

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session — Seventeenth Legislature**  
**19th Day**

**Thursday, February 28, 1974.**

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

**ANNOUNCEMENT**

**WAYNE McKENDRICK**

**MR. SPEAKER:** — Before I call for introduction of students I should like to inform the Assembly and all Members that Mr. Wayne McKendrick, Administrative Analyst of the Department of Finance will be an intern in the Saskatchewan Parliamentary Internship program. Mr. McKendrick will be sitting at the table from time to time during the Session in order to study parliamentary procedures and practices.

**WELCOME TO STUDENTS**

**MR. G. B. GRANT:** (Regina Whitmore Park): — Mr. Speaker, through you and to the Members of this Assembly I should like to introduce a group of 65 students in the Speaker's Gallery, Grade Eight students from St. Mathew School in Regina under the direction of Mr. Lund, their teacher. St. Mathew School has been a regular attender at this Assembly for quite a number of years and I think Mr. Lund is to be congratulated for the sincere interest that he demonstrates in his students.

**HON. MEMBERS:** — Hear, hear!

**MR. G. F. LOKEN:** (Rosetown): — Mr. Speaker, it is a great pleasure for me today to introduce to you and to the Assembly, a group of 60 Grade Eight students seated in the east gallery from the Division III school at Rosetown. They are accompanied by their principal Mr. MacIntosh and two teachers, Mr. LaBlanc and Miss Mervold. I know the Assembly will join with me in extending a hearty welcome and will wish them a pleasant and informative afternoon and a safe journey home.

**HON. MEMBERS:** — Hear, hear!

**MR. H. OWENS:** (Elrose): — I should also like to extend a welcome to this fine group of students from Rosetown Division III school and their teachers and bus driver. Rosetown School is presently in the Rosetown constituency; however, after relocation of the constituency boundaries it will be in the Rosetown-Elrose constituency. In fact, it is quite possible that some of the students in the gallery today are presently living in a portion of the Elrose constituency. It is a pleasure to welcome them to this Legislature on your behalf and the other Members of this Assembly. I congratulate these students and their teachers and bus driver for the bravery of travelling to Regina under such adverse driving conditions. I wish them a safe journey home.

**HON. MEMBERS:** — Hear, hear!

## ANNOUNCEMENTS

### CURLING — SASKATCHEWAN WOMENS CHAMPIONSHIP — WEYBURN

**MR. J. A. PEPPER:** (Weyburn): — Mr. Speaker, I should like through you to draw to your attention and that of the Members of this Assembly a recent provincial sports event which took place in Saskatoon, I believe yesterday, Wednesday February 27th, where the Saskatchewan Senior Women's Curling Championship was won by a rink from Weyburn. This rink consisted of Mrs. Dagny Kradovill as skip; Mrs. Elva Turner, third; Mrs. Louise Trudgeon, second; and Mrs. Gwen Warden, lead. They won the championship event by defeating the rink from Regina, skipped by Mrs. Ina Rogers. The Weyburn rink by winning the provincial championship has now qualified to compete at Halifax for the Dominion Ladies' Championship of Canada.

I am sure that all Members join with me, Mr. Speaker, in congratulating Mrs. Kradovill and wish her and the members of her rink every success in their future competitions.

**HON. MEMBERS:** — Hear, hear!

## WELCOME TO STUDENTS

**HON. E. L. TCHORZEWSKI:** (Minister of Culture and Youth): — On behalf of the Hon. Mr. Cody who is away because of a meeting, I should like to welcome a group of students who are present here and I believe are in the Speaker's Gallery, from the high school of Bruno. I hope that they will find their stay worthwhile and that their trip here has been a good one and that their return will be a good one as well. I think that it is of interest for students throughout Saskatchewan to be able to attend this Legislature to view first hand the kinds of activity that go on and the business of the province that is carried out in this House. I should like to welcome them and to introduce them to the Members of this House, at this time, Mr. Speaker.

**HON. MEMBERS:** — Hear, hear!

## STATEMENT

### PICTURE IN STAR-PHOENIX

**MR. H. OWENS:** (Elrose): — Mr. Speaker, before the Orders of the Day I should like to make a few remarks and I would direct these remarks more to the news gallery than to the people of the Assembly. In my hand I have a piece from the Star-Phoenix dated February 26th, on the third page, where there are some pictures of people. I see the girl is pouring some, it doesn't say what it is, but she is filling glasses for the people. There is a distinguished looking gentleman from the Opposition but the picture I should like to draw attention to is the last one where they have done a very great disservice to Mr. Edgar Kaeding. This picture was taken with a misdirection somewhere and I don't know when. They took a very good picture of my seatmate, Mr. Faris and another rough, tough looking gentleman here that

I believe is myself. However, underneath it says the picture is Mr. Edgar Kaeding and I believe, Mr. Speaker, that the photographer who is supposed to be Ian Caldwell owes Mr. Kaeding an apology for such a degradation to his character. I wish that the Premier were here because we were at a meeting the other night and he was making an introduction of all of his MLAs and he ran short of a name for myself as well. I would suggest that if this happens in the future that possibly we could take Mr. Comer's suggestion and just call me 'Sparky'.

**SOME HON. MEMBERS:** — Hear, hear!

## **QUESTIONS**

### **APPLICATIONS FOR DRILLING NEW OIL AND GAS WELLS**

**MR. T. M. WEATHERALD:** (Cannington): — Mr. Speaker, before the Orders of the Day I should like to direct a question to the Government. Unfortunately the three Ministers involved have not been here the past few days and I don't feel willing to wait any longer.

January 1st, Mr. Speaker, to February 28th, 1973 there were 85 applications for drilling new oil and gas wells in the Province of Saskatchewan. In practically every case of these 85 applications the well would be drilled in the past year. This year, Mr. Speaker, January 1st to February 28th of this year, 1974, resulted in 15 applications for new oil wells to be drilled, six of these were applied for by the Saskatchewan Power Corporation. Mr. Speaker, it is obvious from these statistics that there is a loss of development of new oil reserves and loss of employment in the Province of Saskatchewan. The question is, Mr. Speaker, is the Government willing or able to review its legislation that is obviously resulting in a severe decline in exploration and in jobs in the oil industry in our province.

**SOME HON. MEMBERS:** — Hear, hear!

**HON. J. R. MESSER:** (Minister of Agriculture): — In the absence of the Premier and Minister of Mineral Resources, I think it is difficult to be precise in regard to the question that the Hon. Member from Cannington poses but I think that he is assuming that the reduction in the number of applications for drilling in the Province of Saskatchewan has some direct relationship to the legislation of the Province. That is simply an assumption and if he does not want to take my word for it I would suggest that he withhold the question until a more appropriate time when the Minister of Mineral Resources is here or else talk directly to him about the matter.

**MR. WEATHERALD:** — Mr. Speaker, the reduction is a reduction from 85 to 9 and it is obvious throughout the whole . . .

**MR. SPEAKER:** — Order! Questions can be asked but we can't debate the issue. If further information is sought it must be done through other channels.

**SOME HON. MEMBERS:** — Hear, hear!

## ROAD TO URANIUM CITY

**MR. A. R. GUY:**(Athabasca): — Before the Orders of the Day, Mr. Speaker, I should like to direct a question to one of the Bobbsey Twins over there, either the Minister of Highways (Mr. Kramer) or the Minister of Northern Saskatchewan (Mr. Bowerman) or both. Remember earlier in the fall there was quite a bit of fanfare when it was announced that the road to Uranium City would be built again this year from Cluff Lake. I understand that here we are almost in the 1st of March and this road has not been completed although we have had one of the coldest winters on record and it should have been completed by at least the middle of February. I wonder if the Minister would give us the answer as to when this road will be completed so that the truckers who made arrangements to ship goods in, will be able to get at it.

**HON. E. KRAMER:** (Minister of Highways): — Mr. Speaker, I want to inform the House that the ill-informed Member for the North (Athabasca) doesn't seem to know and I am not surprised because he never spends any time up there, that when there is a lot of snow that ice doesn't get very thick. We have the road completed all the way to Carswell Lake and we have the bulldozing done to Lake Athabasca. A truck went through the ice trying to get across Lake Athabasca last week. The ice is only 21 inches thick on Carswell Lake which has to be crossed. We are prepared to go but I will invite the Member for Athabasca to ride in the first truck.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. KRAMER:** — If he can cross it . . .

**MR. GUY:** — We don't need any excuses, all we need is an answer from the Minister of Highways, is he going to complete the road or not? It appears that the road will not be completed this winter.

**MR. KRAMER:** — The road is completed, the ice is not.

## ANNOUNCEMENT

### OLD TIME FIDDLING CONTEST

**MR. M. KWASNICA:** (Cut Knife): — Mr. Speaker and Hon. Members, before the Orders of the Day I should like to offer sincere congratulations to Mr. J. E. Malanchuk of Lloydminster, Saskatchewan for winning the Saskatchewan old-time fiddling contest held at Prince Albert, last Saturday, February 21st.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. KWASNICA:** — Mr. Malanchuk, better known as Bob, won top honors in the professional fiddling class, taking home the \$100 prize and the trophy. I am especially pleased because I have known Bob personally for many years and we have tried together to win' this championship before. Mr. Malanchuk, a businessman, won over eight other contestants in his class and he is now entitled to

enter contests in other provinces and to proceed to the Canadian championship to be held in Ontario later on this year. On behalf of all Members of this Assembly I should like to extend to Mr. Malanchuk our good wishes and good fiddling in the future.

**SOME HON. MEMBERS:** — Hear, hear!

## **QUESTIONS**

### **FLOODING IN THE LUMSDEN AREA**

**MR. J. G. LANE:** (Lumsden): — Mr. Speaker, I should like to direct a question to the Minister of Agriculture (Mr. Messer) for the simple reason that he spoke on behalf of the Treasury Benches earlier. I should like, Mr. Speaker, to turn to a little more pressing nature if I can than somebody's picture in the newspaper. That is the matter of the very heavy snowfall that occurred last night and the great potential and possibility of flooding in the Lumsden area. I wish to ask the Minister responsible how many sandbags have been purchased by the Government of Saskatchewan, how many thousand cubic yards of sand have been stockpiled for the community to handle the flooding?

**MR. MESSER:** — Mr. Speaker, I am not able with precision to answer the Hon. Member's question as to how many sandbags are available or being moved into place or for that matter how many cubic yards of sand will be available in order to ward off flood waters. Sometime ago, I believe six weeks or two months ago, we began to be concerned about the possibility of flood with the high amount of snowfall. There were meetings held between a committee that is known as the Disaster Committee in the Department of Municipal Affairs, and other involved Government departments.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MESSER:** — Mr. Speaker, if the Members opposite would like me to answer the question I would appreciate it if they would . . .

**MR. SPEAKER:** — Order!

**MR. MESSER:** — Thank you, Mr. Speaker, they very seldom listen to the rules of the House. But anyway, Mr. Speaker, the committee met with the Department of Agriculture, with the Department of Environment and with the Department of Municipal Affairs and they began to put into place everything that was humanly possible to ward off the disastrous effects of spring runoff. I think if the Member would wait until perhaps tomorrow, I can give him a more precise answer in regard to not only the cubic yards of sand and the sandbags that are being made available but any other kinds of assistance that could be made available through the Government or with Government assistance in order to give those people some assurance that they will not be confronted with the devastating effects of floods as they were, I believe, in 1969 and 1970.

**MR. LANE:** — A supplementary question. Mr. Speaker, I wonder if the Hon. Minister could advise me in light of the illness of

Mr. Wood, who is the Minister directly responsible for EMO now for all practical purposes?

