical practice. Although the practice followed by the College up to the passage of this Bill has had some advantages in that quite a number of these psychiatrists, because of the strict requirements, did pass the necessary examination and improved their status while in Saskatchewan. But likewise I realize there were a good many who didn't bother to

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come to Saskatchewan, or only stayed here for a short time because of the strict requirements of the College of Physicians and Surgeons and this particular Act.

We will be supporting the Bill, Mr. Speaker.

**MR. SMISHEK:**— Mr. Speaker, just one or two questions that were raised by the Hon. Member, in case of Section 39 (a) the College and the SMA have reached agreement on the separation and the intent of the Bill is to establish the actual legal authority or provision for that separation.

In case of the psychiatrist I might advise the Member so that he might refresh his memory, why the section is really being proposed. At the present time while the College has granted permits to practise, the permit to practise has been for a period of two years only. Thereafter extensions from time to time were granted. It is described by the psychiatrists as the guillotine provision. I had a chance to meet with the profession to discuss this particular section and we have agreement between the Department and the physicians that this particular section is important.

In case of the Appeal Procedure you may be aware that Section 87 of the Act does provide that in case of a physician being disciplined he may appeal to the Discipline Committee for a review. He may ask the Minister to use his influence to have a Board of Arbitration established, but the Board of Arbitration can only be established providing the College agrees to establishing the Board of Arbitration. And then there is an appeal to the Court of Queen's Bench.

What is provided in Section 50 and 51, is to establish an expert appeal body in this regard. Now it is true it doesn't set out who must be named. There is one person to be named by the Minister, one by the Dean of Medicine, and the Chairman must be a judge of the Court of Queen's Bench appointed by the Chief Justice. We believe that this is a reasonable appeal procedure being provided. We shall be likely hearing more views from the College and the SMA on this when the Bill is considered by the Committee of Law Amendments.

Motion agreed to and Bill read a second time.

**HON. E. I. WOOD** (Minister of Municipal Affairs) moved second reading of Bill No. 120 - **An Act respecting Rural Municipalities.**

He said: Mr. Speaker, I appreciate the incentive of the House to allow me to proceed on second reading of this Bill.

I realize that the Bill has very recently - this afternoon - been laid on the Members' desks. Just this evening I have laid on the desks of the Members of the House a resume of the changes in the Act. This is a very thick Act and I would not expect the Members of the House would be desirous of reading it all the way through to compare it to the old Act to see what changes there were in it. So we have provided for some a summary of the changes and the additions to the Act. These four pages that have been laid on your desks will show the Hon. Members what the changes are in the Act. There may be some small changes in the wording besides these, but my staff has told me that these are the only changes that make any difference in

regard to the meaning of the Act.

I should like to say, Mr. Speaker, that the officials of the Department convened a meeting on February 11, 1971, which was attended by the members of the Executive of the Saskatchewan Association of Rural Municipalities, for the purpose of redesigning, updating and consolidating The Rural Municipality Act. Subsequent meetings were held on two occasions at which representatives of the Saskatchewan Association of Rural Municipalities and the Rural Municipal Secretaries Association attended and participated in the discussion on suggested changes in the Act.

This Bill is primarily a consolidation of the Act, but certain changes and additions to the old Act are proposed. These changes have been collated in a separate document to which I referred a minute ago, with a brief explanation on each section. A copy of this document has been distributed to each Member of the House.

We continued, even after the Bill was approved for printing, to discuss possible solutions to problem areas in the Act and during our review of the Bill in Committee I will be proposing a House amendment to amend the legislation which governs the sale of grain on which there is a lien for arrears of taxes. The proposed amendment will remove the need to prepare an elevator list and will place more responsibility on the producer when he is selling grain which is subject to a lien for taxes.

I do not feel that any of the proposed changes in this Bill are controversial because all of them have received the approval of the Saskatchewan Association of Rural Municipalities. I would suggest that any questions on the Bill could be better dealt with in Committee.

Motion agreed to and Bill read a second time.

### THIRD READINGS

HON. A. E. BLAKENEY (Premier) moved third reading of Bill No. 85 - **An Act to establish The Department of Culture and Youth.**

He said: Mr. Speaker, I asked that this Bill be held on third reading since I wanted to make a comment which I hope the House will permit me to make. I think it is germane and it is certainly topical and timely. I would like to make a brief statement in my dual capacity as - I was going to say Premier, but perhaps I should say President of the Council and Honorary President of the Saskatchewan Roughriders.

