

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Third Session – Seventeenth Legislature**  
**60th Day**

**April 18, 1973.**

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

**WELCOME TO STUDENTS**

**Mr. Mostoway:** — (Hanley) Mr. Speaker, I should like to welcome to this House, a group of approximately 50 High School students, 25 of them from Drummondville, Quebec, and 25 from Clavet, Hanley, Colonsay and Allan schools in the Saskatoon East School Unit.

I should also mention that the students from Drummondville are here for an exchange visit made by the Saskatoon East School Unit students during the Easter Break. From what I have heard from our students who visited Quebec in this exchange, our students were treated royally and enjoyed their visit very much.

Mr. Speaker, such exchanges of students do much good in the promotion of true Canadianism and understanding in this country. In this regard it is my hope that all students from Quebec and also from Saskatchewan enjoy their visit to our Capital City today. And a special greeting to the Quebec students who, I hope, are having a pleasant and interesting visit to their sister province.

Accompanying the students today are Mr. and Mrs. Chaput from Drummondville and Mrs. MacIntyre and Mr. Holizki from the Saskatoon East School Unit.

And if I may be excused, Mr. Speaker, I should like to try my hand at some Western Canadian bilingualism. Here goes:

Les eleves et les accompagnes de Drummondville qui les accompagnent, je veux vous adresser quelque mots de bienvenue a notre Legislature en francais.

**Hon. Members:** — Hear, hear!

**Mr. Mostoway:** — J'espere que votre sejour ici sera tres agreeable.

**Hon. Members:** — Hear, hear!

**Mr. Thibault:** — (Melfort-Kinistino) Je voudrais vous donnez quelque mots en Canadien. Comme mes parents vienne de la province de Quebec je veut dire aux eleves de Drummondville, bonjour. Ca me fait plaisir d'avoir des visiteurs de la belle province de Quebec. Merci.

**Hon. Members:** — Hear, hear!

**Mr. J. G. Richards:** — (Saskatoon University) Monsieur. Avant qu'on commence les affaires du jour, je veux ajouter mes salutation aux étudiants qui sont ici du Quebec.

Les questions des rapports entre nos governments et les contacts qu'on arrive a avoir avec les gens des autres provinces

April 18, 1973

et un subject très sérieux. Notre pays et entrain de s'effondrer; il n'y'a pas de contact, pas de vrai contact entre les citoyens des diverses province de notre pays. Et à moins que nous voyageons plus, a moins que nous nous parlions l'un et l'autre, bientôt il n'y'aura plus un Canada. Ca serait un evenement pas tragique, mais triste. Ca voudrait dire la disparition de notre essai de creer une société independante, le disparition de ce que nous avons acheve ensemble dans cet immense pays.

Avec le voeu qu'il y aura toujours un Canada et que nous ne nous diviserons pas et que nous ne deviendrons pas une colonie de l'Amerique, je souhaite is bienvenue aux étudiants du Quebec.

**Hon. Members:** — Hear, hear!

**Mr. D. G. Steuart:** — (Leader of the Opposition) Mr. Speaker, for those who don't understand the second language as well, we just nationalized the potash industry.

**Hon. Members:** — Hear, hear!

**Mr. Steuart:** — I should now like to say Welcome to our visitors in the other official language of this House. Sure and begorra you are welcome!

**Hon. Members:** — Hear, hear!

## STATEMENT

### Land Bank Transfers Misleading

**Mr. R. Romanow:** — (Attorney General) Mr. Speaker, before the Orders of the Day I wonder if I might be permitted to make a short statement and correct what might be some misleading statements made by myself and some wrong interpretations in respect to the matter of Land Bank transfer fees and the like. This was raised by the Leader of the Opposition (Mr. Steuart) in the question period yesterday.

Particularly, Mr. Speaker, I should like to relate my comments to a newspaper story in the Saskatoon Star-Phoenix which says, "Land Price Registration Discontinued, Says Romanow."

Mr. Speaker, on a transfer there are two declarations. One is called an affidavit of value. This is a requirement of the Act and forms the basis of the assessment of fees for registration of a transfer. That is to say the affidavit of value is an affidavit of the buildings and the improvements and is an opinion and it forms the basis of land title's fees that we would charge with respect to the transferer or the transferee.

A second aspect of a transfer is true consideration. An affidavit of true consideration is required under the Land Title's Act and is related initially to earlier succession duty legislation which was suspended in 1947. The Section is still relevant however today for administration purposes. It is relevant for the purpose of new provincial gift tax, gift duty etc.

The requirement for true consideration is not relevant to a disposition by a corporation so that a transfer by a corporation does not require an affidavit of true consideration. Therefore, Mr. Speaker, there are two parts – the affidavit of value and the affidavit of true consideration.

Now what was the practice prior to April 1, 1973? Prior to April 1, 1973 the Land Bank did not swear out the affidavit of value, but swore out the affidavit of true consideration, the actual price paid. The reason for that was that it was difficult to break down into separate value – in some cases, fairly significant or large purchases of land – two quarters, three quarters or whatever.

Now the practice after April 1, 1973 which was the subject of the Leader of the Opposition's questioning was that the Land Title people now require the Land Bank to take the affidavit of true value. Nothing is changed after April 1st or before April 1st as to the affidavit of true consideration.

If I can back up. Prior to April 1st the Land Bank took the affidavit of true consideration, which is the actual price paid, but did not take the affidavit of value, which is as I have said only of consequence because we charge land title fees.

After April the Land Bank still swears out the affidavit of true consideration, i.e. the price paid. But now we are asking them on top to swear out the affidavit of value, which is for our purposes of land title fees, insurance funds and the like. We didn't ask that prior to April 1st. We are now asking it since April 1st.

So that the practice in the Land Titles Office in the future and as of April 1, 1973, is that the Commission will supply a statement both as to true consideration and as to the value of the land, in the same way as everybody else.

In other words, there is no change in policy here with respect to the Land Titles Office, as it may related to any other transfers in any other normal operation.

I should reiterate again, that an agency of the Government will be charged no fees for the actual land title transaction and that is simply because of the explanation that is paid from one pocket to the other.

I am sorry if there was anything misleading. It was unintentional to the Members in Committee or during the question period yesterday. The answer is that there is no change. The practice remains true consideration and affidavit of value and I would like to clarify it on that basis, Mr. Speaker.

**Mr. D. G. Steuart:** — (Leader of the Opposition) Mr. Speaker, I want to clarify this. I am sure the Minister made it clear but I want to make sure that I understand it as a layman now.

Does this mean that if we go to the Land Titles Office we will be able to get the information of exactly what the Land Bank paid for the land as of all those deals registered after April 1st.

April 18, 1973

**Mr. Romanow:** — Everything before April 1st.

**Mr. Steuart:** — Everything before April 1st. So in other words, every land bank transaction is registered in the Land Titles Office and we will have what the Land Bank paid for the land, true consideration, which we can get with normal search.

**Mr. Romanow:** — Yes, Mr. Speaker, that is the information, the best information that I can get from the officials of the Land Titles Office and I trust that their advice to me is accurate in this regard and complete.

I am advised and to repeat again, that only the affidavit of value was not taken before April 1st, and after April 1st the affidavit of value will be taken. True consideration remains unchanged.

**Mr. J. G. Lane:** — (Lumsden) Mr. Speaker, would the Minister then permit a question?

We will have the affidavit of value, the affidavit of true consideration, why not then simply give us the information we requested?

**Mr. Speaker:** — Before I recognize the Hon. Member I should like to make a point on this.

This was, I ruled the other day that a topic raised in Committees, whether in Crown corporation, Public Accounts or any other Committee, things that take place in Committee should be raised when the Committee makes its final report. And to have discussion on debates that take place in Committees on the Orders of the Day becomes irregular and I hope we don't make this a practice.

When a Minister rises to make a statement on the Orders of the Day referring to what happens in committees it does put us in a difficult position in order to follow the rules.

## QUESTIONS

### Signing of Agreement with Roumanians

**Mr. G. B. Grant:** — (Regina Whitmore Park) Mr. Speaker, before the Orders of the Day I should like to direct a question to the Minister of Industry and Commerce (Mr. Thorson).

I heard a rumor that the Roumanians are coming and I was wondering if the Minister could tell us whether any agreements have been signed with the Roumanian interests and the general nature of such agreements.

**Hon. K. Thorson:** — (Minister of Industry and Commerce) Mr. Speaker, I haven't heard those rumors. I have said before that when we have some news, some reliable information, which should be made public I will certainly make an announcement.

In the meantime I prefer not to encourage those who wish to speculate about what may happen in the future.

**Mr. Grant:** — Mr. Speaker, I really don't think the Minister has answered my question. He hasn't indicated whether there are any agreements signed or not.

**Mr. Thorson:** — Mr. Speaker, nothing has changed since I last reported on this matter in this Assembly.

**Mr. Grant:** — A supplementary question. Is the Minister prepared to table any agreements that existed at the time of his original statement?

**Mr. Thorson:** — No, Mr. Speaker. The last time I reported I indicated that there would be further negotiations. Those negotiations are still going on.

## ANNOUNCEMENTS

### Order of Canada Appointments

**Mr. I. W. Carlson:** — (Yorkton) Mr. Speaker, before the Orders of the Day I should like to draw to your attention and to the attention of the Members of this Assembly, that Dr. J. Milton Bell from the College of Agriculture, Animal Science Department at the University of Saskatchewan has been appointed an officer of the Order of Canada.

This award recognize Dr. Bell's outstanding service to Canada in the field of agriculture research, specifically in his research on rapeseed.

The presentation was made by the Chancellor of the Order, Governor-General Roland Mitchener.

We, in Saskatchewan, should indeed be proud to have people of Dr. Bell's caliber contributing to our agriculture economy.

**Hon. Members:** — Hear, hear!

**Hon. R. Romanow:** — (Attorney General) Mr. Speaker, I should like to join the Member from Yorkton, Mr. Carlson, in also congratulating Dr. Bell.

Also I wish to draw to the attention of the Members of this House that Chief Jim Kettles of Saskatoon was made a Member of the Order of Canada at the same time as Dr. Bell's investiture as an Officer.

Members of the House will know that Chief Kettles came to Saskatoon some time ago from his native city and province, Ottawa, Ontario, and has served as Police Chief in the city of Saskatoon ever since coming to Saskatchewan.