**MR. MESSER:** — I am, as acting Minister of Municipal Affairs.

### **RENTING OF SPACE IN NEW TORONTO-DOMINION BANK BUILDING**

**HON. J. E. BROCKELBANK:** (Minister of Government Services): — Mr. Speaker, before the Orders of the Day, I should like to respond to an oral question that was placed in the House yesterday by the Hon. Member for Lakeview. The question was as follows: "Is it true that the Government or Government agencies have rented or are in the process of renting most of the available space in the new Toronto-Dominion Bank Building that is presently under construction in Regina?"

The answer to the question is, yes, the Government is in the process of renting space in the new Toronto-Dominion Bank Building.

**MR. E. C. MALONE:** (Regina Lakeview): — Could I ask a supplementary question?

**MR. SPEAKER:** — No. I think you should discuss it personally. We have had our share of oral questions. He agreed to supply an answer later but some of those questions would be better placed on the Order Paper rather than oral questions to give the Minister a chance. If you are not satisfied put the questions on the Order Paper.

### **STATEMENT**

#### **VISITORS IN LEGISLATURE**

**MR. A. THIBAUT:** (Melfort-Kinistino): — Mr. Speaker, before the Orders of the Day, I should like to suggest that when guests are visiting the Legislature and they would like to see how Parliament operates, I wish the Members in the House when the Question Period takes place that we just don't hear a roar across the House and shouting and so on. I think they would appreciate it a lot more and I would appreciate it a lot more.

**SOME HON. MEMBERS:** — Hear, hear!

#### **STUDENTS FROM ST. MATHEW SCHOOL**

**MR. K. R. MacLEOD:** (Regina Albert Park): — Mr. Speaker, I want to associate myself with the remarks of the Hon. Member for Regina Whitmore Park in welcoming the students from St. Mathew School. I have a particular interest in that school because most of my brother's children have been educated in that outstanding institution and I congratulate those people for coming here to observe how this place operates.

I also wish to associate myself with the remarks of the Member who last spoke (Mr. Thibault) and it would greatly assist us, Mr. Speaker, if the Hon. Member, particularly of the

Department of Northern Affairs, would stop yelling Order, order, and things like that. It seems to me, Mr. Speaker, that you are the Speaker of this House but you don't have as big a voice even with the microphone as the Hon. Member.

**HON. J. K. MESSER:** (Minister of Agriculture) Mr. Speaker, before the Orders of the Day, I should like to make an announcement in regard to some decisions that were agreed to at the Western Economic Council Meeting that is presently being held in the city of Saskatoon. I believe some Members of the House at least know that my absence from the House yesterday and for a portion of today was to attend that council meeting.

One of the subject matters on the agenda at that meeting was the establishment of a Prairie Agriculture Machinery Institute for the prairie basin. The provinces of Alberta, Manitoba and Saskatchewan had in the past a tentative agreement to establish a Prairie Agriculture Machinery Testing Institute in the Province of Saskatchewan, hopefully with some assistance and recognition from the Federal Government. The Federal Government have chosen not to give any direct assistance to that needed and I think most necessary institute for the testing of farm machinery. In light of that the provinces of Alberta, Manitoba and Saskatchewan, as three prairie provinces alone, have decided to go ahead with the establishment of this institute and it has been decided that its headquarters will be located in the Province of Saskatchewan in the community of Humboldt.

**SOME HON. MEMBERS:** — Hear, hear;

**MR. MESSER:** — Mr. Speaker, we believe that this will provide a genuine and most beneficial service to farmers in the Province of Saskatchewan and I think it is consistent with the endeavors of the Government to attempt to decentralize its operations and activities to smaller communities within the province.

**MR. E. F. GARDNER:** (Moosomin): — Mr. Speaker, I think the Opposition certainly wouldn't have any objection to establishment of a machinery institute or whatever the official name is going to be. We will certainly be watching it very closely. We feel that this is something that is probably necessary. We will be asking, very shortly, of course, as to the cost, the share that will have to be provided by Saskatchewan. We would also hope that they would be working very closely with the agricultural machinery group at the Agricultural Engineering Department at the University of Saskatchewan and hope that they will be involved in this; that the research, group that are already there will be used as much as possible in the institute.

We shall also be interested in the property requirements and so on for such an establishment at Humboldt and we wonder if the entire establishment is going to be at or near Humboldt

or if it will be at other places in the prairie provinces.

**MR. E. L. TCHORZEWSKI** (Minister of Culture and Youth): — Mr. Speaker, if I may I should like to make a comment on the announcement as the MLA for Humboldt.

I first of all want to say that I am certainly pleased as I know probably all Members of this House are, certainly the Members on this side of the House, at the reinstitution of the concept which did exist some years ago in the name of the Prairie Agricultural Machinery Institute. I consider this to be of great value to agriculture in western Canada and in some ways possibly throughout Canada and maybe in North America.

I want to say that certainly I welcome the announcement that it will be located in Humboldt, this is in keeping with the Government's policy of decentralizing and locating services throughout all of Saskatchewan even in our smaller communities. This is going to be of benefit to the community of Humboldt and to the district as well. I couldn't think of a better place, Mr. Speaker. And maybe my opinion will be biased, but the services that are located in the community and the services that are now being developed and new ones added make our community a very likely and a very appropriate place for the establishment of this or any other government agency.

## SECOND READINGS

**HON. G. SNYDER** (Minister of Labour) moved second reading of Bill No. 44 — **An Act to amend The Labour Standards Act, 1969.**

He said: — Mr. Speaker, The Labour Standards Act was originally enacted by this House many years ago to provide the working people of this province with the assurance that they could expect as the minimum return for their services a fair share of the fruits of their productivity in terms of wages, public holidays, annual vacations, reasonable hours of work and conditions of employment and some degree of job security.

In order to maintain that assurance, Mr. Speaker, the Department of Labour must continually monitor prevailing Saskatchewan working conditions and employment practices, re- view legislation and from time to time introduce new legislative changes.

The New Democratic Party's election platform in 1971, our New Deal for People, promised a number of specific measures related to labor standards in Saskatchewan. Those promises included:

1. An upgrading and expansion of the Department of Labour staff, so that the Department could properly enforce the labor laws of this province and more thoroughly research problems arising from employment practices and working conditions.
2. In the New Deal for People we promised the reduction of the work week throughout the province to 40 hours per week so that working people would have a reasonable degree of leisure time and longer daily periods of relief from their work place so essential in this day and age of



increased mental fatigue and nervous strain caused by advancing work environment.

3. We promised an increase in the minimum wage to \$2 per hour, universally applicable throughout the province so that working people would be guaranteed a minimum share of the wealth which they helped to create.

4. We promised to legislate three weeks annual vacation after one year of service and four weeks after ten years of service so that all working people in Saskatchewan would have longer blocks of annual leisure time in order that they might relax and enjoy some of the good things of life or to upgrade their current academic standing.

During the past two and one half years, Mr. Speaker, our Government has taken steps towards fulfilling all but one of these promises. The Bill which is before you today will, when enacted, fulfil the remaining promises by providing for three weeks annual vacation after one year of service.

I think it is worth noting, Mr. Speaker, that the trend towards three weeks annual vacation after one year of service has become a well established pattern in Saskatchewan. A recent survey of collective bargaining agreements in Saskatchewan indicates that over 40 per cent of those persons who have a union bargaining on their behalf do receive, at the present time, three weeks annual vacation after one year. However, in our province approximately two-thirds of the non- agricultural work force is not organized into collective bargaining units and we, as a Government, feel a strong obligation to this group of people.

In order that employers will have ample time to adjust to the requirements of this new provision, we have provided that an employee begins to earn his three weeks annual vacation after one year of employment on his first anniversary date subsequent to the proclamation of that particular section. Therefore, it follows that the earliest an employee will actually be entitled to take three weeks vacation with pay under this legislation will be on his second anniversary, subsequent to the proclamation of the amendment. I expect, Mr. Speaker, there will be some who allege that the effect of the present amendment may be to discourage prospective employers from locating within Saskatchewan .

I have no doubt, Mr. Speaker, that industry in deciding where to locate new plants does consider labor legislation in the various jurisdictions as one of the factors in making their decisions. However, I can't believe that employers look at the minimal provisions of labour standards legislation strictly from the narrow point of view of costs involved.

I think that it has to be recognized that Saskatchewan is in a rather unique position in Canada of having a shortage of available labor in some particular fields and the availability of labor for plant or industry involved must be one of the factors considered when an organization is determining where it should locate its new facilities.

Certainly the possibility of a larger pool of available labour is greatly enhanced where employees are offered attractive

working conditions. Therefore, while I will not attempt to pretend that we prepared our legislation providing three weeks annual vacation solely from the point of view of attracting industries to Saskatchewan, I expect that our legislation would act as an encouragement to the type of industry that we would want to attract to our province.

Since we became the Government in 1971, Mr. Speaker, a number of Liberals opposite, particularly in the past, in the company of some of their reactionary friends have alleged that our philosophy or our legislation would have the effect of driving existing employers from the province or discouraging new business from locating here. I want to say here and now, Mr. Speaker, that I consider that to be an empty threat. It is an empty threat because there has been no evidence to indicate that employers have left the province or failed to locate here because of fairly attractive working conditions in our province. It is an empty threat, Mr. Speaker, because our province is no longer in a position where it can be blackmailed into withholding legitimate benefits from Saskatchewan's working men and women. Our working people need jobs that provide a decent living; they need jobs that will also provide reasonable vacation benefits and a fair chance to maintain their health, their safety and their sanity in the work place.

Jobs at substandard wages, performed in dangerous or unhealthy surroundings are a very questionable asset to the Province of Saskatchewan. I fail to believe that just and fair labour standard provisions would serve as a deterrent to legitimate business and industry in the Province of Saskatchewan.

I am impressed, Mr. Speaker, with the fact that the vast majority of employers in the province are prepared to keep pace with existing trends which are designed to make work a more humane and a more rewarding venture. The proposed amendment I suggest, will go some distance in accomplishing that particular objective.

Another feature, Mr. Speaker, that I should like to draw the attention of the House to is an amendment which provides that the employee will now have 12 months in which to take his annual vacation. The Labour Standards Act presently requires that an employee take his earned vacation within 10 months of the date in which he becomes entitled to them. This amendment which is before us will make the situation clearer. This amendment will provide that an employee may then take his holidays back to back which the present arrangement forbids.

In addition, Mr. Speaker, an employee who started his employment in August, that is to say that his anniversary date is in August, was precluded from ever taking his annual vacation in June or July and with these considerations in mind we have extended the time in which an employee may take his vacation an extra two months therefore providing the maximum of flexibility without sacrificing any of the employee's present protection.

When I discussed the repeal of The Factories Act before this House earlier in the Session prior to the Christmas adjournment I indicated that there was probably only one provision in The Factories Act which was worth retaining and would be retained as a legislative amendment which would probably be incorporated into The Labour Standards Act.

That particular amendment relates to the prohibition of the employment of persons of less than 16 years of age in a factory. We have determined that the most efficient way to accomplish this end is to give to the minimum Wage Board the power to make orders subject to the approval of the Lieutenant-Governor-in-Council which would fix the minimum age at which employees may be employed in any class of employment.

The Labour Standards Act has for some years, Mr. Speaker, attempted to give to an employee who is owed wages by his employer absolute priority over all creditors until the employee's wage claim is at least partially satisfied. The priority written into The Labour Standards Act was quite effective in terms of any other provincial legislation, but unfortunately, a number of unpaid wage claims arise from bankruptcy situations which are governed by federal legislation, namely The Bankruptcy Act.