The youth section of the new department, of course, will not be directly concerned with professional sport. But we do hope it will be able to encourage the development of the kind of spirit and enthusiasm around amateur sport and recreation which characterizes that miraculous organization, the Saskatchewan Roughriders.

I say miraculous, Mr. Speaker, because it defines all the known laws of survival for professional football teams. How many times have we in Saskatchewan been told that we shouldn't be in the Canadian Football League. Ask any Easterner and he

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will tell you. He will say that the population is too small. He will say that Taylor Field is inadequate. He will say that there is not enough money in Regina to support a CFL team. He will say that we can't compete with the big city clubs for players.

Mr. Speaker, these people from Eastern Canada and from Vancouver, certainly in the past and I suspect again in the future, will say that there is no place in the league for the Big Green, it just can't work. That is what they say, Mr. Speaker, it just can't work. Except that in fact it does.

It works, Mr. Speaker, because the people of Saskatchewan want it to work and they make it work. The Roughrider organization is a community organization, and the people support it in good years and bad at the box office, in fund raising affairs and along coffee row. And many prominent citizens of Regina have given many, many hours and days to the affairs of the Saskatchewan Roughriders.

I won't single out any of them, but I would mention now the Member for Lakeview, Don McPherson, who has been a consistent and exceedingly valuable supporter of the Saskatchewan Roughriders for many years.

Mr. Speaker, we don't call them Saskatchewan Roughriders for nothing. They draw support and good will from all corners of this very large province. So as the Roughriders embark on another season in the Canadian Football League, I invite all Members to join me in wishing them well and in urging the people of Saskatchewan to continue their unflagging support for this truly provincial football team, the Saskatchewan Roughriders.

**SOME HON. MEMBERS:** Hear, hear!

**MR. BLAKENEY:**— We look forward to a successful season, in fact we look forward to seeing the Roughriders at the Grey Cup.

**SOME HON. MEMBERS:** Hear, hear!

**MR. D. M. McPHERSON (Regina Lakeview):**— Mr. Speaker, I should like to thank the Premier for the very kind words about a football team that we are all proud of in Saskatchewan. I have been connected with the football club for 23 years. I joined the executive in 1949 and I have been on the management committee ever since that time, having been president for two years and being very interested in football.

I might say to the House, Mr. Speaker, that we were formerly called up until 1951 the Regina Roughriders, but we decided, and wisely so, to change the name to the Saskatchewan Roughriders, and this we did. We have had help and fans from all over Saskatchewan. Fans have bought season tickets from up as far as Prince Albert and come to every game and from all areas of the Province. I might say for the House, Mr. Speaker, that the Roughriders have been in football longer than any team in Canada, we started in Regina in 1903 and have been going ever since. A fact that is not known to many, in the early years we travelled many times to play the Grey Cup and we have been to the Grey Cup more than any football club in Canada. This is

something that is not recognized too many times.

**SOME HON. MEMBERS:** Hear, hear!

**MR. McPHERSON:**— We have had junior football players come up through the ranks in Saskatchewan from many small towns, playing high school football, then coming on to join the Saskatoon Hilltops or the Rams and then eventually taking scholarships to come on to play with the Saskatchewan Roughriders. We have had a lot of Canadian players that have come from Saskatchewan and they have really been the backbone of our football club. It is truly a Saskatchewan team as far as the fans are concerned, and as the Premier said, it is remarkable how we keep going on year after year. We have seen a few lean years, Mr. Speaker, when we have lost quite a bit of money. All in all over the years with the tremendous support we have had and the way the league is going, we have come through and our team is in good financial condition at this stage and we are very happy.

Among all teams in Canada, I would point out, that the Saskatchewan Roughrider team draws more fans to the other ball parks in Canada than any of the other eight clubs and this is another record for Saskatchewan.

**SOME HON. MEMBERS:** Hear, hear!

**MR. McPHERSON:**— We hope to sell this year, Mr. Speaker, Mr. Premier, some 9,000 season tickets, this we have set out on a goal to do, and I am quite sure we will.

Mr. Speaker, I again should like to thank the Premier for his very kind words about a football club that is very dear to my heart and very dear to all the people of Saskatchewan.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:**— Now that we have had the comments on this Bill, I wonder if one of the Ministers will move third reading. Third reading has not been moved yet.

**MR. BLAKENEY:**— Good point, Mr. Speaker. I move third reading of Bill No. 85, an Act to establish the Department of Culture and Youth.

Motion agreed to and Bill read a third time.