**Hon. Members:** — Hear, hear!

## SECOND READINGS

Hon. N. Byers (Minister of the Environment) moved second reading of Bill No. 100 – An Act respecting the Regulation, Control and Prevention of Litter.

He said: Mr. Speaker, in rising to comment on the Bill, The Litter Control Act, I will confine my remarks to English. Whenever I attempt to speak French I usually get the emphasis on the wrong syllables and I am not very well understood.

When the Department of Environment was established last May, we asked the Department to develop a program to come to grips with the litter problem in this province.

This Government, in outlining its program to the people, indicated its concern for litter and promised to take certain measures to reduce the problem. I am confident that all Members of this Assembly recognize the need to take positive action. Because I think as we drive about this province it is obvious that some of us are very careless about the way in which we dispose of our wastes. Litter is more than just an eyesore. Litter in some forms can be a hazard to the health of our citizens, to animals and to machinery.

In order that we design a litter control program that would be adequate to meet the needs of this province, a number of steps were required.

Last summer three students were employed by the Department of the Environment to conduct a litter survey across this province to determine what are the major types of litter along our roadsides and in our communities. The results of the survey have been most enlightening. The students found that paper is the dominant form of litter in our communities and along our roadsides. In residential districts paper accounted for 70.5 per cent of the litter. In business districts or commercial districts, paper accounted for 78.4 per cent of litter. Along our paved and oiled highways, paper accounted for 45 per cent of litter. All of these statistics were determined by actual piece count.

My officials tell me that no absolutely satisfactory method has been developed to measure the impact of litter. In the absence of a definitive means of determining impact, they settled upon the piece count method for comparison purposes. I believe that it is significant that paper was a much smaller proportion of litter along our highways. Along the highways, glass accounted for 38.7 per cent of litter compared to 7.9 per cent and 7.5 per cent in residential and commercial districts, respectively. Because beverage containers are an obvious eyesore and menace along the highways my officials attempted to determine which types of beverage containers contributed to most of the problem. It should come as no surprise that beer bottles were the most significant, accounting for 35.7 per cent of beverage containers along our highways. What was surprising was that soft drink cans accounted for 34.9 per cent of beverage containers found along our highways and refillable soft drink containers accounted for 22 per cent. I'm sure that all Members of this Assembly will agree that such waste is an obvious symptom of a throwaway society. Such waste represents a cost to all consumers of beverages. Not only do we deface our environment, but we waste

our resources, our energy and our money in the process.

Because the litter survey revealed that beverage containers are only part of the litter problem my officials drafted legislation which provided penalties for all forms of littering. Further, we spent considerable time examining what is being done in other provinces to control litter. Of particular interest is the program in Alberta where deposits are charged on every beverage container. All beverage containers can be returned for refunds to depots. While it is perhaps too early to judge the success of that program in controlling litter, there are certain observations which can be made. After the initial surge into established depots, the number of depots has decreased. Depots are now being established on the edge of town and line-ups are common. All containers are not being recycled, but this is still an objective which may be achieved. No effort has been made to measure the effect of the program on the extent of litter.

We were also interested to note that in the Province of Ontario a committee is considering several alternative means of controlling the litter arising from the beverage industry. Among the alternatives being considered is the idea of a ban on non-returnable cans bottles. We know that there is some strong pressure for such a ban in the Province of Quebec. The strongest voice in support of the ban in Quebec comes from the bottlers of soft drinks. Here in Saskatchewan our Government is in receipt of representatives from the bottlers of soft drinks recommending a ban on the use of non-refillable containers for all beverages, except milk.

Reports from the State of Oregon indicate their Act to control the use of bottles and cans is working well. In that state snap-top cans are banned, as are non-refillable bottles and the five-cent deposit and refund system has been applied for all carbonated beverage containers.

In April of 1971 this Assembly gave unanimous support to a bill to establish The Litter Control Act, 1971. Members on both sides of this House acknowledge that the Act was designed to attack only one aspect of the provincial litter problem, namely, beverage containers.

The Bill before the House today, Mr. Speaker, attempts to come to grips with the litter problem in the broadest sense. We recognize, however, that legislation is only one means by which the people of Saskatchewan can resolve this blight upon our countryside. If our litter control program is to be successful it will require the co-operation of individuals, organizations and Government. The Bill provides for substantial fines for those thoughtless members of our society who may continue to litter. The level of fines is similar to those provided in The Litter Control Act, 1971, but we have removed the provision for imprisonment for littering. We believe that to imprison a person for littering is extremely harsh.

However, the Bill suggests a new form of penalty that may be used by the courts. I am told that the students who conducted the litter survey last summer formulated some very strong views on litter. I believe that all persons who litter should be given an opportunity to learn first-hand about the cumulative effect of the mindless deposit of waste. Therefore, this Bill provides that the court may require a person to clean up all

litter in a prescribed area. We believe that this will have very beneficial effects in terms of creating an anti-litter conscience in the minds of some members of the public.

The Bill also provides a specific response to litter arising from the beverage industry. We believe the Bill establishes certain desirable principles that will be followed through as our control program is implemented. First, we believe that wherever possible, governments should take action to encourage the use of refillable containers. On way packaging is an expensive and needless waste in terms of the beverage industry. Based on our discussions with the soft drink industry, it is estimated that packaging costs of one-way containers are twice that of using refillable containers. Secondly, the Bill establishes the principle that a person may return refillable containers to the place of purchase and receive a cash refund. A vendor will be required to accept only those types of containers which he sells. Regulation will be passed fixing a limit on the maximum number the vendor must accept from any person in any one day. We do not believe it is reasonable to expect the corner store to accept a truck load of empty containers. More properly those trucks should go to the bottling plant or to the brewers' warehouse. Thirdly, we believe that higher deposits will encourage the return of empty containers. In this regard, we are pleased that the soft drink industry increased deposit levels after consultation with the Government. However, we have received complaints that some storekeepers are not paying refunds in cash. As I indicated the Bill provides that refunds must be made in cash. It will no longer be appropriate to buy back bottles with bubble gum.

With respect to depots the Bill provides a significant change from The Litter Control Act of 1971. It is our belief that a depot system reduces consumer convenience for the return of empty containers. In the City of Regina, for example, there is only one brewers' where a person may return empty beer bottles. I am told that some hotelkeepers in the city will accept returns. I do not think that is good enough. Little wonder that the brewers tell us they have to replace 15 million beer bottles every year.

Because the Bill establishes the principle that those persons who sell beverages must accept returns of the type sold on the premises, there will be no incentive to establish collection depots. We will not allow the depot system to develop for the soft drink industry for as the soft drink bottlers tell us this collection system is already in existence. Each day the soft drink bottlers' trucks are visiting the corner store delivering full containers and thereby are able to accept and collect empty refillable containers. Further, we intend to take steps to see that beer bottles can be returned to the place of sale. The Bill not only provides protection for the public in terms of litter control, cash refunds and convenience of return, it also provides some protection for the bottler. Each bottler has substantial investment in refillable containers. The Bill provides that vendors may not sell containers he has received to a bottler in another province or territory. By offering a small premium on refillable containers a bottler in another jurisdiction could obtain a supply of containers at a fraction of the replacement cost. This would be done at the expense of the consumers in Saskatchewan.



The Bill provides substantial penalties for persons who would violate the sections of the Act related to beverage containers. The bill specifically defines beer and soft drinks as beverages to be controlled. There is power also to add other beverages at a later date. One might well ask what is to be done about liquor and wine containers. According to our survey liquor and wine bottles are a very small fraction of beverage container litter at this time. Along highways they account for 4.3 per cent of beverage container litter. It is believed that most of these containers are ending up in municipal solid waste collection systems. It is recognized that restrictions on the use of certain types of containers will interfere with the normal operation of the market place and will reduce what is commonly called consumer convenience. However, the consumer has been paying a premium for the convenience and should benefit by a transfer from convenience packing to refillable containers.

Having outlined some of the objectives of the bill for the Members I should now like to outline in some detail the litter control program which this Government intends to implement by way of regulation.

1. It is our intention to work with the Department of Education in the development of a public education program on litter.
2. We intend to work with the Department of Highways to develop a vigorous campaign or program to encourage depositing of litter in roadside containers.
3. We plan to work with citizen organizations and industry in developing a public conscience about litter.
4. Deposits on refillable containers in the soft drink industry have already been increased to an acceptable level. Deposits are five cents for refillable containers up to and including the 16 ounce size and ten cents for larger refillable containers.
5. It is our intention to ban the use of cans and non-refillable containers in the soft drink industry. An appropriate time interval will be provided for the phasing out of these types of containers.
6. With respect to beer bottles it is our intention to require off-sale beer vendors and Liquor Board Stores to accept returns.
7. The Government is presently examining the desirability of standardized bottles for the soft drink industry and also examining the possibility of refilling and recycling liquor and wine bottles.
8. It is recognized that the return provisions of the Bill may not be appropriate in certain remote areas of this province. But it is our intention to have the penalties for littering applied throughout the province.

In closing, Mr. Speaker, let me state that this Government is concerned with the litter problem. The Bill before the House today is the cornerstone for an action program to reduce this unnecessary blight upon our countryside and in our communities. Accordingly, I move second reading of this Bill.

April 18, 1973

**Some Hon. Members:** — Hear, hear!

**Mr. T. M. Weatherald:** — (Cannington) Mr. Speaker, I think that while we will certainly support the actions of the Government regarding this Bill it is unfortunate it has taken the Government two years after the Bill had been passed in April of 1971 to mobilize enough enthusiasm for control of litter and to take some actual action in this regard. The Bill that was passed in April of 1971 was a Bill that took a step in the right direction although it wasn't as encompassing as this Bill is, I think it's unfortunate that the Government, when they were first elected did not see fit at least to put those provisions into action after their election in June of 1971.

Mr. Speaker, I want to address myself to two or three what I consider are very severe weaknesses in this Bill. For example, the Act as the Minister has outlined, includes all types of litter and not just containers of liquid for human consumption. Section 3 of the Act provides that it is an offence . . . I'll paraphrase to shorten the passage.

. . . For a person to abandon or cause to be abandoned any manufactured article, processed material or any waste into, or upon any water or upon any land.

The result of conviction is a fine not exceeding \$200 for first offence.

And this afternoon the Minister has outlined some other methods of reprimand that probably will be put into operation as time goes on.