The Federal Bankruptcy Act does not give the unpaid employee absolute first priority in a bankruptcy situation, but only makes the employee a preferred creditor and then only for the amount of unpaid wages accruing in the three months just immediately prior to the petition for bankruptcy. Clearly, in that situation, Mr. Speaker, if the employer closed down his business and laid off all of his employees in one month, but did not formally petition for bankruptcy until three and one-half months later, the employee would be in the very unfortunate situation of not being able to collect wages properly owing to him.

The amendment before you will now establish in law that any wages earned by an employee, but not yet paid to him, will no longer be a first priority debt but will rather be moneys that are held in trust by the employer for that employee. In effect then, the legislation will say that once an employee has earned wages the money that he has earned is his and if the employer has not yet paid those wages to the employee that means that the employer is holding the employee's money in trust for that employee.

Therefore, unpaid wages will not be part of the employer's estate to be handled and distributed by the trustee in a bankruptcy because the unpaid wages will be the employee's property and not the employer's.

When I became Minister of Labour in 1971, Mr. Speaker, I was particularly concerned that Saskatchewan's Labour Standards legislation did not attempt to provide employees with any degree of job security or protection. Since that time we have enacted six specific measures designed to provide Saskatchewan's working men and women with a degree of job security and at the same time guarantee to them some fundamental rights that we believe should be enjoyed by all people.

To recall, just briefly, some of the measures taken by this Government, I would refer to the establishment of the right of workers to refuse to do unusually dangerous work without sacrificing their jobs. I draw your attention to the provision, the right of maternity leave to a female worker and the right to a leave of absence to run for a political office.

Mr. Speaker, I think that even Members opposite would agree that these minimal rights — and these are minimal rights — which

all persons in this society can legitimately claim and expect.

The Bill before you contains another amendment designed to further protect employees from unreasonable and unfair loss of employment. The amendment will prohibit an employer from discharging or laying off an employee simply because the employee's wages had been garnisheed under The Attachment of Debts Act. All too often, I am afraid, an employer is faced with a garnishee summons and the employee is summarily dismissed from his job under those circumstances. Apart from being very unfair to the employee such a dismissal from work frustrates the whole intent and purpose of The Attachment of Debts Act in that it deprives the employee's creditor of his legal right to collect moneys owing to him by attaching part of the wages of that employee. The amendment then will provide some much needed protection to employees and ensure that the intent of this legislation with regard to The Attachment of Debts Act is in fact realized.

The remaining legislative changes embodied in this Bill, Mr. Speaker, are merely designed to streamline and clarify the provisions of the Act and to make it more workable. Altogether, the amendments contained in this particular Bill, I suggest to you, complete the promises made by us to the working people of this province in 1971 and ensure that Saskatchewan's Labour Standards legislation is in step with the legitimate expectations of workers in the 1970s.

Therefore, it is with a great deal of pride, Mr. Speaker, that I move second reading of this Bill.

**MR. D. F. MacDONALD:** (Moose Jaw North): — Mr. Speaker, referring to Bill No. 44 I want first of all to say that Section 37 of the Bill I think is a very clever piece of legislation for protecting the employee. I don't know just how legal it is. I don't happen to be a lawyer and I will leave that to other Members who have some training in the legal profession. But it seems to me a very clever way of protecting the employee and protecting the wages that are due to the employees. Under the existing or old methods quite possibly under bankruptcy they, the employees, could get short-changed and I think setting up a trust is a very good method of accomplishing what we would hope to be accomplished for the employees.

I also think that Section 68 is a very good piece of legislation in that for the very fact alone, a garnisheed employee cannot be fired. I think that this has been held over the heads of employees. Certainly everyone is going to make a mistake sooner or later because of one reason or another. I don't think that he should be able to be fired for that express reason alone.

The provision for three weeks holiday is a provision that I am sure all employees in the Province of Saskatchewan will enjoy. Employees in Canada likely do not enjoy the length of holidays that employees in other countries around the world enjoy. I am sure that they will appreciate three weeks holidays. In this day and age leisure time is very valuable and very important to our people.

I should have hoped possibly that we could have had this phased in over a longer period. Possibly the same way as four

weeks after ten years was phased in over a five year period. I said before that I think it is bad practice for legislation to impose costs on an employer after a collective agreement has been reached in good faith. A phase-in period would certainly be more fitting and allow the employers to budget financially much better.

I think this Legislature should also be concerned about the effect this measure will have on rising prices. We should remember that this extra week of holidays does not put any more money in the pockets of any employee; it simply gives him an extra week's holiday at exactly the same wage. There is no question that this measure being incorporated will force prices upwards. We must be aware of this when we are considering this legislation.

The extra week's holiday will increase costs of labor by up to two per cent and this will of course drive costs of goods and services up. It has to be a concern to those of us on fixed incomes especially those people who are retired or are about to retire and are very, very fearful of the effects of inflation on their lives in the near future. Prices jump up daily and any factor which helps to increase these costs are a real concern to people on fixed incomes.

We must also be concerned about the adverse affects that this legislation might have on some of our smaller businesses and some of our family businesses. It is a fact I think that large national and international businesses and companies are much better off, much better able to absorb these extra payroll costs that we will be imposing on them.

This Legislature should also be concerned about the fact that while this legislation grants privileges and rights to some employees there are some other employees, notably those who work for the Blakeney Government, who still don't have the right to a 40 hour week. There are other employees who work for the Blakeney Government that can't even get a contract signed without a strike or without a threat of a strike. Maybe we should start to fulfil the obligations of legislation that we have already passed at least for our own employees before we start thinking about passing other legislation granting rights and privileges to employees.

Mr. Speaker, there are a few other words I wish to add and I should like to ask leave to adjourn the debate.

Debate adjourned.

**HON. J. R. MESSER** (Minister of Agriculture) moved second reading of Bill No. 28 — **An Act respecting the Agricultural Machinery Institute.**

He said: — Mr. Speaker, the Bill before us entitled The Act respecting The Prairie Agricultural Machinery Testing Institute, I believe marks another milestone in the progress of Saskatchewan agriculture during the 1970s. This Act is representative of the enlightened, and I believe most progressive legislation pertaining to agriculture brought forward by this New Democratic Government over the last two and one-half years.

This Bill contains many features which makes it both

important and unique. First, it will once again establish farm machinery testing in Canada; something that has unfortunately not existed since the Saskatchewan Agricultural Machinery Administration was disbanded in 1965 by the Liberal Government of the day. This thoughtless action by the Government in 1965 destroying machinery testing in Saskatchewan has been deeply regretted by farmers not only in Saskatchewan but in the Prairie Basin and in fact throughout North America.

The second important and unique feature of this legislation is that it provides for a machinery testing institute financed and operated co-operatively by the three prairie governments. It thus has established an important precedent in prairie co-operation, consistent with the common goals and aspirations of farm people in the prairie region.

I believe that there is almost universal agreement among farmers that the former agricultural machinery administration in this province performed a service of immeasurable value to farmers in Saskatchewan, as well as to other parts of Canada and throughout North America.

Under that program, the discovery and reporting of design and operational problems with farm machinery sold in the province, resulted in manufacturers making important improvements to their farm machinery and in farmers making wiser and more informed choices when purchasing farm machinery. The test reports published by the Agricultural Machinery Administration so highly respected for their objectivity and completeness became indispensable items for any farmer in the market for farm machinery.

The decision of the Liberal Government in Saskatchewan in 1965 to disband the agricultural machinery testing service of the Department of Agriculture at that time, was one that is almost impossible to even understand today. The only way one can understand that decision, Mr. Speaker, is to recognize then, as today, that the Liberal Party acted in response to the demands of the large multinational corporations, rather than the demands of the farmers and the ordinary citizens of this province.

Mr. Speaker, I have no doubt that should the Members opposite ever form a government in Saskatchewan in the future, that they would move just as vigorously as they did in 1965 to destroy this Prairie Agriculture Machinery Institute being established through this legislation that is before us today.

The huge multinational corporations exercise every bit as much influence in the decision making of the Liberal Party in opposition as they did in Saskatchewan when they were government in 1965.

This was clearly indicated to us during the last session of the Legislature, when important changes were made to The Agricultural Implements Act, in order to provide increased protection and service to Saskatchewan farmers. At that time, Mr. Speaker, as practically every Member of this Assembly well knows, the Members opposite remained huddled with senior representatives of the huge international machinery companies, obtaining their direction on how to react to that important piece of legislation.

That precedent clearly establishes what we can expect from the office of the Opposition in this Assembly with respect to legislation designed to protect and enhance the interests of farmers when they face the large agricultural machinery manufacturing companies.

In view of this attitude on the part of the Liberal Party in Saskatchewan, I am especially pleased that it has been possible to reach agreement with the other two prairie provinces to establish the new Prairie Agricultural Machinery Institute.

If a reactionary Liberal Government ever comes into power again in Saskatchewan, it will now have to go to governments of our two sister prairie provinces, and inform them that they wish to destroy an important program simply to meet the demands of the international machinery manufacturing companies. I would hope that even a Liberal government would hesitate so blatantly to express their subservience to the large international companies to governments in the other prairie provinces.

However, Mr. Speaker, I do not wish to dwell on the possible actions of a hypothetical Liberal government in Saskatchewan. Frankly, I cannot foresee the possibility of the people of Saskatchewan turning over their government to a group who have proved to be the servants of the large international companies that act so contrary to the interests of Saskatchewan farmers and Saskatchewan people.

There are many other positive aspects of co-operation with the other prairie governments that should be stressed. The commitment we now have from the Governments of Manitoba and Alberta to proceed with us in the establishment of the Prairie Agricultural Machinery Institute will mean that the institute will have a financial base that extends beyond the limited resources of Saskatchewan to carry out its activities and programs. It means that prairie farmers, rather than simply farmers in one province, will have a machinery testing and evaluation program that, in common, they can call their own, and draw upon for much needed data and information.

This is an important step forward in recognizing that in unity there is indeed strength. The interests of farmers in the three prairie provinces have a great deal in common. The farm economies of the three prairie provinces are essentially inseparable, with the same products, the same opportunities and yes, even in many instances the same problems.

With respect to farm machinery per se, practically all of the machinery purchased in any one province is readily adaptable to use in any of the other prairie provinces. This means that a machinery testing and evaluation service is really a service that will meet the needs of all prairie farmers. As a result there can be no doubt that intergovernmental co-operation in this area is the only real sensible approach.

I believe, Mr. Speaker, that the co-operation between the three prairie governments in establishing the Prairie Agricultural Machinery Institute is symbolic of a larger spirit of co-operation that is developing in the prairie region today. I see a greater recognition of the fact that the production problems, the marketing problems and the economic and social problems of farmers in one province in the prairies are essentially the same as those of farmers in the other provinces. This, I believe,

will lead to ever-expanding areas of co-operation between the three prairie provinces, similar to the kind of co-operation we see being established in the case of the Prairie Agricultural Machinery Institute.

The Province of Saskatchewan will be carrying the greater part of the financial burden in the establishment of the Prairie Agricultural Machinery Institute. We believe that this is as it should be, since Saskatchewan purchases by far the largest share of the farm machinery marketed in the prairie region. Thus, equity demands that in this particular case, Saskatchewan carry its fair share of the financial responsibility. I can foresee that for other co-operative programs, other provinces might carry a disproportionate share of the financing, where circumstances dictate that this would be fair and equitable.