## **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. J. C. McISAAC (Wilkie):**— Mr. Speaker, a day or two ago when we adjourned debate on this particular Bill I had referred to the comments of the Member for Regina North West (Mr. Whelan). At that time he had spent a few minutes in the course of his speech eulogizing the

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people and the author, the originator of the idea. I believe he suggested to the House that the idea and the concept went back 30 some years. Well I am sure that the Members opposite, didn't go back 38 years for this particular idea. But I wondered at the time if many Members of the House realized where the NDP did get this idea of a Land Bank from. As a matter of fact, I should like the Attorney General to tell us, I'd like to see him in the debate later on here. They got this idea and the concept, Mr. Speaker, from that same Federal Task Force Report that they have talked about so often in this House, the Task Force Report that was supposedly to reduce the number of farms in this Province and across Canada. One of the measures suggested in that Task Force was the implementation of a Land Bank. Here from the very report that they have condemned so highly, so often and so many times in the House and around the Province, they take this suggestion, bring it in as a great new thought of theirs.

One of the objectives of the Land Bank Bill that has been espoused, certainly more so before the election than afterwards, it has been stated that the Land Bank Bill will be a very effective means of facilitating land transfer from father to son. Oddly enough in the course of the debate to date on this legislation, Mr. Speaker, Members opposite haven't been referring particularly to this particular aspect of it. Instead, we have listened to Members give us illustrations and examples and figures to indicate what a great advantage and what a wonderful thing it is for a young farmer to lease a piece of land and lease it from the Government for the rest of his farming life. In this respect, Mr. Speaker, I am convinced, that this legislation when implemented, and I have no doubt the Government opposite will implement it, will result, not in an increase in the number of family farm units, in Saskatchewan, it will result in a decrease in the number of family farm units operating land in Saskatchewan. It will result initially in dozens of older farmers seeking to sell their land to the Commission and I will guarantee you, Mr. Speaker, that there will not be a comparable rush of younger farmers to engage in farming. Initially, of course, I think the Government, I am sure, realizes that much of the land that will be offered to the Commission will not be the prime land of the province. It will most likely be the land that for one good reason or another, the present owner is experiencing some difficulty in selling. This certainly will be the kind of land, the type of land generally that will be offered to the Commission and I have no doubt that the Commission will be proceeding to try to negotiate to purchase. Therefore, for any Member opposite to suggest that the Land Bank will increase the number of family farm units in rural Saskatchewan is nothing short of pure nonsense.

The preservation of the family unit in rural Saskatchewan is an objective that most certainly is supported by the Liberal Party. As I mentioned, one of the particular problems in this objective is the transfer of land from father to son. We are all familiar and all well aware, both sides of the House, regardless of political stripe of the high cost of credit, of the increasing cost of retiring parents to live off of the farm, of the kind of down payment that is required by the Federal Farm Credit Corporation. I am sure again that practically any Member, particularly the rural Members, know of people who sold their land eight, ten maybe even five or six years ago and moved to the local town or the local community, or perhaps Saskatoon and today are finding themselves in financial trouble due to



inflation and due to the rising cost of living.

In the election campaign last year, Mr. Speaker, I think many people accepted the NDP promise of a Land Bank as some magical solution to this problem of father-son transfer. Now the Minister, and I regret that he isn't here this evening, had a number of very large meetings around the province. Many people attended, I personally wasn't able to attend, but I certainly did talk to many people who were at those various meetings. I can tell him if he hasn't realized it himself that most of those attending came away disillusioned and disappointed. In no way was the kind of meetings the Minister had around the province the kind of consultation that he should have had with farming people of this Province.

One of the major disappointments, one of the major disappointments of the many hundreds of farmers who did attend those meetings was the fact that the proposed Land Bank scheme did not in fact help in any way the father-son transfer. That was certainly one of the major disappointments of the people who attended those meetings. They learned it was going to be a two-stage process, father to Land Bank, yes, at the price the Government wished to negotiate; but Land Bank to son, perhaps possibly, five years down the road, providing the son paid a high cash rent, providing he behaved in accordance with dozens of regulations, many of which we don't know about yet - they were left to Cabinet to bring in later - providing the son doesn't offend the local land committee, the chairman of the local land committee, providing he pays his compulsory crop insurance, providing he keeps his local tax paid. At the end of that five-year period, the Government would consider allowing the son to buy the land. Well, Mr. Speaker, those prospects are not good enough for the average farmer of Saskatchewan and the average young farmer of Saskatchewan, who is interested in taking over his father's farm. As the Member from Regina North West (Mr. Whelan) put it so well, that just hasn't been the kind of tradition upon which agriculture has been built in Saskatchewan. The Commission may or may not agree to his request to buy that land at the end of five year's time. They have ultimate power in this regard, there is no question about that as I read the present Bill.