Well, Mr. Speaker, I am sure that all Members here and the general public support it, any effort that will help clean up the wrappers and papers and hot dog wrappers and all of this type of litter that is found around the province, and particularly after picnics, etc., there are great quantities of it. However, I suggest to the Minister that he try to bring out a type of enforcement regarding this litter, as a type of legal enforcement will be practically impossible. I am sure that there will be frequent and regular times this law will be broken and in most respects it will be entirely and absolutely unenforceable.

How, Mr. Speaker, does the Government really intend to enforce such a law among young children who would frequently and often and unconsciously break this section of the Act? This Act, as I understand it, applies to all individuals with no age limitation, and I can say, Mr. Speaker, there without any doubt whatsoever, that practically any Sunday or any Saturday you go to the beach that this Act will be broken by hundreds and literally thousands of people throughout the Province of Saskatchewan.

This is an Act which invites complete and flagrant violation of the law itself and I suggest that the Government is passing a law (including particularly young people) that is entirely and absolutely unenforceable.

The intention I agree with, but I do not think that it is ever desirable to pass a law that will be absolutely and completely unenforceable.

An example, of course, Mr. Speaker, as I mentioned are picnics here at Wascana Park at which young people are frequently present, beaches in the summertime, etc., Mr. Speaker, and I think that all of the young people from age 1 up to their teens will be violating this Act and unconsciously doing so.

I want to now turn to another aspect of this Act, Mr. Speaker, that I think is a serious omission by the Government opposite. The Minister made some mention of it and that's the reference the depots. I have checked with the Alberta method of control of containers and I find that Alberta feels that their situation is working very satisfactorily. Nowhere in this law has the Government provided for the use of depots and I think that that is a serious omission on their part. Depots operated by private individuals, with the price set by regulation, are one of the most economic and efficient methods of having containers collected and returned. Certainly if private individuals operated depots throughout the province, as individual and private operators, I'm sure that many of them would be young people in the summertime, in their teens. By regulation the Government could allow the development of these private depots throughout the province which would be situated in key localities. Mr. Speaker, already the Minister said cans will be outlawed so we'll make no reference to them, but bottles certainly could be collected by anyone wishing to do so and could be returned to those depots with a margin of profit for both the depot operator and the person bringing in the container. The Minister, unfortunately, has ruled out this type of provision and has provided for the return of bottles through our vending operators. I am sure that many of our vendors would be very happy to be relieved of the responsibility of collecting these bottles and would, in fact, be extremely happy for someone to locate a depot in their town or their city, or several depots as the requirements may be needed.

I would suggest to the Government that they seriously take a look at the operation of these depots as far as private operators are concerned. Regulations could be enacted which would, as I mentioned before, ensure a margin of profit to the depot operator and I think would take much of the responsibility and worry off of the vendor being required to look after all of his bottles that are returned to him.

Section 7(3), Mr. Speaker, the Minister has dealt with and he has told us that he will exempt cans, totally, from the Act in the sense that they will be outlawed completely.

Mr. Speaker, I want to make one last comment regarding Section 21 clause (g) and I would suggest that the Minister has given some indication as to what the need of it is. He says that some geographic areas in the province may be excluded. He suggested to us that the far North may be a necessary area to exclude from the provisions of this Act and with that I would particularly agree. I wondered at the time whether there would be any requirement in any other areas other than the far North and I would invite him to suggest any locations when he closes debate that may have this requirement applied to it.

Generally speaking, Mr. Speaker, we will support this Bill but again I make, in summation, that there are two serious weaknesses. The application of this Act to many people of a young age will certainly make the Act impossible to enforce, in our view and I think it is a bad start for any Legislature

to pass an Act that would be entirely unenforceable.

My second point simply is that I think the Government is seriously overlooking an improvement in the collection of bottles by not allowing for the use of vendors and by regulation determining the prices that vendors would operate under because I think this would take much of the responsibility off the back of the people who are supplying soft drinks. The Government apparently has opted for the provision of requiring vendors to take back all of the empty bottles but as I said originally, I think it would be preferable to have depots undertake this work wherever possible.

Many of our stores, small cafes etc., all throughout Saskatchewan will find themselves in the position of requiring extra staff. What is more serious to them it is a great disruption of work for them. If you go into a store on a Saturday afternoon or a Friday afternoon and the store is busy, and then someone starts showing up with bottles they are required to take back, it seriously disrupts their work. I think this type of work can be much more efficiently and easily handled by a depot probably in a town of 500 or 1,000. A depot could probably handle all the bottles in a town of that size. Otherwise all the grocery stores, etc., are going to be forced into the situation of disrupting their regular work, their regular sales, disrupting their staff to be able to service people who are walking in with a few bottles. I might say that frequently this is going to happen because young people often come in with 10, 12, 15 bottles to get enough money out of them to be able to buy chocolate bars and I think that most stores tell me that this is very disruptive to their work and it is a very costly way usually of collecting these bottles. So I think that the Government — the time is not too late — still should take a look at the provision of the depot feature. Mr. Speaker, we will however be supporting the Bill.

**Some Hon. Members:** — Hear, hear!

**Mr. P. P. Mostoway:** — (Hanley) Mr. Speaker, I should like to say a few words on this Bill. First of all, in reply to the Member who just spoke, I would certainly hope that you don't knuckle under to operators who would not want to be bothered with taking in these bottles. It is my opinion that if they want to be bothered selling the bottles, they should be bothered by taking them in. I think this will help to clean up a lot of the litter in the countryside.

My main concern, though, is in regard to certain regulations which may or may not be made at a future date, and I am particularly concerned as to how regulations may or may not affect the smaller hotels of our communities, particularly the beverage room operators. And I would certainly hope that if they are going to have to take in bottles, that a good enough incentive is given to them to take these bottles in. I have some reasons to kind of speak on their behalf, particularly the ones in my area. They pointed out some of these things to me which I in turn will pass on to you, Mr. Minister. They are that if the incentive isn't good enough, you're going to cause undue hardship to these beverage room operators. In many cases they don't have enough storage the way it is right now. And this will cause hardship in that they will have to build added storage facilities for the bottles that will surely be coming in to them.

Secondly, they certainly will have to stop and inspect every bottle that will be coming in, and they will be coming in at all hours of the day. And I can see a situation where they're going to be extremely busy catering to the demands of thirsty customers and they'll have to knock off and inspect every bottle. And another thing is that I'm not so sure that they're going to just be taking in the bottles they are going to be selling because in many cases many people make purchases of beer in the larger urban centres, and eventually the bottles end up in the smaller communities. The bottles will therefore end up in these small hotels, the very hotels that didn't sell the beer to that particular individual in the first place. So I would suggest, Mr. Minister, that you take a good hard look at those regulations and that some sort of real incentive be given to the hotel operators or beverage room operators for handling these bottles. In general, I fully support the Bill.

**Some Hon. Members:** — Hear, hear!

**Mr. A. R. Guy:** — (Athabasca) Mr. Speaker, just one or two words on the Bill. I am pleased to see the Government has finally got around to introducing The Litter Act. As the Minister said, the NDP when they came into power were committed to do something about litter. I only regret that it took them almost two years to do something about it when there was a Bill sitting on the books ready to be proclaimed and could have been proclaimed two or three days after the new Government took over. I, in all due respect to the Minister, suggest that it would have been a wise move to proclaim The Litter Act of 1971 and give it a chance to work for a year or two and then bring in amendments to cover the wide range of litter that we are considering under this Bill.

I don't disagree that we want to try and control all types of litter. However, along with my colleague from Cannington (Mr. Weatherald), I think by including all forms of litter in this Bill it is going to become so difficult to enforce and police that we might even fail in our major effort of controlling the bottles and cans and things like that. If we had had an experience with cans and bottles first before we brought in the other forms of litter, we could have learned something very useful from experience that we may have been able to put in legislation that would have been useful. I'm not saying that it won't be satisfactory, but at least it wouldn't conflict with what I think is the main thrust of this Bill, to control the cans and the bottles.

The Minister said that cans are going to be outlawed completely. I have mixed feeling about that. I know that cans have been accepted today as being perhaps handier than bottles. They also have the advantage that when thrown out, they do not smash and make the problem of broken glass. However, that's a decision that the Government has obviously made and I don't think it's that serious. But I do think that depots would have been a good approach to start with. The Member from Hanley said that he hoped the Minister wouldn't knuckle under, that if the dealer is going to sell the bottles that he be willing to take them in. Well, I suppose what the Member is saying is that if a dealer is willing to take in the bottles he sells, this means then that if somebody else sells the bottles he has no reason to take them in. If you are going to follow this reasoning, I don't think this is what we want at all. We want every vendor to take whatever bottles are delivered to him within reason and

I'm sure that this is what the regulations will include.

There is a section in the Bill as was mentioned, that would exclude this Act from portions of the province, again, determined by regulations. I would ask the Minister to not exclude it from northern Saskatchewan. Perhaps not make the regulations quite so rigid but certainly northern Saskatchewan is one of the last untouched frontiers of this province. We have already seen in some of the islands in our lakes and along our roads in the North, litter problems which are far more difficult to clean up than they are in the southern part of the province. I would hope that right at the beginning this Act would be made applicable to northern Saskatchewan, perhaps with not quite the severity that we have need here but certainly to an extent that will make tourists and everyone else up there that we mean business when we say we are trying to keep it free of contamination and litter and junk and so on.

So with those words, Mr. Speaker, we are please to support the Bill. We are glad to see it in. At least I do think personally that an attempt to control cans and bottles first and then after a year or two of experience to move into the other area would have been wiser and perhaps more successful but only time, of course, will tell.

**Some Hon. Members:** — Hear, hear!

**Mr. E. F. Gardner:** — (Moosomin) Mr. Speaker, I should like to say a word or two on this, chiefly in connection with depots. I should like to mention first, the Minister told us about a survey that was done last summer on the litter in the roadside ditches and so on. I should like to suggest to him that this has been tried other places but is not considered successful because much of the litter has already been picked up. Anything that anybody can use, returnable bottles and things of this nature have already been gathered up. In many cases, beer bottles and returnable pop bottles and the part that's left is the beverage cans and so on. So the results that you get from a survey of that type are pretty well meaningless.

Now I want to say a word or two about depots because if this Bill is passed and goes into operation without the depot system it won't be a success and I should like to make this very clear. This has been tried elsewhere and I'm surprised that the Minister didn't get this information or his people didn't get it from some other province. Alberta has depots and vendor return, both. They use both of these and they have provisions such as we have in this Bill where a vendor only has to take a certain number of bottles and this is, of course, desirable. Alberta also has depots and depots are a benefit to everybody concerned. I have been out there and I talked to the Minister of the Environment and I talked to some of his people. I talked to people in the beverage business. The vendors like it, the people who are in the stores, the purchaser of the products like it, the person who is gathering bottles along the roadsides like it and the distributors like it. They are unanimous in saying that you have to have a depot system.