It is however, Mr. Speaker, with a good deal of regret that I must inform the House that the Government of Canada has taken no positive steps to indicate financial support for the Prairie Agricultural Machinery Institute. Numerous discussions have been held with the Federal Government on this matter, and numerous proposals made by the three prairie provinces. And as the Minister of the Environment (Mr. Byers) points out we are establishing a rather energetic undertaking in the community of Humboldt which is in fact the centre of the only Liberal Member from Saskatchewan in the Federal Government and he has chosen not to give direction to that Federal Government to give recognition and assistance to the establishment of that prairie machinery testing centre.

However, the Federal Government does not appear to wish to become a partner in this most important program. I am still hopeful that it will be possible to negotiate some amount of financial support from the Federal Government, but the response to date has not at all been encouraging

The Members opposite will no doubt ask, Mr. Speaker, why we need a machinery testing institute in the prairie region today. It is my view that the answers are obvious. However, I believe it would be appropriate to review the proposed responsibilities and functioning of the Prairie Agricultural Machinery Institute, as they have been developed in response to determined needs and problems.

Perhaps it would be useful to review briefly the historical background that has led up to the tabling of this legislation in this Legislative Assembly.

As you know, Mr. Speaker, the Federal Government established a Royal Commission in 1966 to study the problems in the manufacture, the sale and the distribution of farm machinery in Canada. After an exhaustive review of the farm machinery situation, Mr. Barber, the Chairman of that Royal Commission submitted its report in 1971.

One of the most important recommendations contained in that report was the establishment of a public program of farm machinery testing. That was the most important recommendation, the need for a public independent program for the testing of farm machinery. This recommendation was made in recognition of the fact that information pertaining to the functioning or performance of farm machinery sold in Canada today is most



inadequate.

Soon after the Royal Commission Report on farm machinery was tabled, it became obvious that the Federal Government was hesitant to take the action recommended in its own Royal Commission Report.

One can only speculate on why a Liberal Government in Ottawa would be hesitant to take such action, but no doubt the reasons are not all that different from those that led to the destruction of the machinery testing program in Saskatchewan in 1965 by a provincial Liberal Government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MESSER:** — The year 1971 was an important one in terms of farm machinery, as a result of the tabling of the Royal Commission Report on farm machinery. It was also a year of important changes in Government in two of our prairie provinces leading to a new and more enlightened approach to the problems of farmers when facing the large international corporations that produce and market so many of the needed inputs used by farmers in the prairie region.

In the fall of 1971, I met with my counterparts from the other two prairie provinces, and we agreed at that time to establish a committee who were to bring forth a proposal for a prairie based farm machinery testing program.

As most Members of this Assembly will know, that committee, consisting of Mr. Reid of the Alberta Department of Agriculture, Mr. Peck of the Saskatchewan Department of Agriculture and Mr. Hudek of the Manitoba Department of Agriculture prepared a report dated February 1972, that was tabled in this Assembly during the 1972 session. That Committee recommended that a prairie agricultural machinery institute should be established with the objective of improving the design, selection and use of agricultural machinery in the prairie provinces. This was to be done by:

- (a) Assisting the agricultural machinery industry itself in developing better and more efficient machines for agricultural use.
- (b) Evaluating the function and performance of agricultural machinery under a variety of typical conditions that are contained or fall within the prairie basin.
- (c) Providing farmers with the information they need to make intelligent agricultural machinery purchases and to get the most efficient use from their machinery.
- (d) Reducing the safety and health hazards through improved design, construction and use of agricultural machinery.
- (e) Ensuring that priority research projects were carried out.

In order to achieve those objectives, the committee recommended that the industry carry out numerous functions.

These functions are essentially those that the institute to be established under the bill presently before you will perform.

Let me turn to some of these functions and some of the considerations in relation to those functions, Mr. Speaker.

The first and the most important function of the institute will be functionally to report performance evaluation of farm machinery. This will include the determination of the performance of machines under various difficult prairie conditions. The suitability of machines for various operations and their effectiveness, will be evaluated. Capacities, rates of work, associated crop losses, factors affecting or respecting satisfactory operation, power requirements, compatibility with other machines or systems, adaptability to various soil and crop conditions, labor efficiencies and quality of work will be determined. Evaluation work, wherever possible, will be carried out on new machines as soon as they become available. This will ensure the quickest possible availability of information to farmers. The evaluation will, in certain cases, be undertaken by company engineers, following standardized test procedures established and supervised by the staff of the institute. It is anticipated that the institute will evaluate primarily field machinery and materials handling equipment.

In the initial stages, power measurements for tractors not tested at Nebraska will be undertaken and other testing services will be provided on tractors relating to disputes regarding capacity, power output and similar factors. At a later date, consideration will be given to undertaking power take-off tests and transmission efficiency tests for tractors.]

The institute will also provide a service to manufacturers for the testing of prototype and preproduction models. Small prairie manufacturers, in particular, with little or no engineering staff, are looking forward to the use of the services of the institute for development work on their equipment. It is anticipated that this will eliminate a major problem currently facing small prairie farm machinery manufacturers, thus making our prairie based companies more competitive in the machinery market.

The Prairie Agricultural Machinery Institute will undertake development work on new ideas, processes and mechanisms obtained from individuals or research institutions, transforming these into practical machines or equipment for prairie use. Advice will also be provided to those who wish to translate such ideas and processes into workable machines on their own, or within their own plants. Development, evaluation and marketing advice will also be made available to persons or companies in this situation.

In the area of information and education regarding the performance of farm machinery, the institute will have a very major responsibility. It will have an extension staff to develop and carry out effective educational programs on the work and findings of the institute. Provincial farm machinery specialists will be closely allied to the institute to assist in the distribution and interpretation of information within their own and respective provinces.

Working with manufacturers, the institute will provide an up-to-date listing of standard or interchangeable parts. The

encouragement of increased interchangeability and cross-referencing of parts will be an important part of this function.

It is expected that the institute will provide leadership in the area of improved safety and health equipment and procedures relating to farm machinery. Development of better equipment and education on the use of machinery in relation to farmers' health and safety will be included in this particular area of responsibility.

The question of durability testing has been reviewed by the committee and it is not anticipated at this time that full scale durability testing will be within the capacity of the institute in its early days. It is not possible for the institute to have access to a large enough sample of machines and equipment to undertake adequate durability tests, providing full information on the long-term durability of machines and equipment.

However, it is anticipated that reliability studies on machines in the field will be carried out. A statistical sample of new machines in the field will be carried out and that statistical sample of new machines sold to farmers in the first year of introduction will be surveyed by the institute to determine the reliability of those machines.

Availability indexes will be developed for the machines to indicate to farmers what percentage of the time they can expect these machines to be available for use. Basic research will be undertaken as well, in co-operation with existing research institutions such as The Canada Department of Agriculture, Research Branch, the universities in the prairie provinces and research councils, as well as with the satellites that the institute will be operating in the Provinces of Alberta and the Province of Manitoba.

The institute will work under the direction of a board of directors to be appointed by the Ministers of Agriculture of the three prairie provinces. This board of directors will be directly responsible and accountable to the Ministers of Agriculture from the three participating prairie provinces.

The institute will operate a central testing station in Saskatchewan at Humboldt, as was announced earlier today, and a satellite station in each of the other two prairie provinces. This program will create employment for 30 additional people in Saskatchewan during the initial stages of operation and it can be anticipated that this level of employment will expand through time as the institute becomes fully operational, and I don't think that it is unreasonable to assume that the staff will triple within a few short years after the institute has been established.

Mr. Speaker, I have attempted to outline in some detail the functioning and operations of the Prairie Agricultural Machinery Institute, since I believe that this is one of the most important undertakings by our Government on behalf of prairie farmers. I am fully convinced that the services to be provided will prove to be valued at many times the cost of establishing this institute.

It is, therefore, Mr. Speaker, that I, with great pride, move the Act to Establish the Agricultural Machinery Institute be now read a second time.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. E. F. GARDNER:** (Moosomin): — Mr. Speaker, as the Minister mentioned we did have a machinery testing program, a small one here, at one time and I think it was obvious to everybody at that time that it couldn't well survive on a provincial basis. There was room for too much duplication, the prohibitive costs and it was a bit ridiculous for one province to be testing machinery of this type. This was disbanded and the staff was transferred to the Research Branch of the Agricultural Engineering Department at Saskatoon. We kept the staff intact, the nucleus of the staff and they were an excellent group of people, I might say. I knew most of those people personally, the engineers involved, as I myself was teaching at the University of Saskatchewan, Department of Agricultural Engineering at that time. I might say also that the Saskatchewan Engineering Department is the top agricultural engineering branch in Canada. These people who were transferred to the research branch have been carrying on very valuable work since and I would hope that the Minister of Agriculture doesn't neglect this research part of the program when the Government gets involved in the testing. They have developed the grain loss monitor, as pretty well every farmer in western Canada and even throughout the world knows. They have done a lot of work on the roto-thresh combine which could well replace the present combine that is being used today throughout the world, and these people are doing very valuable work.

When we were the government we started negotiations very actively with Manitoba and Alberta to try and get a machinery testing institute of the three provinces and it seemed that these negotiations were going to have some success very shortly. I am rather surprised that it has taken the socialist Government here almost three years to complete these negotiations because it was fairly obvious that we were about to get together three years ago.

I would hope that the socialist Government here and in Manitoba has not so antagonized the machine companies that it is going to restrict the testing program. I hope that the testing program will not suffer because of this because it is very, very important to have the co-operation of all manufacturers of machinery, whether they be large or small. We have to have the co-operation of the industry.

The needs of our own manufacturers in Saskatchewan, of course, should be paramount in a program such as this. Now I would hope that they will not only test and evaluate machinery which is produced in Saskatchewan, but they will also offer some engineering services to these people. I don't believe the Minister mentioned this aspect of this, but I would hope that this is an important function of any testing program — that engineering services will be provided to manufacturers who are registered certainly in the prairie provinces. John Deere, Massey-Ferguson have their own engineering staff and don't require this, but some of our small manufacturers who make stone pickers, bail loaders, bail elevators, all types of haying equipment in the prairies don't have the size to have a large research and engineering staff and I would hope that this is worked into the program. We will certainly co-operate in any way we can with the establishment of this institute.

We are very sorry that they couldn't convince the Federal Government that they should be involved in this. I think it very unfortunate that the Government here was unable to convince

the federal people of the value of such a program and I can assure them that when we become the government, we will co-operate actively with the Federal Government to make this a national testing centre, to expand it and make it much more worthwhile.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GARDNER:** — It can only develop to its full potential with federal co-operation and it appears that the Government here has not been able to get this co-operation at this time from the Federal Government.

I would also hope that when this institute is established that the testing engineers will be the ones who are primarily in charge of the program. I would hope that Mr. Messer, the Minister of Agriculture, doesn't put in a bunch of NDP bureaucrats as he has done in some of these other programs (that he has appointed himself), which could destroy the effectiveness of such a program. I would hope that he would get the engineers who are needed and leave them with a free hand to develop and operate this very valuable program.

Mr. Speaker, I wasn't personally aware, wasn't advised that this Bill was coming up today and I have some other comments to make on it, and I should like at this time to adjourn the debate.

Debate adjourned.

**MR. MESSER** moved second reading of Bill No. 25 — **An Act to amend The Provincial Lands Act**

He said: — Mr. Speaker, in speaking to this Bill I wish to state first that the Department of Agriculture administers over eight million acres of provincial land under the Provincial Lands Act. Agricultural leaseholders number over 15,000 farmers and ranchers and when patrons of community grazing tracts are included, over 24,000 farmers are actively utilizing crown land in Saskatchewan today.