When he does have that option if it is decided that he should receive it, what will he pay for the land? First of all, he will have to pay cash. Will he pay the same price the father received for his land, Mr. Speaker? Not necessarily, not necessarily. He will pay the going price at that time. There is every likelihood and Members opposite must be well aware of this, that the price at that time will in all likelihood be higher than the price his father or his parents received for that land five years previous, if for no other reason, we are going to see some continuing inflation, no government as yet has been able to stop it.

Mr. Speaker, if the Government really wants to facilitate land transfer from father to son, they would allow the son to buy that land immediately and begin making payments on behalf of eventually owning that land, particularly if it was his parents' farm, particularly if it was the boy's father's farm that he was buying. The Government will find out if they haven't already, that this most certainly is still the wish of Saskatchewan farmers, they want to own their own land. Not only that, but the pioneers of Saskatchewan who are now wanting to

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retire, wanting to sell that land, whether they take cash or take an annuity, whether they head for the local community or head for the larger cities, they will not want to sell their land to the Commission with no assurance whatsoever that their son is indeed going to be able to buy it and own it and eventually take it over and operate it. This, I think is one of the basic reasons, Mr. Speaker, why the Land Bank will not do what the NDP speak so piously about, namely be the great vehicle for transferring land from father to son.

If the Government was really sincere in this regard in facilitating effective land transfers then there would be no simpler method than the idea and the suggestion proposed in this House and this debate earlier, and in the Throne Speech Debate by the Member for Morse (Mr. Wiebe). Very simply, Mr. Speaker, that idea asks the Government to guarantee the credit of the son to the Federal Farm Credit Corporation. The Member for Cannington (Mr. Weatherald) in his remarks amplified that suggestion to a very excellent degree. I might only add here that we are not talking about setting up another provincial farm credit corporation, as I gather some Members opposite concluded, not at all. We are talking about using the existing personnel, the existing field staff offices and so on of the FCC. But as I say because the Government opposite will not proceed in that direction, Mr. Speaker, we are left with one conclusion in this regard with respect to the Land Bank, and that is that the Blakeney Government, the NDP Government opposite is more concerned about state ownership of land than they are about transferring land from father to son. I am convinced they are more concerned about nationalizing land than they are about transferring it from father to son. They are more concerned about the pipe dream of a handful of urban dwelling wafflers than they are about the farmer on the "back forty" in this Province.

**SOME HON. MEMBERS:** Hear, hear!

**MR. McISAAC:**— They are more concerned about NDP Cabinet power than they are about horsepower or farmer power. I think this Bill, Mr. Speaker, is another illustration of the kind of powers we have seen a number of illustrations of being taken onto itself by the NDP Cabinet. Here we have waited for weeks during the course of this Session for the Bill, for the legislation to see the details, to see how it will work, to see how it will apply to the people affected, the seller, the lessee and how it will apply to various sectors of farming in the province, and we still do not know. We still do not know the details, the working sections of the Bill, I think about a dozen or more sections are still left to Cabinet regulations.

Mr. Speaker, I want to say this that as far as I am personally concerned, I am in favor of a Land Bank scheme that would buy and sell land of older farmers wishing to retire, providing that the Government would immediately turn that land over to young farmers wishing to begin operations or to farmers on smaller holdings who wish to expand their operations. If indeed the Land Bank would assist the father-son transfer which it won't, I would be supporting it. Because, Mr. Speaker, the scheme doesn't really tackle the problems of the family farm operator in Saskatchewan, because it doesn't do any of the things that the Federal Land Bank proposal in the Task Force Report originally suggested, it doesn't do any of the things,

Mr. Minister, and because it instead as I read it, proposes only to begin a state land scheme, I will most certainly be opposing the motion.

**SOME HON. MEMBERS:** Hear, hear!

**MR. D. CODY (Watrous):**— Mr. Speaker, it is with a great deal of pride that I rise in this debate this evening. I am proud because we in Saskatchewan again are pioneering the field in progressive legislation.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— We in the New Democratic Party are again fulfilling a promise to the electorate of this Province.

I was quite interested in some of the remarks from the Hon. Member from Wilkie (Mr. McIsaac) and I take his remarks differently than a lot of the other Members because I know about 80 per cent of the Hon. Member's constituents, which helps.