We know, of course, that bottles are of many different types and the way the depot system works and incidentally there are 146 depots set up in Alberta and I have been informed that they directly provide jobs for 500 people, just the depot system

that is used in Alberta. But the way they work is that people who are gathering bottles take all of their bottles, and of course they take cans also now in Alberta, to the depot. They can take a truck load, they can take the trunk full in their car, kids can take a wagon load down. They can do whatever they like. They can take all kinds of bottles, beer bottles, wine bottles, coke bottles, pepsi bottles, bottles from different beverage companies, they can take them all to the depot and they can get the refund at the depot. The person who is gathering these up in the ditches doesn't have to sort them all out and say now 20 will go to this store, the beer bottles will go to that vendor and the other bottles go someplace else and here is one that must have come from the bottlers in Moose Jaw and nobody around here is going to take it so I'll throw it back in the ditch. I can't get rid of that there is no vendor locally. It can be a real problem but if you have a depot he takes all bottles, gives you all of the refund for them and it works very, very successfully. It is much more convenient for the vendor, of course, because as some Members have already mentioned, you can't really identify a bottle. It is easy to say, well, make the vendor take back the bottles he sold. But you may have a vendor due to his location or for some other reason, or the hours he stays open, he may sell very little of a product and he may get all the bottles back from other places that have sold them. If he has to take all of the types of bottles that he sells, in other words if he is handling pepsi-cola and he has to take all the pepsi-cola bottles back, he of course can't identify the ones he has sold and he claims he is taking bottles back that have been sold by the supermarket down the street simply because that little grocery store is open until 10 o'clock at night and people are coming in with all kinds of these bottles. So it is certainly an unfair and an unworkable situation.

The depot system in Alberta also injects the money into society where it is needed. If you got out there you will find out that there are a number of young people in the summer who make a business of gathering up all kinds of old bottles. They go around to houses, they go around to roadsides, they'll take beer bottles, pop bottles of all kinds, gather these all up and taken them to the depot and they make a living at this during the summer months. It is very highly successful and I think a measure of the success is the fact, I don't know whether the Minister is aware or not, but certainly truck loads of bottles have left this province in the last few months and gone to Alberta. This is an undesirable situation but over there they can sell wine bottles, whisky bottles, all types of bottles. They can throw them in the truck, take them over and sell them at the depot in Alberta.

So we would hope that some sort of a system like this is used in the province here and I think that if you just try to have the vendors take the bottles back you will find that it just doesn't work. There are people who want to gather a large number of these, in fact young people during vacation may make a business out of it. If you are going to say that a vendor only has to take say 50 bottles a day or 20 or whatever it is from one person and I would hope that it wouldn't be over 50 because it would certainly be an imposition on any vendor. But if you are going to restrict them it means that a person who gathers a large number of bottles will have to run from one vendor to another after having sorted them out to see if that vendor takes that particular bottle, hence he has to go to a large number of vendors. Whereas if you had depots in the larger

areas you could take the whole works down there, get rid of them and it works very successfully.

Incidentally, in Alberta, the person who runs the depot charges one cent for the service of running it. He gives you your five-cent deposit back on the bottle and when the brewery comes with their truck to pick up all of the beer bottles or when the Coca-Cola Company comes to pick up all of their bottles they pay him six cents. They pay one cent extra and they are glad to do it to get these large numbers of bottles in one place rather than picking them up all over. So the depots then are of no cost to the Government, they are self-supporting as they are supported by this one-cent charge and there seems to be no problem with this.

So I just wanted to make this one point clear that I wish the Minister would take another look at this. We are all concerned, of course, with the problems of bottles around and I don't think that in the manner he is doing it, he is going to solve completely the problem. Again I mention the fact that people are very mobile today. I can buy a carton of drinks in Saskatoon with the Saskatoon Company stamped right on the pop bottle, drive down to southeastern Saskatchewan and these are discarded. Somebody who picks them up at Grenfell or Moosomin are not going to return them to the vendor in Saskatoon so he just lets them lie there and they get broken. But if you had the depot system they take them all and this would solve the problem. So I would hope that the Minister would look at some sort of an amendment that would allow for setting up depots that would collect these bottles.

**Some Hon. Members:** — Hear, hear!

**Mr. K. R. MacLeod:** — (Regina Albert Park) Mr. Speaker, I have one or two suggestions to make to the Minister. To begin with I hope he will not persist in putting cans under The Litter Control Act and prohibiting their use. To my way of thinking bottles are far more a menace than tin cans are. Bottles, of course, are still, despite deposits, going to find their way all around the country into fields, woods, lanes and roadways. They are going to get smashed, they are going to be a hazard for years and years to come. At least tin cans are far less a hazard in this respect. They break down and eventually are eroded and rusted to nothing. Bottles seem to last indefinitely. I know a golfer who was cut severely on the foot down at Kenosee with a bottle several years ago and in an area where you would think that nobody would yet have trod, although golfers are recognized to tread almost anywhere within striking distance of a golf course. But this would not have happened had a tin can been involved.

I have every sympathy with the intent of the Act and I support most parts of it. But I oppose the inclusion of tin cans as an item that is to be prohibited. In fact the better solution would be to require an additional penny or two cents as a deposit on tin cans, the two cents to be refunded when the tin can is returned and let the tin can be discarded by the manufacturer rather than by the consumer. The net cost to both would be the same with the exception of the handling of the disposal problem by the manufacturer. I suggest, therefore that there are many ways of handling the problem better than prohibiting tin cans. In fact we will be sorry to see an



increase in the number of bottles around the province despite the fines, despite the returnable features of bottles, the problems will be worse and not better under the proposed system.

The second thing of course is that we have a large number of liquor bottles which will continue to be sold throughout the province for which, as nearly as I can tell, there will be no real solution. I have no doubt that with bottles coming from all parts of the country and all parts of the world, liquor bottles and wine bottles, it is virtually an insurmountable problem. I invite the Government to look at that because that too is a very severe problem. I hope the Government won't overlook the fact that if it insists that tin cans be prohibited, a large number of vendors, people who own vending machines, have the kind of machine in the province that is not convertible and they will have been stuck with an investment in some cases up to about \$1,000 which cannot be recovered. Most of these machines are owned by individual citizens and they will simply have on their hands a machine which they probably will have to trade back to the company for whatever they can get or will simply lose the investment. Consequently I would ask the Minister in that respect to give serious consideration to the suggestion that I have made.

I would, however, like to commend him particularly for sections such as Section 3. I believe that is an excellent type of section. I am a little surprised to find that Section 4 draws such a tremendous difference between corporations and individuals. I think Saskatchewan Power Corporation may well find that it is more than a little annoyed to be charged with an offence punishable up to \$2,000 on the first offence and \$5,000 on the second offence if one of its employees should drop his handkerchief on the way across my lawn. This, I think emphasizes the fact that it is individuals who perform acts which in effect create offences. It is going to be some employee of some corporation who will cause the difficulty. I am not sure that there is justification for such a broad difference in the penalties particularly in this province.

I won't go through the entire Bill section by section, we will do that, of course, in Committee. I commend the Minister for bringing in The Litter Control Act but I stand, at the moment anyway, pretty rigid and firm in my personal and honest belief that the tin can regulation is harmful.

**Some Hon. Members:** — Hear, hear!

**Hon. N. E. Byers:** — (Minister of Environment) Mr. Speaker, I want to comment briefly on some of the points raised by all Hon. Members. I am pleased to see that this Bill is to receive support of all Members of the House.

I don't think that there is any point to be made in crying over the fact that the former Litter Control Act was not proclaimed. I think we have to recognize, as I said in my remarks, that that Bill was designed to deal with the question of beverage containers in particular and not the question of litter in general. In that sense this Bill is more comprehensive than the other Bill that was never proclaimed.

The Hon. Member for Cannington (Mr. Weatherald) raised a

point about Section 3. The reason for that amendment is that if you check the old Act I think you would find that it was actually an offence under the old Act to deposit a chocolate bar wrapper in the litter barrel belonging to the Department of Highways. This was considered to be the property of the Crown and we have simply changed that section so that type of act would no longer be illegal.

The question of enforcement again is a question that also pertains to the enforcement of any law. This is an Act presumably for law abiding citizens and we are aware there will be violations. We are certainly aware that in a vast province like Saskatchewan that if we wanted to enforce every aspect of the Bill that it simply is not possible. We do hope that by having this Bill on the Statute Books that it will be a means to develop a better public conscience towards the control of litter in general.

A word or two, Mr. Speaker, about the depot system. Might I say that we are prepared to look at the question of a depot system, perhaps in the cities, related to the collection of beer bottles. The Alberta litter control program is essentially different in its objectives from this program. The object of this Act is to control litter at its source. That is why we propose to require that off-sale liquor vendors, hotel keepers, and government liquor stores be required to buy back empty bottles. They are not required to do that now. The object of this Bill is to control litter at its source. The Alberta system is a complicated system involving depots. I think you have to recognize that the level of deposits in Alberta are such that while their program may control litter in the large urban areas, the depot system is really not an ideal mechanism to control litter in all parts of the country, particularly the rural areas. The schedule of refunds applicable in Alberta are really designed to provide employment as a major objective, I think and secondly to control litter. In that respect, the Alberta litter program and our litter program must be viewed as two different approaches. We will say more about the depot system later.

With respect to vending machines, we feel that if we are going to control litter at its source that those premises which have vending machines should likewise be required to purchase refillable bottles and we want under this Act to ensure that any contracts related to these will be void, so that no business operator who has a vending machine on his place will be locked into a contract that he is unable to fulfil.

With regard to the North, I think the Act does provide for excluding certain geographic areas. I might say we have the North in mind as one possible area for exclusion and we will be dealing with that by regulation.

With respect to the question raised by the Hon. Member from Hanley (Mr. Mostoway) our tentative plans are to establish a refund level for beer bottles that is similar to that of the adjoining province. Otherwise, you have the problem of bottles being moved across the border.