The passing of this Bill will allow an amendment of the regulations under the Provincial Lands Act to permit purchase of lands without the tedious necessity of individual Orders-in-Council for each and every purchase. The amendment would bring the purchasing procedure for the Lands Branch in line with that of the Saskatchewan Land Bank Commission and would facilitate purchase of land in order that marginal or low productivity land may be acquired for the purposes of adjusting its use by converting to its best use in accord with the land's capability, usually to pasture or hay production from marginal cultivated production by improving productivity, usually by seeding to appropriate forage crops and increasing land area used for cattle production.

Mr. Speaker, a major objective of the Department in the programs and policies affecting the administration of land use is to increase the cattle population in Saskatchewan. A definite restrictive factor in such increases is limited summer grazing. Our Lands Branch is tackling this problem in four main ways:

1. A grazing land improvement program to encourage the improvement of Crown Land held under both individual and co-operative association grazing leases, by clearing and/or breaking, working down and seeding to forage crop mixtures. Such improvement will increase productivity of low-capability land for grazing purposes. Since this is an improvement of our own land asset, it is sound investment in straight economic terms; and more importantly, it is a sound investment in the future of Saskatchewan's cattle industry. The Department, therefore, pays costs of all land preparation for seeding purposes.

Our program inaugurated in the spring of 1973, anticipates improvement of some 480,000 acres allowing an increased carrying capacity of 70,000 cattle over the next ten years. The program was well received and was gathering impetus when early and plentiful snowfall curtailed land clearing activity. It is anticipated that the level of activity in this province will increase in 1974 as farmers become more familiar with this policy and in view of higher payments by the government for improvement of Crown land.

2. The department has also stepped up land improvement activity in the provincially operated community pastures as a positive contribution to allow cattle herd increases. The potential for improvement in the next few years is about 85,000 acres providing additional grazing for in excess of 14,000 cows.

3. Where practical, the department will also improve vacant Crown land, to make it useful and attractive to livestock farmers and further increase cattle numbers in the province. The potential of this activity is being studied by the department staff at the present time.

4. The fourth area, is one of land acquisition, the acquisition of marginal, low capability and low use farm lands as they come on the market; such lands may be converted from their present use of cereal grain cropping to grazing or hay production. Most of these lands will be leased to farmers who require a more adequate land base for their livestock enterprise or enterprises. Others will be added to existing community pastures to increase carrying capacity.

All will come under land improvement programs already described so that use will be maximized to enhance the agricultural industry and to provide a more stable and healthy rural community. The Land Bank Commission and the Lands Branch have worked out reciprocal arrangements to ensure most effective administration of their land resources. The decision has already been made to transfer land highly suited to cereal grain cropping from the Lands Branch to the Land Bank as present leases expire. In turn, the Land Bank will transfer to the Lands Branch certain low productivity lands which should be converted to grazing or hay use or should be improved for that purpose. In this manner, both agencies can concentrate on their objectives to meet the needs of the agricultural community.

Mr. Speaker, it is in connection with thrust No. 4 in regard to land acquisition that this amendment is being proposed. It will allow the department to get on with the job of land

acquisition, dealing with sellers promptly to their considerable advantage and satisfaction rather than through the previous tedious procedure of individual Orders-in-Council for each and every parcel that was purchased. Uniformity of procedures for purchasing together with a decrease in time required to complete purchases is desirable since variations in procedures between two agencies of the department create confusion and frustration for vendors of land.

It is for those reasons, Mr. Speaker, that I move second reading of a Bill to amend The Provincial Lands Act.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. E. F. GARDNER:** (Moosomin): — Mr. Speaker, this Bill in itself looked rather innocent and certainly we were prepared to let it go with really no comments before the Minister made his speech. Now we are much more suspicious. It almost looks as if he is going to use the power that would be given to him in this Bill to try and advance the work of the Lands Branch. He talks about land improvement and many of us have felt that some of these land improvements basically mean, in this province, cutting down trees and clearing land and we feel that this should be looked at perhaps very carefully. In this regard we might say that we feel the department would be much better advised to revoke the decision that they made about one year ago in this Legislature whereby they cancelled the irrigation project on the South Saskatchewan River. I'm sure that the Minister is well aware that this winter there is a terrific shortage of fodder in central- Saskatchewan and hay is selling around the area of the irrigation project in excess of \$2 a bale and much of this hay is being trucked in from the north or other areas for a hundred miles and over, because of the shortage of fodder.

Many cattle are being sold, many cattle herds are being sold out in central Saskatchewan, simply because of the shortage of feed. We would hope that the Minister would reverse his short-sighted policy of last winter, whereby he decided that irrigation and the future of hay production, alfalfa and so on in this area should be curtailed where he laid off this great number of people.

**AN HON. MEMBER:** — I don't think there is anything in that Bill about irrigation.

**MR. GARDNER:** — If I may speak to that Point of Order, Mr. Speaker, we are talking about land use. The Minister ranged very widely. He discussed the value of the Land Bank and many other things and certainly I should think this is pertinent at this time.

**MR. SPEAKER:** — I agree that we don't want to get discussing the irrigation project as such, but I believe the Hon. Member is attempting to tie his comments in with the principle, so I'd ask him to keep it tied in with the principle.

**MR. GARDNER:** — Yes, we're talking about the production of hay and fodder on some of the marginal land and I was simply making the comment that it would perhaps be better to further the

irrigation project on the South Saskatchewan River, where fodder can be produced in very abundant quantities and very efficiently and very high yields on irrigated land, rather than clear and bulldoze some new land that he is going to acquire by this Bill and this is the point I was going to make.

Mr. Speaker, in view of the comments that the Minister made in his second reading speech, I should like to take a further look at this and I beg leave to adjourn the debate.

Debate adjourned.

MR. MESSER moved second reading of Bill No. 36 — **An Act to amend The Margarine Act.**

He said: — Mr. Speaker, the purpose of the amendments now before us, is in short to permit an identifiable mixture of butter and margarine to be manufactured and sold within the province.

As many of the Members here will know, a very large part of both federal and provincial legislation concerning the dairy industry and its products was enacted at a time when there was a much lesser degree of supervision over the industry at all levels.

At that time, the legislation which was introduced to protect dairy producers and hence the public health interest against the then wide-spread practices of adulteration, was very timely.

We are now entering a period when for the very same purpose of protecting the dairy industry, it is necessary to amend this legislation to allow the controlled and beneficial use of certain dairy product substitutions.

I do not need, I hope, to emphasize the serious position in which the entire dairy industry has been placed by the rapid rise in production costs and the increased use and sophistication of substitutes.

We are now facing a situation in which unless we allow the use of substitutes to be integrated with the genuine product, we shall see a rapid decline in sales of dairy products and more particularly decline in the sales of butter.

Butter sales continue to decline partly due to the rising cost of production, but in most part because of the availability of a less expensive substitute in the form of margarine. If there is no amendment to legislation, I believe it is almost certain that we shall see a further decline in sales of butterfat to the detriment of farmers and creameries within this province.

Amendments to legislation to allow the use of a controlled mixture of butter and margarine is not without precedent. Such products have been legally permissible in some European countries for more than twenty years and recent amendments to the dairy products legislation in Nova Scotia have permitted the use of such products.

In all cases, the mixed product has found a very ready



market acceptance, and has most importantly resulted in a greater market potential for butter.

It should also be mentioned that with a growing vegetable oil industry in this province, we can look forward to a new and local market for its products and Members I think will recall that on the last occasion when this Act was amended to allow changes in the coloring of margarine, no sooner had the amendment been approved than AGRA Industries announced the establishment of a margarine plant in Nipawin.

I believe that similar operations for the production and sale of the new mixed product will become available and can also give assurance to the House that with the particular wording of the amendment, the product will meet all requirements of national regulations and thus be able to enjoy the potential of markets outside this province.

Finally, I should point out that under the proposed regulations, such a product will be permitted in public eating places.

Mr. Speaker, I ask the Members of the House to support this measure which, as with the previous amendment allowed the creation of a new manufacturing plant in the province, will provide and increase the possibilities of more processing and use of agricultural products of this province for the betterment of all its citizens.

It is, Mr. Deputy Speaker, for these reasons, that I move second reading of an Act in respect to The Margarine Act.

**MR. GARDNER:** — Mr. Deputy Speaker, I feel that this is probably a very worthwhile amendment. When you look back at the use of margarine in this province you will likely recall, Mr. Deputy Speaker, that at the time the present Government were the government before 1964, housewives were forced to buy margarine in a package and get a little package of coloring with it and try to mix this in by themselves, at home, to get some sort of an acceptable product and this went on for many years, much to the consternation of the housewives of the province. When we became the government in 1964, one of the first things we did was to allow the manufacturer to put the coloring directly into the margarine to get rid of this problem that had occurred for a number of years.

The amendment will, I believe, as the Minister indicated, perhaps benefit both the rapeseed industry and the cattle industry in the province, the milk and cream production industry and butter industry and we would have no objection to this particular amendment.

Motion agreed to and Bill read a second time.

**MR. MESSER** moved second reading of Bill No. 37 — **An Act to amend The Veterinary Services Act.**

He said: — Mr. Speaker, the number of veterinary service districts in the province is steadily increasing, there are now 45 being professionally serviced by one or more veterinarians. The number of districts serviced by two or more men also is steadily

increasing along with a trend for such districts to expand so that the total picture is one of steady improvement.

Many veterinary districts are reaching out and encompassing areas in the province where, in the past, regular veterinary service has not been available at reasonable cost. The fact is worth stating that there are 57 veterinarians servicing 45 districts indicating a desirable and healthy trend to a multiple type operation.

The recent modifications to the regulations permitting veterinary service- district board funds to be used for the purpose of erecting an animal hospital or clinic have had a very beneficial impact on the service district program. One of the outcomes of this broadening of the legislation giving more flexibility and more financial assistance to district boards has been the development of an increased number of veterinary clinics. This has contributed to the trend already mentioned, for districts to expand and become two man practices.

A veterinary service district may consist of one or more municipalities of not less than nine townships or several contiguous municipalities. A grant from the department may be paid as a contribution toward the travelling expenses of the veterinarian and the amount of such grant under this section of the regulations is based on township area. It is subject to an equivalent appropriation by the district for veterinary services.

The total of government and municipal contributions realized under this section of the regulations may then be used to offset the expenses of the veterinarian who contracts with the members of the veterinary board representing the district to practise in the gazetted area at a uniform scale of fees.

Payment of a grant toward the construction of a clinic is contingent upon the building being located in a veterinary service district receiving veterinary service. In certain circumstances assistance may be given where there is no resident veterinarian but a guarantee of one within a reasonable period of time. All such payments for this purpose are subject to a \$25,000 ceiling and to a maximum contribution up to this maximum from the municipalities.

The project and location has to be approved by the department and plans of the proposed building filed with them. Title to the building on completion is vested in the district board and the Bill before the Assembly at this time is to give authority to district boards to acquire and own property, equipment and furniture and also to borrow money under the conditions as prescribed. A building constructed under this policy cannot be used for any other purpose or sold without the permission of the Minister of Agriculture.

Once a clinic is in service an annual maintenance grant of \$1 000 can be claimed from the Government and this will be paid as long as the district contributes a like amount for the same purpose. The maintenance grant will also be paid in respect of a clinic in a veterinary service district built and owned by a veterinarian.

Assistance for clinics by Government came in tangible form when a sum of money amounting to \$3,000 was made available in October, 1971 to its first clinic located in Kindersley.

Subsequent amendments to the legislation increased the total available for clinic construction to \$25,000 and these amendments had an immediate effect.

Relieving contributing municipalities of some of the financial burden gave an immediate boost to a program already on the upswing. The net result was that by the end of 1972 ten clinics were in various stages of development with another seven approved for 1973. Clinics now in use are located at Kindersley, Nipawin, Langenburg, Outlook, Ogema, Carlyle, Foam Lake, Leader and Arcola. Buildings approaching completion are located at Redvers, Stoughton, Melville, Tisdale, Kelvington and Carnduff while others have been started at Wawota and Kipling.