First of all he says that the idea of a Land Bank is set out in the Task Force Report. Well I can assure the Hon. Member from Wilkie that if the Land Bank scheme is the same kind of a Land Bank scheme that Otto Lang is trying to set up we don't want any part of that or any part of the one that's in the Task Force Report.

He also went on to say that we are going to have a decrease in farmers by the Land Bank scheme and he says, "I'll guarantee you have a decrease in farmers." Well, I don't know how big of a decrease we'll have and I am very doubtful that we will have any kind of a decrease which is anywhere near the same kind of decrease we just saw in a Moose Jaw report. There is no possible way that you could have a worse decrease than that.

Another thing he says is about the Land Bank meetings that were held by the Hon. Minister of Agriculture (Mr. Messer). He says, I don't know of a person who went out of these meetings who wasn't disillusioned. I don't know of one and I know of dozens of people from your own constituency, Mr. Member from Wilkie, who were at the North Battleford meeting and whom I spoke to from Wilkie, Unity and Handel and Leipzig, towns which are loaded with Liberals and there isn't a one whom I spoke to that said he didn't favor what they heard that day.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— He also went on to say that . . .

**MR. McISAAC:**— Now I know why you left.

**MR. CODY:**— You never know with the new boundaries I might be back.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— He went on to say that he would rather see the Government guarantee credit to the son for transfers of land.

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Well we have that very thing happening today and what do we see, we just have the sons of rich farmers who are able to be guaranteed. How do you think I, as a farmer, could have started with my father owning a half section of land? He couldn't guarantee anything. He didn't have the money to guarantee anything. The province couldn't guarantee anything because he didn't have anything and as a result there was no possible way and it would only help the man who already is large. There is no question in my mind about that.

Mr. Speaker, as I travelled throughout the constituency during the election campaign if there was any one thing which could be signalled out during the election campaign of 1971 that was significant in the minds of the people of the Watrous constituency, it was that we were going to have a Land Bank Commission. The people were proud and the people of the Watrous constituency spoke loud and clear and with enthusiasm endorsing this new progressive piece of legislation. They said so before the election, they said so at the election and they say so now. And they say with clarity that it was time that we had a government with foresight and imagination to bring forward the kind of legislation which will truly enhance the position of the family farmer.

Mr. Speaker, I think really what we just heard before and what we heard for the last three or four days, in my mind, is sheer hypocrisy. There is no question about it. When Members of this House oppose the Land Bank Commission on one hand and say they are protecting the family farmer on the other hand, there is no possible way that you can do that. Any Member of this House, in my mind, who does not support this Bill stands condemned in the eyes of the farmers of this Province.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— It shows that they have no commitment to rural Saskatchewan and I really think that they should go out and resign their seats. That's really what they should do. They should resign their seats so that their constituencies could be represented by a person with some feeling for rural Saskatchewan.

**MR. LANE:**— Call an election then.

**MR. CODY:**— I'd resign my seat and run against you any time. Mr. Speaker, it is the same tired out old big business dominated Party which has opposed every progressive piece of legislation ever to come to this Province, that we have been seeing in the last two or three days.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— In the 1930s when the Wheat Board was formed the old Liberal self-centred Party said, you can't do this to the farmers, what are you doing to us now? This is Communism, that is compulsion, that is dictatorship. They said you will destroy competition. The farmer would soon lose control of his farm. The same words as we heard the other day. The same old tired-out slogans that are being echoed in this House again today.

In 1947, what did we hear when automobile insurance was introduced? There was a furious cry by the Liberal Party.

**MR. McISAAC:**— Tell us about the Land Bank.

**MR. CODY:**— We don't have to tell you about the Land Bank. You heard it all the other day. How many times do you people have to be told? We are just telling you that you are the same kind of Liberal Party we knew in this Province for a hundred years. You oppose everything that is progressive.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— In 1947 when The Automobile Accident Insurance Act was being introduced there was a furious cry by the Liberal Party of compulsion. "The communists are here," they said. "They are taking over all the businesses." I have a clipping here from the Leader-Post, February 26, 1946. One of their great friends at that time, I didn't know the gentleman, whether I should say fortunately or unfortunately, I don't know . . .