The Member for Athabasca (Mr. Guy), who has left his seat, raised the question about vendors being required to purchase back certain types of bottles. It is our intention that the store or café or premises will be required to buy back his bottles of the type sold on that premises. If you sell coke

bottles, then you will be required to buy back coke bottles. We certainly hope that the limits, probably three or four dozen at one time, are designed so as to not impose a hardship on the vendor.

Well, Mr. Speaker, there are other questions that we could answer. Perhaps they could be better answered in Committee and I would be quite pleased to do that. I move second reading of this Bill.

**Some Hon. Members:** — Hear, hear!

Motion agreed to and Bill read a second time.

Hon. A. Taylor (Minister of Social Services) moved second reading of Bill No. 102 – An Act to amend The Public Service Superannuation Act.

He said: Mr. Speaker, under this Act the first amendment being presented in Clause 2 is, I think, strictly housekeeping in nature. It merely changes the date from the first day of August to the 31st day of July both in 1970. The amendment will correct a situation which has prevented a small number of former public servants who are superintendents of schools in the Department of Education from remaining under The Public Service Act and becoming locally employed superintendents. They had resigned on July 31, 1970 and did so with the impression or understanding that they would remain under the Superannuation Act. Because the date in the Act read August 1st they have, therefore, been excluded. Changing the date by one day will correct this situation.

The second amendment concerns Section 58A of the Superannuation Act. Section 58A was enacted to cover people who were formerly engaged either in the public service or in another type of provincial employment for continuous periods of at least ten years, the minimum number of years necessary to establish eligibility for pension under the Act. This Section permitted them to purchase such service and use it to qualify for such pension. The present amendment before us sets out specific costs of purchasing provincial service and this wasn't previously covered by the Act. It includes contributions and interests that would have been payable under the Act, plus any amount received as employer contributions and interests on these amounts from the date of return to the public service to the date of application. Members should recognize that without this amendment an individual could have received vesting rights in two plans for the same years of service. To remove any possibility of inequality, Clause 4 of the present Bill will ensure that everyone making use of Section 58A as it was enacted last year will be treated on an equal footing.

Mr. Speaker, I would also like to mention at this time, because of an oversight, or loss, or for some other reason, it will be necessary for us to move a House amendment when the Bill is in Committee. The House amendment will contain a clause which will remove the ceiling on superannuation. I want to present this now for the information of the Members. The ceiling, as I think the Members know, has been a salary of \$18,000 on which you can make contributions to the superannuation fund. We intend to remove this ceiling for a couple of reasons. One reason is because as we look across Canada, the Federal Government and all

April 18, 1973

provinces except one have no ceiling. The one province, with a ceiling is, I think, Newfoundland and its ceiling is \$25,000. So we should like to bring it into line with other provincial plans. We should also like to make it a little easier for reciprocity which we have now, the transfer of pension agreements between provinces, those who have signed agreements at least and between ourselves and the Federal Government.

Removing the ceiling will also, secondly, I think, assist us in obtaining some personnel who had concern in this regard. I might say, Mr. Speaker, that it was for this reason that I also earlier today asked that four Bills go to the non-controversial committee since they do precisely the same thing for the Power, Telephone, Workmen's Compensation and Liquor Board Acts, which we want to maintain the relationship with them.

Therefore, Mr. Speaker, I would move second reading of Bill 102.

**Some Hon. Members:** — Hear, hear!

**Mr. J. C. McIsaac:** — (Wilkie) Mr. Speaker, a few brief words in reply to the Minister's introductory remarks on Bill 102. He pointed out that the first chief clause, Clause 2 in the Bill is a housekeeping amendment and I think his reasoning there was very good and we certainly have no objection to that one.

The same can be said of the other two clauses, Mr. Speaker, that are in this Act. If there is anything wrong with the Bill, Mr. Speaker, it is not because of what it contains but rather it is because of what it doesn't contain. I want to suggest that the Bill is going to be a complete disappointment to many civil servants because there is no change, there is no improvement in pensions, there is no recognition of a cost of living bonus being introduced which has been sought by the Public Service Employees Association. There are other changes that certainly could have been made to improve the pension opportunities for the great majority of civil servants.

The Minister mentioned that there will be a House amendment dealing with the removal of the ceiling and on this I certainly concur with him. Once again I would only point out that those people in civil service receiving over \$18,000 are a very small percentage, perhaps 5 or 6 per cent if even that and really what this will do will be to create uniformity I am sure with most other provinces. There is really little reason for the continuation of the ceiling. I suggest here that it will help a number of people and it will probably help the Government's newly employed high-paid help in their planning departments. Again I have no criticism of that provision being there and being introduced. I just say that I regret the Government didn't bring in some moves or measures that would help the other 95 or 96 per cent of people in the public service. Perhaps that will be coming in another Bill, I don't know but certainly Mr. Speaker, it isn't in this one.

We will support the Bill as it stands along with the House amendment.

**Some Hon. Members:** — Hear, hear!

**Mr. W. A. Robbins:** — (Saskatoon Nutana Centre) Mr. Speaker, I should like to make a few brief remarks with respect to this particular Bill and I really haven't had much time to look at it up until now. I therefore beg leave to adjourn the debate.

Debate adjourned.

Hon. E. I. Wood (Minister of Municipal Affairs) moved second reading of Bill No. 106 – An Act respecting Saskatchewan Housing Corporation.

He said: Mr. Speaker, it gives me great pleasure to speak to this Bill. The Government of Saskatchewan supports the premise that decent housing is a basic right of all citizens and it is the objective of this Government to provide all residents of the province with an opportunity to exercise this right and acquire decent accommodation consistent with their social needs. As a major step in reaching this goal we have established the Saskatchewan Housing Corporation under The Crown Corporations Act. The Bill presently before you provides for the continuation of the corporation and for the legislative authority necessary to respond to the dynamic changes in housing needs throughout the province. I might add, Mr. Speaker, that The Saskatchewan Housing Corporation Act, 1973, fulfils another of the election promises made by the New Democratic Party in our 1971 election platform, New Deal for People.

In addition to assisting in the provision of new housing accommodation the Government will encourage the improvement of the existing housing stock. The Corporation will also coordinate housing programs for the purpose of achieving more efficiency in the expenditure of public funds. Through the Housing Corporation we will relate housing programs to other social objectives such as education, job training, employment and rural and small community stability. The Corporation will also conduct extensive research into Saskatchewan's housing needs and obtain other data required to develop programs to meet our housing objectives. Saskatchewan has in the past, Mr. Speaker, placed heavy reliance on federal initiatives, policies and expertise in its development and delivery of housing programs. Often the federal programs have not been readily adaptable in Saskatchewan as they have been directed at major urban centres. As a result some of the residents of this province have not had access to these programs and have not been provided with any feasible alternatives.

Saskatchewan's housing needs are to a large extent unique to the province. They require special attention and cannot be resolved by restrictive national priorities and programs. The Government of Saskatchewan intends to become more active and aggressive in the determination of housing requirements and delivery of housing programs to satisfy the defined needs. The province will continue to stress close Federal-Provincial co-operation in the development and delivery of housing programs. However, if the Federal Government is reluctant to provide funds in particular areas the Saskatchewan Housing Corporation will be empowered to act by loans to fill the gap and provide provincial assistance where required.

Mr. Speaker, I should like to turn for a moment to the organization of the Saskatchewan Housing Corporation. The Act provides for a Crown corporation under the management of a Board of Directors of three or more persons, appointed by the Lieutenant-Governor-in Council. It is expected that the corporation will have a staff of approximately 30 people. This does not represent a major increase in the number of staff presently involved in the administration of housing programs. Rather it primarily represents a consolidation of staff which are currently spread through several branches of Government into one organization. However, some new staff will be required for the administration of the new and expanded program activity. This Saskatchewan Housing Corporation Act also provides for the establishment of an advisory committee. This committee is intended to provide special interest groups with an opportunity to make their particular housing needs known to the Board of Directors of the Housing Corporation. It will also encourage discussion of proposing Housing Corporation programs and the adequacy of existing programs.

The representation on the advisory committee will be as broad as possible to provide the board with information respecting the needs of the people to which the Corporation's housing programs are directed. It is expected that Members representing senior citizens, native people, rural residents, charitable groups, the university, tenants' associations, landlords, co-operatives, Housing Urban Development Agency, Regina, Saskatchewan Urban Municipalities Association, Saskatchewan Association of Rural Municipalities, etc. will be represented on the advisory committee.

Mr. Speaker, I should now like to turn my attention to a description of the housing programs which will be administered by the corporation. The first is The House Building Assistance Act. The objective of this program is to assist people of low and moderate income in meeting the down payment requirement associated with purchasing a new home. Recently the income eligibility of this program was increased from \$7,000 to \$9,000 annually. The amount of grants which families receive under this program is based on a sliding scale dependent upon the income of the family concerned. Grants range from \$800 for families with an annual income of less than \$7,000 to \$300 for families earning just under \$9,000. This program has been one of the main factors contributing to the success of the home ownership program for limited income families in Saskatchewan. The financial burden of a down payment by the purchaser has been drastically reduced as a result of the grant. The success of this program has been indicated by the fact that during 1972 dwelling starts, under the Assistant Home Ownership program in Saskatchewan, increased to 1,389 units from the 1971 total of 665 starts. This represents an increase of over 100 per cent in activity in home ownership for Saskatchewan families earning less than \$7,000 per annum. Moreover, Mr. Speaker, an additional 127 grants were approved for applicants who did not participate under the Assistance Home Ownership program but were able to finance homes through other sources. I would assume, Mr. Speaker, that a good many of these would be in the rural areas which would not qualify for assistance under the CMHC program.

This Government intends to continue and extend this program through the Housing Corporation in 1973-74 fiscal year. In this regard appropriated expenditures have been increased from the \$850,000 provided last year to \$1,050,000 for the 1973-74 fiscal year.

Then they also have the Subsidy and Self-Help program for home owners. The main objectives of these programs are to make home ownership possible for persons earning as little as \$3,600 per year, the minimum wage in Saskatchewan, to encourage people to participate in the construction of their own homes. In order to make these objectives a reality, the Government intends to provide annual subsidies to purchasers of new houses whose incomes are not sufficient to meet the mortgage obligations of principal, interest and taxes. The amount of subsidy available would be dependent upon income and would be up to \$150 per year. The subsidy will be removed as the applicant's income and hence his ability to pay increases. This program represents a recognition by this Government of increased housing costs as a result of increases in labor rates, material prices, land costs and interest rates. It is anticipated that approximately 700 families will receive this additional assistance and therefore this year \$105,000 has been provided in the Budget of Saskatchewan Housing Corporation for this purpose.