There is no doubt that the clinic program has resulted in the construction of buildings in places where many years might have lapsed before such a development might have been possible.

The program is helping to make veterinary practice in this climate more bearable and attractive to the veterinarian. It is leading to more stability by exchanging permanency for the in and out type of practice which dominated the scene in the post-war years. It is reducing the amount of time spent in non-productive travelling and making better use of personnel who have a scarcity value. It is giving the veterinarian a facility where he is not being asked to compete with the climate and other handicaps when doing major surgery. Graduates of today are highly trained specialists and it is only right that we do all in our power to give them the tools to work with instead of asking them to endure an unfair challenge to their talents.

Tied in with the clinic program is the Department of Agriculture Veterinary Students policy introduced in 1972 under the Student Assistance and Student Aid Fund Act. Under this program of assistance to veterinary students there is a return for serviceable obligation which requires a graduate to return to the province and practise his profession for a period equivalent to the amount of financial assistance accepted. One of the few questions asked by the graduates when seeking a location is whether or not there is a clinic or the prospect of one in the area. Today there is a very high standard of medical and surgical help available to the farmer and technical advances especially in the surgical field are contributing to the grown dependence of the livestock owner on the trained professional. The clinic is becoming an essential part of the overall picture.

The reasons for the proposed amendments are to bring the enactment of the regulations into line. Under the regulations an agreement is concluded between the veterinary board and the Minister of Agriculture and one of the provisions is that on completion, title to the clinic will be vested in the board. Section 6 of the legislation defined the objectives of the veterinary services board, but authority was not provided for a board to acquire land or to own property. A further problem is that boards have no borrowing power and depend on the municipalities co-operating in the district to provide them with their obligated and necessary funds.

The proposed amendments to Section 6 will:

- (i) authorize a veterinary service board to acquire by purchase, lease or otherwise, land, buildings and equipment

for the purposes of the board;

(ii) authorize a veterinary service board to dispose of any land, buildings or furnishings subject to such terms and conditions as may be prescribed by the Minister;

(iii) authorize a veterinary service board subject to approval by the Minister to borrow from any bank, credit union or other persons, such sums as the board considers necessary for its current operations and may secure such loan by way of a promissory note or a mortgage of its real or personal property or the pledge of any of its personal property;

(iv) require that where the veterinary service board give security for a loan made by the execution of the instrument evidencing such authority shall be attested by two members of the board, one of whom shall be the employee of the Department of Agriculture designated as a member of the board.

Mr. Speaker, it is with those brief remarks that I move second reading of this Bill.

**MR. J. C. McISAAC:** (Wilkie): — Mr. Speaker, a few brief words in support of this Bill introduced by the Minister of Agriculture, Bill No. 37. I hadn't realized that there was no provision in this legislation before for service district boards and there are quite a few of them in the province as the Minister pointed out, but that there was no provision for them to own the clinic or own the land as the case may be. When I first saw the legislation I thought perhaps it was to accommodate a situation that arose I think last year in the Foam Lake area where rather than build a veterinary clinic for that district they were able to acquire existing buildings and convert them. The legislation does give power for that kind of procedure as well and that is good.

We certainly support the Minister and the Government in this follow-up step in a program that was begun a few years ago and has caught on. This has done a great deal to facilitate the extension of veterinary services in many areas of the province, for many stockmen, many more than perhaps had been able to secure service prior to these various moves in providing clinics and so forth.

One point I should like to leave with the Minister, Mr. Speaker, on this program. I don't have any definite direction for him but up to the present time the clinics and districts have been in operation for districts certainly a good many years around some of the main rural centres. More districts have been formed where up to now I think clinics have generally been built in most cases in a well located geographic centre of the area that they are serving. From here on, Mr. Speaker, I would suggest to the Minister that he and his officials and perhaps the Rural Municipalities Association and the Stock Growers Association should give a little more careful scrutiny to where some of these clinics are springing up. Are they indeed located in the town best able to serve the district or by putting them in town A, are you going to preclude a clinic from going in town B, this kind of thing. I know of two or three instances of this. I am not familiar completely with all of the facts brought to my attention by some of my colleagues in the

veterinary association. I don't think we are in much trouble yet at this point Mr. Minister, but I do think from here on in for ensuring a reasonable kind of distribution of veterinary clinics around the province that the department and as I say representatives perhaps of the Stock Growers and Rural Municipal Associations have a pretty good look at where we are putting some of these buildings. I think the Minister might be aware of a couple of cases, one in the southern part of the province that is perhaps at that stage right now.

The only other point that comes to mind when the Minister spoke on the provision of veterinary services in a very good run-down that he gave to the House, the scholarship program is underway and that is another program that has helped and I am sure will help to retain men in the province. I can tell him from personal experience in talking to new graduates this year, they have all kinds of job opportunities, even though they have to stay in the province to help pay off some of the scholarship money. It certainly isn't preventing them from looking else- where.

I was also going to suggest to the Minister that I am sure he and his Department are co-operating with the University and with the Federal Government with respect to the provision of expanded training and teaching facilities in Saskatoon. It was mentioned at the Western Economic Opportunities Conference, Mr. Speaker, that the Federal Government had funds ready to put into the expansion of such facilities. I believe it was mentioned again in yesterday's Federal Speech from the Throne. I am sure the Minister is aware and indeed I am sure he is co-operating in this regard with the other provinces. He just mentioned earlier today another subject, the co-operation of the three prairie provinces in building a machinery testing institute. I am sure most Members are aware, perhaps not all, that one of the first co-operative efforts with respect to agricultural endeavor was the very building and operating of the present Western College of Veterinary Medicine in Saskatoon, where all four provinces, British Columbia, Alberta, Saskatchewan and Manitoba to a lesser extent are involved in contributing to the maintenance and to the operating costs of that school. So with the institute being established in Humboldt, we have a second such joint prairie agricultural venture and it is good to see it. I hope that having started the second one today he is going to make every effort to seek the same kind of co- operation for the expansion of the Veterinary College in Saskatoon.

We will certainly be supporting the Bill, Mr. Speaker.

**MR. F. MEAKES:** (Touchwood): — Mr. Speaker, just a few words before this Bill is dealt with, partly on account of the comments by the previous speaker, some of which I agree with. It is too bad, to put it this way, that we couldn't have in the province veterinary hospital districts — if we could turn that situation back to about 1940 with ordinary hospitals the Minister of Health wouldn't have some of the problems that we have today. To a degree I agree with the Hon. Member for Wilkie (Mr. McIsaac). But the main thing I wanted to say is this: I feel that the students who are going into our school of veterinary medicine under bursaries, some of them are as I understand it, into the university, should be asked to spend a certain length of time in Saskatchewan. Maybe they are — are they?

**AN HON. MEMBER:** — Yes.

**MR. MEAKES:** — Yes, I agree. I think that a veterinary who is coming to a certain community .. maybe he went through without any bursary, I am not sure of this, but he was all ready to go to a certain place when he suddenly decided to go to Calgary where he could get in on a small animal clinic, where he could deal with dogs and cats and rich people. It just seems to me that we should, in every case, make it possible to try to keep the Saskatchewan veterinary students that come through the College in our province.

**MR. MESSER:** — Mr. Speaker, just a brief comment or two in regard to the remarks made by the Member for Wilkie and the Member for Turtleford — Touchwood, pardon me. I extend my apologies to the Hon. Member for Touchwood.

I am aware of the potential problem in regard to the continuation of making grants available without attempting to establish some grid or some district or districts where clinics should be built. In fact I think the Member for Wilkie made some general reference to a clinic or two not naming them, but where we may now have clinics too closely together and that we may be overlapping the services. If we continue to allow the program to develop that way, it may be that we shall have a problem in the years ahead. As it has been in the past, a situation where we didn't have enough veterinaries in an area, if we allow the clinics to establish helter skelter: There may well be over doctored areas as the Minister of Health says. It is certainly a legitimate concern. If we allow these clinics to be established too closely together there may be insufficient income from servicing the livestock producers in that area and we shall have a clinic that is not able to make a go of it. That is certainly not going to be very satisfactory for the community, for the veterinarian or for the livestock producer.

We have discussed with some representatives of the Saskatchewan Association of Rural Municipalities and certainly a number of livestock producers as to what would be the best course of action to take in regard to eliminating that problem. I believe the Member for Touchwood has brought forward a proposal that perhaps could and would work. That is, that we plan districts then establish a location for the clinic, thereby removing the problem and pressure that we are now confronted with, problems where the most aggressive communities or those who are able to exert the most pressure or lobby the best, end up with a clinic whether it is really legitimate or not. But if we were to establish those districts we would probably remove ourselves from that situation developing or continuing. I, however, would want to make it perfectly, clear to all Members of the Assembly that if and when we do that we are bound to be confronted with some criticism due to the designing or drawing of boundaries and establishing the location of the clinic. If, in fact, that is the course that we follow, but I am not saying that it is going to be the course we follow. If after having completed our discussions with livestock people, the organizations that the Member for Wilkie made mention of and, in fact, the Veterinary Association themselves, as to what they may recommend, but if that is the course of action that has to be taken I hope that all Members of the Legislature, both on Government and Opposition sides of the House would give support to the districts

once they are decided on. It becomes extremely difficult to try and enforce that kind of policy when we have pressure that is not only brought on by other communities but by the elected officials themselves in asking to have the boundaries amended or changed or the location of the clinic in fact changed because they are receiving some pressure. I think if we are going to go into that kind of thing, and I am not saying that we are, but if we do, we should go in with our eyes open, realizing that this ultimately will provide the best service for the people in the area.

If I may say just one other brief thing, Mr. Speaker. I think that we have better means of monitoring the growth of livestock now than we had some years ago, so that we, I think, would not have to rely just on the discussions of people in the area, but we could actually look and show to those People what the livestock population is, where the growth is and why it would be best to have that clinic there.

Having said those few brief remarks, Mr. Speaker, I move second reading of this Bill.

Motion agreed and Bill read a second time.

**HON. W. A. ROBBINS (Minister of Finance) moved second reading of Bill No. 29 — An Act to Establish a Saskatchewan Development Fund.**

He said: — Mr. Speaker, before presenting the motion for second reading of an Act to Establish a Saskatchewan Development Fund I should like to provide Members of the House with an explanation and I hope some understanding of the proposed legislation and how that fund will be operated and managed.

Traditionally the people of Saskatchewan have been prudent investors, they have seldom placed sizeable portions of their savings in what might be termed high-risk investments. Their main concern was safety of investment which usually meant placing their money in credit unions, banks or in government type bonds. Investments which provided a modest rate of return. A very small proportion of their total savings were invested various corporate securities. I think Members will recall that in 1961 the late Woodrow Lloyd, as Treasurer, introduced a savings bond, Government of Saskatchewan issue. A number of those issues came annually and that practice was continued under the Liberal Administration when they were elected. I believe the Leader of the Opposition in his post as Provincial Treasurer brought into this House, Saskatchewan Saving Bond issues and they were well received by the citizens of this province. They were a safe investment. They offered a competitive rate of return and they had the security of the Government behind them. However, the relative attractiveness of those issues particularly in the latter years declined because of rising interest rates and the impact of the inflationary trend in the economy on these securities. Finally in 1968 the Government decided to withdraw from the savings bond market completely and our citizens looked elsewhere for investment opportunities. Many, no doubt, have invested in Canada Savings Bond issues and others have turned to investment in mutual funds. But these vehicles frankly have not performed very well in recent years and since they are managed outside the province they have little reason to direct their investments towards Saskatchewan industries. The

Government is well aware that there is a very limited number of Saskatchewan securities available for purchase by citizens of Saskatchewan. Because of this particular situation the Government is determined to provide a medium for Saskatchewan residents with an opportunity to invest in a Saskatchewan fund.