**MR. STEUART:**— What's his name?

**MR. CODY:**— A fellow by the name of Mr. Proctor. He goes on to say, "An example of socialistic paternalism and socialistic class discrimination which opens the field for the most vicious interference and political influence." Identical words said by the Hon. Leader of the Opposition (Mr. Steuart) the other day.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— Regina Leader-Post, April 3, 1946. What do they say here? "Insurance Act graft." The title is purely misleading. It sounds just like the Hon. Member from Albert Park (Mr. MacLeod). He said, "You're misleading the public by this kind of title." Yeah, same words, same outfit, same place. What do we have then? 1960, during the election campaign when the CCF Party included in its platform a prepaid medical care plan, just like the New Democratic Party did in 1971 with the Land Bank Commission, we heard the same cries from the Liberal Party as we hear today. And I have a clipping here from the Prince Albert Herald, Prince Albert Daily Herald, dated Thursday, February 25, 1960. A Member who still sits in the House, unfortunately not too often but he is still with us occasionally, the Member from Prince Albert West (Mr. Steuart) and the headline says "Criticizes CCF for methods of handling Medicare Plan." And what does he say in this article when speaking at a house meeting of local Liberals. He said, "The CCF would be ramming state medicine down the throats of the majority of the people whether they liked it or not." Exactly the same words he used the other day. He said, "You are going to ram the Land Bank Commission down the people's throats whether they like it or not." Same speech. He used the same phrase the other day as I just mentioned. He said another little phrase that he seems to always bring out. You'll never forget it. He says in the same article, "Medical Care Plan an ill-conceived scheme."

**SOME HON. MEMBERS:** Hear, hear!

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**AN HON. MEMBER:**— That's new.

**MR. CODY:**— 1960 to 1972, 12 years and they are still on the same old kick.

Mr. Speaker, the Hon. Member sat on this side of the House for seven years. Why did he not get rid of these ill-conceived schemes he was talking about? Why did he not turn around and say to the people of Saskatchewan, "The CCF rammed this state medicine down your throat, we are going to give it to you in another way. We are going to give you an opportunity to opt out. We are going to give you an opportunity to say whether you want it or not." No, Mr. Speaker, he didn't do that, he knew at the time that the plan was good and he knows it now and the same thing will happen with the Land Bank Commission. They'll never go back to the people and say we can't have it.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— He knows today, just like he knew in 1960 that the plan which we have is a good plan for the farmers of this Province. And if we should ever have the misfortune of having this group on this side of the House, he won't touch the plan. He won't touch the plan just like he didn't touch Medicare, just like he didn't touch automobile insurance, just like he hasn't touched any progressive piece of legislation which was brought in by the socialist.

Mr. Speaker, the people of this Province are tired of that Liberal party and their old slogans. They are tired of the Liberal Opposition saying, this is a land grab scheme, that it is a scheme to communize all farm lands. They are tired of you people and it is about time, it is about time that you listened and found out you can't operate that way. We showed you on June 23rd you couldn't operate that way and we'll show you in every successive four years until kingdom come, I am sure.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— I don't know how long we'll have to listen to this kind of garbage, to be very honest with you. Surely by now the Opposition should know these old tactics don't work. It didn't work in 1947, it didn't work in 1962 and it won't work in 1972.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— Mr. Speaker, in the RM of Bain in the centre of the Watrous constituency . . .

**MR. FARIS:**— Surrounding Bruno.

**MR. CODY:**— . . . surrounding Bruno. We have 245 farmers who have an average land size of three-quarters each. The largest farmer in this district is 10 quarters. And we have only 6 farmers this size. It is a known fact that three-quarters of land, as I have heard Members say, is not a viable situation in today's society. Now in order to make the farmers of this RM reasonably viable, let's say at four-quarters, we'll be giving

them one-quarter of land each, approximately 125 of these farmers will have to obtain one more quarter of land to be in a position where they can continue farming.

**MR. McISAAC:**— What are you going to do, make the RMs bigger?

**MR. CODY:**— What we are going to do is make the Land Bank operate like you don't want it to.

**SOME HON. MEMBERS:** Hear, hear!

**MR. CODY:**— The Land Bank, Mr. Speaker, will do this job. If we do not have this scheme this area will be literally wiped out. And I ask the Liberal Party across the way, Mr. Speaker, if this is what they want. Is this really what you want, to wipe out another 125 farmers in a matter of two townships?

**MR. McISAAC:**— You want to wipe out Bruno.

**MR. CODY:**— Man! I have never seen anything like it.

Mr. Speaker, obviously there is far more to say about this Land Bank Commission, this Land Bank scheme, this progressive legislation and for that reason I beg leave to adjourn the debate.

**SOME HON. MEMBERS:** Hear, hear!

Debate adjourned.

The Assembly adjourned at 9:11 o'clock p.m.