When the increased Property Improvement Grant of \$144 per year and the proposed Federal Mortgage subsidies of \$300 annually are considered, together with the provincial subsidies families with annual incomes of \$4,200 will be able to purchase homes with estimated sales prices of \$16,500. This assistance represents a substantial improvement over the income penetration of previous programs.

Another measure which the Government intends to initiate is the provision of a further annual subsidy of up to \$225 in lieu of the House Building Assistance Grant at the option of the purchaser. This provision would encourage prospective home owners to physically participate in the construction of their own dwelling. The amount of owner labor or sweat equity would be sufficient to cover the down payment requirements for the purchaser. Therefore, the additional subsidy would further reduce mortgage obligations and allow the program to reach families earning the minimum wage. This illustrates, Mr. Speaker, this objective of providing all residents with an opportunity to obtain decent housing consistent with their social needs.

The encouragement of owner labor not only allows deeper income penetration for home ownership and hopefully will also provide participants with new skills in house construction which may lead to greatly improved job opportunities and incomes. Our research has indicated that there is a definite lack of skilled tradesmen in certain segments of the house construction industry and programs such as this can benefit all by attempting to fill that gap. The Government through the corporation will support and encourage the formation of house building co-operatives as an alternate method of building in tenure. Such co-operatives will be eligible to participate in the subsidy as self help programs as I have just described.

The experience with a similar program in Nova Scotia indicates the participants could save up to \$3,000 in the cost of their house through a co-operative building approach.

The Government will also undertake an experimental program to encourage the formation of continuing rental co-operatives. The program will provide start-up funds to initiate co-operatives and to assist them in such activities as advertising for members, preparing plans and specifications and taking options on land.

April 18, 1973

This program will be developed in conjunction with the Department of Co-operation and Co-operative Development and the Co-operative Associations currently active in Saskatchewan. Once established it is expected that the continuing co-operatives will be eligible for federal financing through CMHC.

Then, Mr. Speaker, we have public housing. The objective of this program is to provide more suitable rental accommodation for limited income persons at rental rates related to their incomes and ability to pay.

The Government has in the past attempted to respond to the rental housing needs of limited income families through the provision of public housing units. These units have been built under Section 40 of the National Housing Act with Federal-Provincial sharing of capital costs and subsidies on a 75/25 basis. To date we have approximately 2,300 public housing units throughout the province. The demand for such units is far in excess of the supply. In addition the Government is considering the construction of units under Section 43 of the National Housing Act. This is a 90 per cent loan arrangement from CMHC and would allow the province more flexibility in the design and location of the projects and hence, increased ability to respond to the unique housing needs of the various Saskatchewan communities.

We will also be going into land assembly, Mr. Speaker. The objective of this program is to maintain an adequate supply of reasonably priced land for residential construction. The Government has in the past been active in this area. Although this activity has helped to increase the supply of reasonably priced land, it is evident that an increasing demand in certain areas of the province will necessitate continued government involvement in the acquisition and development of land for residential purposes.

This Bill provides the legislative authority necessary to meet the anticipated requirements for residential land.

Rehabilitation programs. The Government of Saskatchewan is very much concerned with the improvement, preservation and utilization of the existing housing stock in Saskatchewan. To this end, Mr. Speaker, we have developed two new residential rehabilitation programs to be administered by the Housing Corporation.

The general objectives of these programs are: To encourage the improvement and conservation of existing housing stock; to assist in providing adequate accommodation to low and moderate income residents in small towns and rural areas; to create an alternative to public housing accommodation for persons with limited income; and to offset seasonal unemployment in the building trade.

A program will be introduced, Mr. Speaker, to assist home owners currently living in poor housing to undertake major repairs of their dwellings.

The new programs will be open to applicants earning up to \$9,000 per annum. It will provide loans of up to \$8,000 with part of the repayment of the loan being forgiven over a 5-year period. The maximum forgiveness will be \$1,000 or a percentage of the costs of the work, this percentage declining with income.



In addition to this residential rehabilitation program the Government has previously introduced a Senior Citizens Home Repair Act. This Act will be administered by the Saskatchewan Housing Corporation and will assist our senior citizens to make minor repairs and to maintain their present dwellings.

Combined together, Mr. Speaker, the two programs represent a substantial effort by the Government at maintaining and improving our existing housing stock.

There is also direct mortgage lending. The objective of this program is to make mortgage financing available where there is a need that is not being met by other sources. The Bill makes provision for financing the construction of new housing and the purchase of existing housing in areas of the province where the Federal Government and private lenders are reluctant to make mortgage loans. It would permit financing of housing units which do not meet the lending requirements of the Central Mortgage and Housing Corporation but which, in the opinion of the Government are nevertheless adequate housing units in relation to the standards of the community. It will also provide funds for new housing in resort areas or for the purposes of other provincial development programs where the Central Mortgage and Housing Corporation might be unwilling to commit federal funds. It is anticipated that this would be a program of limited magnitude.

All of the programs of the Housing Corporation outlined today, Mr. Speaker, are examples of this Government's commitment to provide all residents of the province with an opportunity to acquire decent accommodation consistent with their social needs. These programs have been developed partially in response to and also in conjunction with present programs offered through CMHC, and the National Housing Act.

Officials from my department have been continually involved in discussions surrounding the proposed amendments to the National Housing Act. We have repeatedly stressed in these consultations the necessity of flexibility in the federal programs to allow our province to respond directly to the particular and unique housing requirements of Saskatchewan residents.

The final amendments to the National Housing Act are not known at this time and we have thus developed provincial programs which will allow this Government to respond immediately, independently if necessary, to the provincial housing situation.

If the federal amendments are adaptable to Saskatchewan and if they are approved by the Federal Government in the near future it is possible that some of the proposed provincial programs could be subject to change which may mean a reduction in the provincial investment required.

We will continue to stress close Federal-Provincial co-operation in the development and delivery of housing programs and will not be hesitant to act alone to fill gaps where we deem it necessary.

In summary, Mr. Speaker, I should like to reiterate that the Government of Saskatchewan supports the premise that decent living is a basic right of all its residents. I believe that The Saskatchewan Housing Corporation Act is a strong indication of that support and of the Government's intention to act on this matter.

April 18, 1973

I am very pleased to be able to speak on the proposed legislation this afternoon and I urge that all Members of the House support and unanimously approve The Saskatchewan Housing Corporation Act.

I thus move second reading of this Act, an Act respecting The Saskatchewan Housing Corporation.

**Some Hon. Members:** — Hear, hear!

**Mr. J. C. McIsaac:** — (Wilkie) Mr. Speaker, I am pleased to hear the Minister conclude his remarks by saying that he will continue to do everything in his power to ensure the co-operation of the province under the new Housing Corporation with federal authorities with respect to housing.

This Bill, Mr. Speaker, is one that I will certainly support, I am sure all Members on this side will support its move as the Minister says to utilize some new provincial programs, some old provincial programs and some new moves that the Federal Government are making with respect to facilitating the provision of adequate housing to the citizens of Saskatchewan.

It does establish another Crown corporation. The Minister said he expected that the work of the Housing Corporation, the housing activity generally would now be done that much more efficiently. This is where I differ somewhat with him. I doubt very much if it will be that much more efficiently done. But, again I have no quarrel with the concept of the Corporation to administer programs of housing. It is going to be governed by a board and as well an advisory committee, which I believe is a good feature.

I think it is worth noting, Mr. Speaker, that federal programs of assisting home ownership have expanded and improved. As I understand it the new amendments to the National Housing Act have been tabled in the Federal House in Ottawa, if the Minister hasn't seen them, I believe copies can be obtained. I had a copy some time ago. I don't believe that Act has yet been finally passed or dealt with but I am sure that many of the programs the Minister will be moving in and operating in the province are related pretty directly to some existing legislation federally and indeed some new legislation that is just coming in.

I point out again, Mr. Speaker, the fact last year we saw a doubling of housing starts in the province, I suggest is due partly to the subsidy program which was initiated by the Liberal Government and expanded by the present Government. But it was due more so I suggest to the expanded nature of the economy by way of grain sales and improvement in livestock prices and so on.

The Minister mentioned one new program, as I understood him in his remarks, and that is an annual income subsidy to low income families to enable them to qualify for a CMHC loan. I believe that was the gist of it. He mentioned that they had set aside \$105,000 for that program. I want to commend him for that program I think it is a good one. I will have more questions to ask on the details of that when we get into Committee.

The provision for housing building co-operatives and the provision for the 90 per cent loan features under CMHC that are

contained in this bill are not new ones. They have been available before to Saskatchewan citizens. And throughout the years oddly enough the co-operative housing concept I believe was utilized in Lanigan and a couple of other centres but certainly not to the degree that I felt it might have been when it was first made available to the citizens of the province some years ago.

I think the situation the Minister referred to in Nova Scotia and the way the program worked down there, worked for different reasons than actually existed here. Oddly enough while that has been available here, it hasn't seemed to have caught on to the extent that one might have expected.

The public housing projects will be continued, of course. They were increased four to five times over the last six or seven years of Liberal Government and the Minister is quite correct, that is a popular program and one that is gaining popularity with the citizens and the urban municipalities of the province.

He mentioned and I am not sure whether he intimated or indicated that it was a new program. But land assembly projects have been available and been in operation in many urban centres in Saskatchewan for many years. So that any provisions here, unless there are some details the Minister hasn't yet disclosed, are not really new.

It is interesting to note, Mr. Speaker, one of the major problems with respect to a reasonable cost for housing in many areas in Canada has been due to the high cost of land initially. This is particularly true of course in Vancouver or Toronto and many other major urban centres. But it is also interesting to note that that has never been a problem in Saskatchewan. I think of a dozen or more smaller urban centres the size of Foam Lake, Assiniboia, Unity, Kerrobert and others that have taken advantage of Federal-Provincial legislation in this regard and have provided serviced lots in these communities. I think it is worth noting here the city of Saskatoon, two or three years ago when the former Minister of Housing, Paul Hellyer at the time conducted the survey across the nation on problems with respect to housing in Canada. The city of Saskatoon at that time was commended as an example and a shining example to other cities in Canada for its method of going about providing serviced land to their citizens at a reasonable cost for the construction of housing. And Regina, of course, as I am sure the former Mayor who is in the House can testify, I believe has also done a very good job in that regard with respect to providing land for lots for housing at a reasonable cost.