Soon after taking office, Mr. Speaker, this Government began work on a project to offer such an opportunity to our citizens. Legislation was drafted for the Third Session of this Seventeenth Legislature; however, it was decided to wait until the present Session to introduce it.

During the past few months the Department of Finance has been developing the concept outlined in this Bill. We have taken into consideration the investment characteristics of our citizens which we previously mentioned. The result combines the open end investment fund structure with a guarantee option that will offer the growth probability of equity investments along with the liquidity and stability of a savings bond.

This concept should prove attractive to most residents of Saskatchewan who currently place their money in savings accounts or who have invested their money in secure government bonds, because essentially we believe they will take the risk out of the investment, through the guaranteed feature and yet provide shareholders with an opportunity for a reasonable rate of return.

Let me explain, Mr. Speaker, the working of the fund in some detail. Residents of Saskatchewan, both private and corporate, will have the opportunity to invest a portion of their savings in the Saskatchewan Development Fund. A minimum investment will be \$20. The corporation will encourage small shareholders to set realistic goals which can be achieved through consistent periodic investments, thereby benefiting by dollar cost averaging. All of the shareholders' investments will be combined to form the Saskatchewan Development Fund. The money in the Fund will then be invested in growth securities such as common stocks and income securities such as bonds and mortgages. Each month the value of these securities will be calculated to give the gross asset value of the fund. From this figure the limited liabilities charged to the Fund will be subtracted to give the net asset value on a monthly basis. This figure, in turn, will be divided by the total number of shares giving the net asset value per share.

During the first two months of the Fund's operation the share value will be set at \$5. Following the first two months of operation the net asset value per share will be set through the monthly calculation previously referred to. A number of factors will contribute to a shareholder's investment growth. Each month the stocks, bonds and mortgages in the Fund's portfolio will earn interest and some dividends. These earnings will be tallied and distributed to each shareholder according to the proportion of his share in the Fund, by the issuance of new shares and fractions of shares, to his account. Capital gains realized by the sale of securities in the Fund's portfolio will be distributed annually in a similar way.

Each shareholder will have two redemption options. First a shareholder will be able to redeem all or a part of his investment at the current month's net asset value per share. Employing this option the Fund will ensure the shareholder his payment seven days after the end of the month. Secondly, each



shareholder will have the right to employ the guarantee option. Under this system all of the money that the shareholder has invested in the Fund, less any previously redeemed amounts, will be placed in a term deposit drawing the set rate of interest compounded annually from the date or dates of investment to the date one year after the exercise of that option.

We feel that this unique redemption feature will be attractive to the residents of this province. Most taxpayers, Mr. Speaker, are aware that the Federal Government provides certain tax advantages to those who set aside some of their earnings for their retirement. The Saskatchewan Development Fund will offer a registered retirement savings plan that qualifies for this tax deferment as provided currently under the Income Tax Act.

Let me briefly explain the Fund's relationship to existing tax laws. Since the Fund will merely act as a conduit of funds it will have no tax status in itself. All profit will be passed on to the shareholders so they will be assessed for tax purposes on the income of their holdings whether received or accrued. However, any resident of Saskatchewan without an employee pension plan, such as a farmer or any other self-employed person, may register up to \$4,000 or 20 per cent of his net earnings, whichever is the lesser, of his investment in the Saskatchewan Development Fund in a retirement savings plan and thereby defer taxes on that amount until he reaches retirement. Other employees who participate in an employee pension plan, of course, are limited to \$2,500 or 20 per cent of earnings, whichever is the lesser, in any such plan.

In other words an employee could conceivably be making a contribution of \$1,200 to an income tax approved pension fund and if his total income were high enough — \$12,500 would be the cutoff — then he could place an additional \$1,300 in a registered retirement savings plan with the Saskatchewan Development Fund or with any other fund which he may choose to use.

Likewise companies which want to set up deferred profit sharing plans for their employees will be able to utilize the Saskatchewan Development Fund.

The Government feels, Mr. Speaker, that all citizens and particularly farmers, need a convenient investment vehicle in which they may defer some of the taxable earnings until later years. The Development Fund will provide them with an opportunity in this regard.

As you know, Mr. Speaker, the Saskatchewan Development Fund legislation that we are considering provides for the creation of a Crown Corporation that will manage the Fund and set down regulations governing its operation. This makes it unnecessary for the Corporation to come under the jurisdiction of The Securities Act 1967. However, let me assure you that the corporation will distribute a prospectus, an annual report and will provide each shareholder with comprehensive annual statements and taxation forms at the proper time as is customary in the investment field.

The Fund's agents will be carefully selected and trained in the selling of the Fund's shares. The corporation itself will be divided into three branches looking after the following operations, sales, investment and administration.

The Sales Branch will consist of a small sales staff who will recruit and train a field staff of licensed agents located throughout the province. Negotiations are presently being carried out with organizations having sales agents in most localities. A modest sales charge of approximately 4 per cent will cover some of the cost of this branch and provide remuneration to the appointed agents.

With this sales structure, good provincial coverage will be provided allowing residents and businesses easy access to the Fund at low cost. The sales philosophy of the Fund, Mr. Speaker, will not take a high pressure door-to-door approach, but rather an approach stressing continuous accessibility to agents and institutions well known in their respective community.

As money comes into the Fund it will be handled by the Investment Division of the Department of Finance. An investment policy will be set out by the Saskatchewan Development Fund's corporation board of directors in consultation with the investment division staff. This policy will allow for a certain proportion of investment in equities and a certain proportion in bonds, mortgages and municipal debentures.

Since the investment division already invests many millions of dollars such as pension fund money, the opportunity for large unit purchases will be of advantage to the Fund's performance. The Development Fund, will of course, pay a fee for this service. I might add at this time, Mr. Speaker, that the investment philosophy of the Fund will be of a balanced variety providing income stability through bonds and mortgages and some growth through equity investments.

The Fund will not be one of the so-called performance funds which were so highly touted in the mid '60s and whose achievements proved to be so minimal in recent years.

The Saskatchewan Development Fund in its investment policy will continue to use the same prudent good judgement characteristic of the people of this province in relation to their investment holdings.

The administration branch of the corporation will, with a small staff, provide a link between the sales force and the investment branch of the Department of Finance. It will prepare relevant documents such as year-end reports and prospectuses, distribute agents' commissions and keep track of each shareholder's account. The administration branch will be assisted by the Government computer centre in this task.

Mr. Speaker, because of the non-profit nature of the corporation the management fee will be kept to a minimum. It is, in fact, spelled out plainly in the legislation as being the cost of operations including salaries, brokerage fees and allowance for a stability fund to help insure the guarantee. The maximum amount of these operational liabilities is 1 1/4 per cent. The Government will guarantee any costs over and above this amount including claims on the guaranteed fund, so the individual shareholder is completely protected.

Let me illustrate some of the concepts already mentioned by using an imaginary shareholder as an example.

Shareholder (A) decides to invest \$100 during the Fund's first month of operation. He gave the sales agent \$100. Since the sales charge is 4 per cent or \$4.00 he had \$96 net investment. Since the shares during the first period were worth \$5 each, his first investment equalled 19.2 shares. One year later each share of the Fund — let us suppose — had risen in value to \$5.35 and the shareholder had accumulated as his portion the income of the Fund's portfolio one additional share. Therefore, the value of his investment at year end was \$108.07 computed on the basis of 20.2 shares at \$5.35 a share. Shareholder (A) now has three basic choices to make. He may leave the money in the Fund and allow it to grow through accumulation. He may make a normal redemption which would bring him \$108.07. Or he may take the guarantee option which would bring him \$105.84 one year hence. That, of course, would be derived from the 20.2 shares based on the guaranteed price.

Obviously in a rising market shareholder (A) would not take the guaranteed feature, but had it been a falling market situation where his initial \$96 was worth, say, \$94 the guarantee feature would still bring him \$105.84 one year later. Because of this unique guarantee feature the Saskatchewan Development Fund does differ from conventional funds.

Let me reiterate some of the other ways in which it will differ.

1. The Fund will have a province-wide sales force available to all of our citizens.
2. The Fund will have an uncomplicated sales charge, not a confusing array of front-end loads and extra sales commissions.
3. The Fund will offer a \$20 minimum investment with no contractual obligations.
4. The investment policy will be set out by a Saskatchewan Board of Directors, thus maintaining Saskatchewan control over the investments.
5. As a result of local control Saskatchewan based investments will be sought out.

Although I think it is not necessary for me to point out that the Fund will not be limited to Saskatchewan investments and obviously will have investments in other areas as well. The Saskatchewan Development Fund is not to be a vehicle for speculators looking for a quick and easy profit or the fast buck. It will provide growth, income and safety for the long-term investor.

In order to ensure this practice and discourage speculators two safeguards have been built into the Fund structure.

1. All calculations will be done by forward calculations — that is the net asset value for a particular month will be calculated at month-end, so that short-term speculators cannot manipulate their holdings.
2. The guarantee feature gives the corporation a one-year period in which to redeem a guaranteed term investment.

The question has been asked, Mr. Speaker, why is this Government — I suppose any Government — becoming involved in the investment trust business? We feel that the legislation being discussed today is in line with the philosophy of the Government which stresses that there should be many opportunities in which the people may share in the growth and development of this province.

This Government wishes to see both the private and the public sectors of our economy strong, prosperous and growing. Furthermore, we feel that this investment vehicle will facilitate citizens' involvement in the private sector and will help to maintain ownership of Saskatchewan companies by the people of this province.

Mr. Speaker, The Saskatchewan Development Fund will play a significant, well-defined role in our Government's efforts to encourage industry in this province. Its position will be complementary to other better known government services such as SEDCO, the Saskatchewan Economic Development Corporation, and the Department of Industry and Commerce. We will take special care to see that the role of the Saskatchewan Development Fund is not allowed to wander into related, yet contradictory fields such as attempting to provide management expertise and technical assistance to those enterprises in which it is a shareholder. These tasks are best supplied by the companies' own management.

I stress Mr. Speaker, the Development Fund will not interfere with functions already carried out by other agencies. Its sole task — and I emphasize that, Mr. Speaker — its sole task, although different yet complementary, will be to mobilize part of the savings of our people into an effective investment tool, a tool by which we may provide a source of capital to Saskatchewan industry where this industry provides reasonable opportunity for income and growth. This, we plan to do with a minimum of risk to our citizens.

Mr. Speaker, I take great pleasure in moving second reading of this Act.

**SOME HON. MEMBERS:** — Hear, hear;

**MR. J. C. McISAAC:** (Wilkie): — Mr. Speaker, to begin with and before I comment on Bill No. 29 may I take the opportunity personally to congratulate the Member for Nutana (Mr. Robbins) on his appointment as Treasurer. I believe it is the first sort of official duty he has performed as Treasurer since his appointment by introducing this Bill.

I have a great deal of respect for the Hon. Minister and I only regret that he didn't find some more logical reason for getting on his feet and introducing this Bill No. 29. I can't really believe, Mr. Speaker, that the Hon. Member really believes himself in the kind of stuff he was just giving us here that sets up this mutual fund for the Province of Saskatchewan. I really don't believe he does, not if I know him as well as I think I do.