So, I am not sure what steps can be taken to improve the general situation with respect to land assembly. Again the Minister may have details that I am not aware of.

The Minister mentioned another program, a residential rehabilitation program. This I believe is a federally financed one largely, I am not sure, perhaps the Minister will be expanding on their programs in this regard. But certainly again this, I think, is a good kind of program. It is one that reflects the changes in the approach from the old urban renewal schemes that began in Britain, in Europe and in the States and to some extent began in Britain, in Europe and in the States and to some extent here in Canada where it carried on initially, where the general principle was to go in with a bulldozer and clean everything off

April 18, 1973

and mow down everything, streets, trees and anything that was standing until it was cleaned up as well. They spend millions to do that and then spend more millions trying to replace it.

So the concept, which has been available as I understand it for some time federally, or rehabilitation areas and improving and patching up, not only the whole district but individual homes therein is a good concept, a sensible one and it is a good direction in which to be moving.

In closing debate or perhaps the Minister would prefer to leave it until we get into Committee of the Whole on this Bill, I would appreciate if he would be good enough to give us some of the details of those programs that are either partly or entirely federally funded or federally supported. I think this would help us to sort out what indeed is new by way of provincial programs in this Act and what indeed is related directly to federal programs.

Once again, Mr. Speaker, we will be supporting the legislation.

**Some Hon. Members:** — Hear, hear!

**Mr. Wood:** — Mr. Speaker, my remarks in reply to the Hon. Member for Wilkie will be very short indeed.

I appreciate what he has said and his criticism I think is helpful and constructive.

I should like to point out that we have the old programs, we are working with the federal programs. We also have some new programs which we intend to use.

But I don't think I would take up the time of the House at this time to make a definitive reply by going into the details of the program. I think we can better do that in Committee, Mr. Speaker. Again I will move second reading of this Bill.

Motion agreed to and Bill read a second time.

## **ADJOURNED DEBATES**

### **Second Readings**

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 71 – An Act respecting Residential Tenancies be now read a second time.

**Mr. J. G. Lane:** — (Lumsden) Mr. Speaker, my remarks the other day in debate on second reading gave some historical background to the question of landlord and tenant law and the great tie to land that the legislation had in the past and the fact that land determined the status of an individual in the community itself and his position within the community.

Probably no body of law required up-dating more than did The Residential Tenancies Law and we are very pleased to note that the relationship will now be contractual and the need for involving land is no longer applicable. For those reasons, the fact that there was a great necessity for up-dating the

legislation and the idea of putting the matter on a contractual basis for those two main reasons we will support the legislation.

We do have however some very basic questions about the legislation to ask the Attorney General and I am sure we can in Committee go into detail on some of these problems that we foresee with the legislation.

First of all we should like to know what happens to existing lease option agreements. We noted in the Estimates of the Attorney General the other day that with the proposed summary administration of the Act that magistrates' courts will possibly be severely overburdened. I don't think that there is much doubt but that the new magistrates positions should go to Saskatoon and Regina because of this legislation – if the problems are as great as the Attorney General has expressed.

We note a problem with the proposed Section 15 in that the tenant cannot sign anything. In other words some evidence of the existing conditions of the premises can no longer be obtained by the landlord and the tenant. We note some of the landlords' suggestions which I think are reasonable, and that being that the condition of the premises be effective only if the tenant signs the same after a personal inspection of the premises, so the tenant would have every opportunity to see the premises and at that point could assess the conditions of the premises.

We note the requirement of three months' notice of rent increase. We foresee a problem in that it will probably encourage landlords to put the increase into the rent in advance. When he signs the rental agreement he will take into account, for example, such things that are beyond the scope of the landlord, such things as possible tax increases, either real property tax increases or personal income tax increases, either one of which affect him. It will encourage the landlord to put these increases in the rent in advance.

We note that although there is a great onus on the landlord, that there is no provision in the Act for the absconding tenant. The way that the Act reads now in the proposed Bill, if the tenant leaves the province or cannot be found by the landlord after doing damage, if the landlord doesn't serve him with the notice to get the damage deposit back, the landlord is forever barred from getting the damage deposit. We don't think that is really fair. There should be a provision for substitutional service if the tenant absconds after doing damage to give the landlord a reasonable opportunity. We think that is only a fair provision and we would hope that the Attorney General would see fit to include that in the House amendments which will be coming before the Legislature.

We note in the Statutory Conditions 7 and 8, for example, that there is seven days notice to remove the tenant if he is abusing the premises on the criteria established. But there is no power in there to stop the tenant from such abuse, so between the time that he starts abusing the premises the landlord has to wait seven days before the tenant can be evicted. Yet there is nothing within that seven day period to stop the tenant from abusing the premises.

Now even the Manitoba Act goes so far as to allow a summary procedure whereby the tenant can be stopped from committing the abuse of the premises. We would hope again that the Attorney

General would see the present unfairness in the legislation and would move to correct it.

By and large, however, we feel that an updating was necessary. We like, frankly, the idea of putting this on a contractual basis because in reality it is looking at the modern day tenant situation if we do that. For those reasons we, in principle, support the legislation.

**Some Hon. Members:** — Hear, hear!

**Mr. J. G. Richards:** — (Saskatoon University) Mr. Speaker, I rise in support of the principle of the Landlord-Tenant Bill. The Hon. Attorney General stated in his introductory comments this is the first time in a long while that we have had any serious reform of this kind of legislation. However, I think we must realize there remains a great deal to be done in this area. I cannot comment in a learned, legal manner as did the Hon. Member from Lumsden and I appreciated his discourse on medieval law. I trust he will appreciate my elementary discourse on the sociological aspects.

Mr. Speaker, one fundamental problem which still remains with this Bill which is not dealt with in this Bill is that ordinary people — I include myself in that category — do not like going to court. WE do not like handling our problems through the courts. For good or for wrong, the courts and all their attendant institutions such as sheriffs have the reputation of being an ominous instrument of society. I know the rhetoric of the courts, the dispensers of justice, but I think the rhetoric and the reality are a long way apart and especially among people who have not got the politicians' gift of the gab and who have not got middle class security, they feel even more apprehensive about having to use the courts as their redress of injustice. I think because of that reason it would have been highly advisable to have created an alternative not strictly judicial mechanism which would have had the power to arbitrate over many of the disputes which arise in landlord-tenant situations.

To be concrete, this Bill is good as far as it goes but it doesn't go nearly far enough. Members opposite could have made reference to the Ontario Bill which in many ways goes farther. What is lacking is a landlord-tenant advisory board which should have numerous powers. A landlord-tenant advisory board which should have numerous powers. A landlord-tenant advisory board which should be able to certify tenants' associations to bargain collectively with landlords over rent. It should be able to advise landlords and tenants in tenancy matters. It should be able to receive complaints and seek to mediate and arbitrate disputes between landlords and tenants. It should be able to disseminate information for the purpose of educating and advising landlords and tenants concerning rental practices, rights and remedies. It should be able to receive and investigate complaints of conduct and contravention of legislation governing tenancies. It should be able to advise the government on housing conditions, including rents, in a particular community. The guts of this is the ability of this landlord-tenant advisory board to be able to arbitrate many of the conflicts with respect to evictions, with respect to rents which arise as we increasingly become a society of apartment dwellers. I think it is a severe failing in the Bill not to have this kind of provision in it. I realize this is a first step to reform in some considerable time and hopefully in sessions to come as we have experience with

the legislation further amendments to the Bill will be made. However, I want to point out to the Legislature and hope that they keep sternly in mind that they should not be resting on the their laurels. We. Have a piece of reform but it is not nearly good enough so I trust that, although I shall support the principle, I hope that we will be in the next session introducing these kinds of amendments.

**Some Hon. Members:** — Hear, hear!

**Mr. K. R. MacLeod:** — (Regina Albert Park) Mr. Speaker, it is not my intention to review in detail those items which more properly should come in the Committee of the Whole. I, therefore, suggest only one or two examples of the kind of thing that should be dealt with.

The Bill is generally an improvement and I concur with the remarks particularly of the Hon. Member for Lumsden who did deal with this at some length. I agree with those remarks.

I should like to suggest that there are one or two areas where the Bill attempts to become unduly foolish and will restrict rather than assist the tenant. There are a number of cases where the tenant is better off if he is able to produce and pay to the landlord a lengthy period of advance payments. He may well find that his saving in the overall amount that he is to pay in gross is reduced by having made payment in advance. Now this is limited and denied him as the result of the proposed Bill. I have an acquaintance who just some four or five months ago deposited 12 monthly payments in advance and received a substantial discount. The suggestion came not from the landlord but from the tenant. The landlord had fixed his rent and the tenant said, "I have some spare cash, I should like to pay you 12 months in advance, I would like a discount." He got a good healthy discount. This would not be allowed him under the present legislation which limits the prepayment to two months. If you are going to require, as this Bill requires, that these payments be put in trust, then there is no reason to limit the number of months which may be put in trust. I must say that I agree with the trust requirement. I think that is far more sensible than the present situation but it makes unnecessary the additional limitation on the number of months.

The interest on the deposit is a similar thing. I think it becomes foolish if you are going to limit your damage deposit to \$75, which incidentally does not necessarily make sense, but if you are going to limit the damage deposit to \$75 it doesn't make much sense to make the landlord pay interest on that amount of money. You will find that the landlord is paying out cheques of \$1.75 or \$1.80 twice a year to all his tenants. The bookkeeping and the additional difficulty involved does nothing more than pay homage to a principle but carries it to an extreme which damages the principles. Consequently that provision is one that I oppose.

I observe that there is no corresponding obligation on the tenant to pay interest on rent that is overdue. So the landlord may be obliged to pay interest on a damage deposit but there is no apparent obligation on the tenant to reciprocate if he falls short for a few months with respect to interest which he owes. Now those provisions don't stack up. They are not critical or serious but they don't make sense. I am not suggesting that

there should be a requirement of interest on overdue rent but I am suggesting that the interest on the damage deposit is hardly worth the effort and should be eliminated. In my experience I have had more difficulty with tenants leaving premises, and damaging premises, in the middle income group and this tends to protect them. I have on the other hand had a great deal of difficulty with a few and a very few landlords in the very low income group. Let me illustrate briefly. We have had in our office a number of girls who are staying in houses where there are two and three and four suites. These are light housekeeping rooms. The landlady regards the entire premises as her home and she continues to treat it that way. So she moves in and out of their premises at will. She feels free to deal with their property on occasion almost as if it were hers and there are two or three serious offenders.

On the other hand we have had occasion to believe that the laws are far less stringent than they should be for the landlord. In many cases landlords have found it virtually impossible to evict unwelcome tenants and troublesome tenants within a reasonable time. In addition to that tenants have destroyed premises and when they move out the premises are in a shambles and the tenant says, I have no idea how it happened. He just shrugs the shoulder and departs. The protection to the landlord in the amount of the damage deposit in most cases of that type is entirely inadequate and triple or quadruple the amount suggested would not be out of order. It does seem that a reverse onus on the tenants might well be appropriate in cases where the tenant has had sole and exclusive possession of property – he, being in possession of the property should account for the condition of that property.

I think as a final suggestion, — I don't know where in this Bill the landlord is protected from those very few tenants who are drunk, vindictive and abusive – the protection afforded to some landlords in my experience has been all too little. Some landlords have suffered such severe losses they have either stopped renting or have sold out and let somebody else bear the burden.

I must return, however, to my original thesis, the Bill is clearly a necessary updating of an outdated law. I am pleased to see this direction in which we are going. I regret to a certain extent that the Government got nit-picking and it decided to do a few things that were silly but we hope we may have them corrected in Committee.

**Some Hon. Members:** — Hear, hear!

**Mr. P. P. Mostoway:** — (Hanley) Mr. Speaker, I should like to go on record as favoring this legislation for a few reasons. First, I am in favor of it because I believe the formal spelling out of rights and duties on the parts of landlords and tenants is a good move. It is a move that should be welcomed by both sides because in this way each party will better know exactly what is to be expected of the other. In other words, Mr. Speaker, it brings discipline into an area where this was often lacking in the past. Mr. Speaker, I also favor this legislation because I see it as a move that will make it easier for a tenant and his landlord to resolve more easily disputes without the use of lawyers who, rightly or wrongly, are often beyond the financial reach of most tenants and very often, many landlords.



Another reason I am in favor of this Bill, Mr. Speaker, is because I know that in the past the whole area of security deposits has been very badly abused by, and I want to stress this, just a few unscrupulous individuals. Hopefully this legislation will drastically curtail these abuses in regard to damage deposits.

I just should like to reply to the Member from Albert Park (Mr. MacLeod) and I should like to point out when he said that landlords really have no protection from drunks who might go on wild rampages. In our society nobody has protection from drunks. We should like to see that protection extended to people in other areas before that, particularly on our highways.

Mr. Speaker, I fully endorse the various principles which have been used in drawing up this Bill and I will support it completely.

**Some Hon. Members:** — Hear, hear!

**Hon. R. Romanow:** — (Attorney General) Mr. Speaker, I will simply say that I appreciate the comments made by the Member from Lumsden (Mr. Lane) with respect to the possibility of House amendments. I have already indicated to the Legislature that there will be House amendments to this Bill. Some of these House amendments will incorporate suggestions made to us by landlords and apartment owners, and some of them incorporate changes recommended to us by the Tenants' Association of the Province of Saskatchewan.

I should like to direct my remarks in rebuttal just very briefly to the point raised by the Member from Saskatoon University (Mr. Richards) with respect to his plea for a landlord-tenant advisory board. In my judgment, Mr. Speaker, this function is adequately set out in the present legislation which allows the Provincial Mediation Board to mediate a settlement that may exist between landlords and tenants. Albeit, we perhaps could spell out more definitively some of the education aspects of the Provincial Mediation Board's responsibility. I nevertheless feel that fundamentally this power now exists with the Provincial Mediation Board.

Although people are reluctant to appear before courts the Act does have the provision that they could agree to have their case arbitrated by the Provincial Mediation Board if both sides agree we can follow that route. Failing agreement there is still a magistrate and I say that of all the courts the Magistrate's is probably the most accessible of all.

Accordingly, Mr. Speaker, I believe that whether we call it Landlord and Tenant Advisory Board or Provincial Mediation Board the function is there, the need is fulfilled by the legislation and accordingly I move second reading of this Bill.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by Hon. R. Romanow that Bill No. 76 – An Act respecting the Liens of Contractors, Wage Earners and Others be now read a second time.

**Mr. J. G. Lane:** — (Lumsden) We spent some time the other day in detail with regard

to the Mechanics Lien legislation. It is a very technically involved piece of legislation, the object is to give protection to those who supply materials or services or do work on real property. Certainly the new Bill fulfils that particular purpose.

We raised, however, the other day some of the problems that the new Bill does not solve. It does not solve the problem of speeding up the payments from the contractor to the subcontractor. It will make that fund that comes into the contractor's hands a trust fund which cannot be abused. The big weakness to the Mechanics Lien legislation is, of course, that it does not include and does not apply to the Crown. The Thomson Royal Commission study on Mechanics Liens suggested strongly that the Mechanics Lien legislation be applicable to the Crown. This would, of course, protect about 75 per cent of the construction work in the Province of Saskatchewan, this would protect the small contractor and ensure that adequate funds are given to him and given to him without any due holdback or delay.

We do see other problems, some may have long-term advantages, for example, the requirement of a trust fund will stop banks from lending to contractors and will stop banks from giving moneys to contractors for various other purposes aside from the actual project. This will serve to eliminate from the Saskatchewan scene some of the major contractors. The Saskatchewan Construction Association, I am advised, feels that this may be desirable in that it will be in effect a self-regulating process, the existence of the trust fund will in effect eliminate some of those contractors who are not acting within the spirit of the law.

Basically we see the Act doing exactly what the old act does, it does apply a mechanics lien, it does give protection. In reality the only new provisions are the questions of the trust fund; the trust fund desirability does have draw-backs, to some extent it prejudices some contractors.

The remarks of Judge Thomson in his very thorough study of Mechanics Liens made it quite clear at that point that the existing Saskatchewan law was working very well, better than in any other province. At that time he had considered the desirability of trust funds in other provinces and recommended against it. Again there are problems. I do not think, I unfortunately can't accept the Attorney General's statement that this is a new major breakthrough and everything else. There are potential draw-backs. In principle, we support the legislation, we do hope that the prejudices that are obvious and which have become obvious from the Thomson Report will not be a strong detriment to the construction industry in Saskatchewan.

**Hon. R. Romanow:** — (Attorney General) Mr. Speaker, I listened carefully to the remarks made the other day by the Hon. Member from Lumsden with respect to this Bill and in particular with respect to the trust provisions of the Bill. In fact I had obtained a copy of his remarks so that I would be absolutely sure of what he said.

I agree with the Hon. Member that one of the major changes in this Bill as compared to the present Act is with respect to the trust provisions. That's really what we are talking about here. The Hon. Member from Lumsden quoted from page 25 of the Thomson Report and he quoted as follows:

That it seems now to be generally recognized that these trust provisions create difficulties in those provinces where they have been adopted.

That was the statement used by the Hon. Member from Lumsden that there may be some trouble with the trust provisions.

However, Mr. Speaker, this statement must be read along with the other comment of the Commissioner made at page 24 where he outlines the fact that similar provisions of this Act are contained as trust provisions in the Acts of the provinces of New Brunswick, Ontario, Manitoba and British Columbia, and there is no time limit for claiming of these trust funds. But with every respect to Mr. Justice Thomson, the Ontario Act does contain a limitation period of nine months after completion of the labor or the material being supplied upon which one can claim on the trust. In our Section 8 of the Bill we too have a limitation which is only 120 days after completion, not exceeding 60 days or a total of 180 days at the most if there is an extended court order. So, Mr. Speaker, we have not overlooked and we are fully aware of the recommendation of Mr. Justice Thomson to the effect that it would be unwise to adopt the trust provisions as they existed then in New Brunswick, Ontario, Manitoba and British Columbia. We don't adopt them holus-bolus. We do put a limitation upon a claim on trust. I do submit to the Hon. Member that this will circumvent many of the problems that he has raised.

Another point I should emphasize is this: This Bill has in draft form been submitted to the Saskatchewan Construction Association here in Regina. I am advised by the manager of that association that they have given it very careful study. We have met with representatives of the association and my officials on several occasions. I believe I can say without fear of contradiction that the provisions are endorsed by the association. The fact that trust provisions similar to those in force in the Bill have now been in force in Manitoba since 1966 and in Ontario since 1960, should be clear indication to all Members of the House that they can only be beneficial and advantageous to all of the people concerned.

Mr. Speaker, I have other remarks to make but I think this can best be looked after in Committee of the Whole. I move second reading of this Bill.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Romanow that Bill No. 77 – An Act to create Trusts for the benefit of certain Wage Earners and other Persons in respect of payments made pursuant to Contracts for Public Works be now read a second time.

**Mr. Lane:** — Again we noted the remarks if I may refer to the earlier debate on the Mechanics Lien the support of the Saskatchewan Construction Association. We are advised that they in turn support the particular legislation we are now discussing.

There are again certain factors that arise, the first one as I suggested the other day that the proposed legislation will cover approximately 75 per cent of the construction in the Province of Saskatchewan. Some of the advantages of the

April 18, 1973

Mechanics Lien legislation no longer apply. Schools and hospitals have now been taken out of the Mechanics Lien legislation and the protection given there and are put under this new Bill. This may be a backward step.

There is no indication in the Bill that there will be a speed-up again of payments down to the sub-contractors. Somehow I would hope that the Attorney General can – I realize the very obvious difficulties involved in this – but at some point all this legislation both this and the mechanics lien legislation should provide not only a protection for the sub-contractors which the trust conditions will serve to do, but somehow some process of speeding up the payment down to the sub-contractors to ensure this viability. The big advantage to this legislation is that the doctrine of privity of contract is being removed and that as a consequence the Crown will be able to make the payment to the sub-contractor if there is a problem and then the Crown will be able to go after the surety or the performance bond in order to recover the moneys. In the past of course it was up to the contractor or sub-contractor to try and prove the performance bond. This certainly is a major advantage to the Bill.

Again, I think that the Attorney General has been advised that the Saskatchewan Construction Association is desirous of this legislation. I think it has been clear that one of the major reasons for the desirability in spite of its obvious drawbacks is the fact that the doctrine of privity of contract has been removed for this particular piece of legislation. For those reasons we will support the legislation.

Motion agreed to and Bill read a second time.

The Assembly adjourned at 9:58 o'clock p.m.