Now he did tell us toward the very end of his remarks part of the reason why this Bill is here today before us. He said, I believe words to this effect, 'that it is here because it agrees with this Party's philosophy. I can see no better

reason because, Mr. Speaker, no other sensible reason was advanced in the remarks that the Minister gave in introducing this Bill. NDP philosophy! We are always reminded in many instances and many occasions that their philosophy comes into play much better when it comes to spending money than it comes in saving money. He didn't tell, and perhaps he really doesn't know yet, as to what kind of equities this Fund will be investing in. One has to think that it might be in line to buy the shares of IPSCO or Intercontinental Packers or similar other ventures that this Government may decide to step into. To me, Mr. Speaker, this is one more public admission that the NDP has failed and failed miserably to attract any degree of private development capital of the level which they would like, to the province and to generate any private capital that's here now into any force insofar as the desires and philosophy of this Government is concerned.

Some people on this side of the House, and outside, have already termed this little fund 'The Don Keith Retirement Fund', and again, I don't question the ability of that gentleman to run it, because it would appear there are going to be fairly close tie-ins with administrative and finance people and experts in the Government in that regard.

Mr. Speaker, the legislative framework of the Bill appears to establish a provincially owned mutual fund. Mr. Speaker, I looked in the paper last night and on Saturday's edition of either The Leader-Post or the Star-Phoenix and in almost any day's edition of the Globe and Mail, or the Financial-Post, you will find that there are something over 100 such funds available to Saskatchewan citizens today. Now you may well say, Mr. Speaker, that not all of these funds are investing their money in or on behalf of the Province of Saskatchewan and that's undoubtedly true. But many of those funds are. There was a large ad in the Leader-Post just last evening and I think perhaps today's edition at noon too, pointing out the Co-op Trust offering 9 per cent registered, retirement savings plans. We have trust companies, we have mortgage companies, we have old banks and new banks, credit unions operating and established in this province. We have a new bank, I understand, going to be formed between the credit union movement of Saskatchewan and that of Alberta, and it is going to operate in this province. We have new federal legislation that (I'm not sure if it has been brought forward yet – but we were certainly promised it at the Calgary Conference) as a means and a method of allowing provincial governments to own stock and to own shares in banks. It was primarily at the request of the Premier of British Columbia and I am sure of interest to all other western Premiers, so there are many more opportunities for the provincial government to get involved in banking and the trust field and so on.

Mr. Speaker, I just see no reason whatsoever for the Government to bring forward a Bill and establish this kind of mutual fund. It should succeed, I presume, it should succeed because they are going to guarantee, and they are going to guarantee (as I understand it) some kind of provincial guarantee that the shareholders will not lose money. That I submit to you, Sir, is the only way we can be sure that it's going to perform. Investors are certainly going to look at the many opportunities and options they have had up to now and they still have, and they seem to be growing every day. Trust companies are operating mortgage funds, bonds are available at good interest rates, and there are all kinds of opportunities available today.

I'm not sure how the province is really going to benefit. I didn't gather from the Minister who introduced the Bill (Mr. Robbins) that they intended to go out and use some of this money as risk capital to try and develop and promote industries, job opportunities, or northern development. I didn't hear him say that. Perhaps that is in the intent behind this legislation. If it was, he certainly didn't say so. I suppose if there was some activity of that kind perhaps I could see it more of a risk fund, I could see the Government getting involved and trying to get active in that one. Let's not call it a guaranteed investment fund.

Mr. Speaker, to talk about this fund as contributing to the growth of the economy of the province, it is pure and utter nonsense. There is no way it can contribute to the growth. When you couple this with Bill 42, that we just passed before Christmas, when you couple this with the fact (I think it is nine oil wells that are being drilled by private capital in this province) in the past two months, as opposed to 85 a year ago, how in the world is legislation of this kind going to result in a stronger economy and an improved atmosphere, attitude or climate for industry and for development in Saskatchewan?

Mr. Speaker, I can assure you I will be opposing this Bill. There are many other questions that could be best asked when we get to a detailed study in Committee, but I certainly oppose this Bill.

**MR. G. B. GRANT:** (Regina Whitmore Park): — I certainly think that this Bill would better be referred to as 'The Don Keith Award Act' to which the Hon. Member to my left referred. I don't expect any of the Members on the opposite side of the House to agree with what I am going to say, because I have gone through the operation before.

In my opinion there is absolutely no need whatsoever for this type of legislation and this type of a fund. The Hon. Minister of Finance (Mr. Robbins) said that it was in line with the Government's philosophy, and it certainly is because it is straight down the line of socialism and there's no doubt about that.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. GRANT:** — You people over there remind me of those little enzymes (I think they call them) where they went around gulping up little bits of dirt and you look on business as so much dirt and you are so anxious to gobble it up and get into the play and play the game. You are not satisfied to make the rules, but you want to get in and play the game. That's the only justification that you can give for the setting up of this so-called industrial Saskatchewan Development Fund.

It is no role for any government to be involved in. It is outside the field of the area that government should be operating in and every day and in every way I am amazed at how hungry governments are to get into business. (With some question in my mind too).

The Provincial Government and the Federal Government are taking about 50 per cent of the profits of corporations now,

without any of the risk, without any of the headaches of management, whatsoever. They just gobble up 50 per cent. I saw a statement recently of a non-active company so its profits were subject to almost 50 per cent tax, \$11,000 profit, total tax of \$5,200, of which the province gets \$1,200 I believe that's the figure, no participation in the company, no effort, no risk — \$1,200 pure gravy off the top. But what happens when that particular company or any of the other businesses run into hard times and they lose a little bit of money? The government says 'so sorry — we'll be back looking for you when you make a little bit of money'. With that kind of a Utopian set-up, why any government wants to get further into business, I don't know, other than the philosophy of socialism.

There is certainly no lack of competition as the Hon. Member from Wilkie (Mr. McIsaac) mentioned. There is all kinds of competition. I'm sure the co-op's, the credit unions and all the rest will welcome this legislation with open arms. Governments sometimes feel they want to get (I presume this is the reason) they want to get in on the gravy train and take advantage of some of the profits. They don't realize that losses are also made. I don't suppose it is general knowledge that the banks, which are a pretty conservative group in this country, the annual losses on loans in this last few years have been in the neighborhood of \$50 million a year.

I don't think that the experiences in Manitoba and Nova Scotia are anything to be proud about as far as the government getting involved in business is concerned. Deuterium was a pretty bad and sad case and the Churchill Forest Industries is another one. I believe the Manitoba Development Fund is about \$40 to \$50 million in the hole, if I remember rightly.

Against this, one has to assess whether or not it is in the public interest to have this sort of government involvement in business operations; in operations where governments have strewn industrial wreckage across this country in the last ten years. And, of course, this is not restricted to the provinces, the Federal Government is involved too and I claim that they are just as socialistic as you people when they get into this type of a fund.

The Minister was very careful to expound the investment opportunities that were going to be made available, but he didn't really place much emphasis on the fact that this is really a bank, a trust company, a real estate business, a mortgage business. They are going to issue notes, bonds, debentures, annuities, registered retirement funds — I don't know whether I've got them all there or not, but I've got quite a few and yet his predecessor in introducing the Bill last fall said that the primary purpose will be to attract the savings of Saskatchewan people for investments, preferably, although not exclusively, in Saskatchewan. So, we can imagine that the Saskatchewan shareholder's money, the investor's money may end up in the cellulose plant out in British Columbia, or the Intercontinental Packers plant out in British Columbia, or in the forest products plant in Manitoba.

I have considerably more that I want to say on this and in case any of the Members opposite have misconstrued my remarks that I am going to support it, I certainly am not, and Mr. Speaker, I ask leave to adjourn the debate.

Debate adjourned.

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 4 — **An Act to amend The Dependants' Relief Act.**

He said: — Mr. Speaker, I have a Bill to introduce here — An Act to amend The Dependants' Relief Act — Bill No. 4. This Act, Mr. Speaker, is being proposed for amendment and what we propose to do is leave the words:

By continuing to live with the mother

from Clause (b) of Subsection (ii) of Section 3 of The Dependants' Relief Act.

The effect of this relatively simple amendment is two-fold.

Firstly, the wording used in this Act will be consistent with the wording used in the amendments which are also going to be proposed in the subsequent Bills that follow — The Intestate Succession Act and The Wills Act.

Secondly, the section being amended will be clarified.

It appears that the original intention of the clause used in this Act was to create a rebuttable presumption regarding paternity of the child. It's deemed advisable to delete the words "by continuing to live with the mother", so that the fact of continuing to live together cannot be construed to be conclusive evidence that the deceased did by that fact alone accept the child to be his own. There well may be other reasons why the man continued to live with the mother after the birth of the illegitimate child. It is the feeling of the Government that we must give more effect and meaning to what persons want as evidenced by their actions, even though, in many instances, these persons have not taken the necessary legal steps to give effect to their own intentions.

Under these circumstances, the children should not be made to suffer because of the lack of legal formality.

So, Mr. Speaker, with that rather technical explanation, I would move that Bill 4 — An Act to amend The Dependants' Relief Act be now read a second time.

**MR. K. R. MacLEOD:** (Regina Albert Park): — Mr. Speaker, with respect to this Bill and the two others that we are dealing with here today, which are similar in their intention and result, I should like to comment first of all that as to this particular amendment, I propose to support the Bill. I have, however, some reservations about the actual effect of what the Minister has said with respect to the Bill. That is, I am not quarrelling with the remarks of the Minister, except to the extent that in my view the present situation of the law is that if a male person acts in a certain way, then the courts may decide that this child is his child whether or not it is really the fact, and that it is not a rebuttable presumption, e.g. taking a fuller view of the Act, if a male person should, during his lifetime, acknowledge that he is the father of the child, that would seem to solve the problem (he's very foolish if he does), that would seem to solve the problem provided the acknowledgement is in reasonable circumstances. I can imagine in many cases men, who even in this day and age,



tend to boast a little and that isn't limited entirely to politicians, it is very possible and does in fact occur, that here and there men seem to acknowledge that a child is theirs when in fact they don't really have any intention to acknowledge that child if it is not their child.

The first part, however, does not bother me so much. If a man says, 'that is my child', and treats the child as his child or acknowledges the fact, then we have no quarrel with it. The part that bothers me is that if at the time of the birth of the child, the man is living with the mother as her husband, that child becomes lawfully his child, even if the man and the woman came to live together only a month before the birth of the child, and, in fact, even if the man and the woman only knew each other for a period say of only two months. Nonetheless, a child born to that situation becomes lawfully the child of the man. I am not sure in fairness, that that should be the law, because if I were the man (now it would never happen to a person such as myself or Dave Boldt or anybody such as this), 'but my advice to such a man would be to clear out of the situation before the birth of the child. And it would, in fact, perhaps result in a more unhappy situation. The law is, therefore, tending to impose, not a rebuttable presumption, but a situation that is legally a fact.

Now for those who may not be aware of what a 'rebuttable presumption' is, I would suggest to them that a rebuttable presumption deals with the question of proof. If a certain set of facts appear to produce a particular result, we may presume that that is the result, but we leave it open for the man on the other side to prove that it isn't so. Now if, in fact, we were to state that it is prima-facie evidence, that is, on the surface there is evidence that this man is the father of that child, but leave it absolutely clear to show that in all the circumstances he did not adopt the child (either legally or by conduct) as his own, I would think that a little more freedom than reasonableness should be in the law.

I do suggest, however, that generally the trend of the law as sponsored by the Hon. Attorney General (Mr. Romanow) is correct. It makes it far easier and more reasonable to treat cases of illegitimacy, particularly in cases of estates, and consequently I support the amendment.

I think, however, we have not quite solved the problem and we may find that having solved clear unfairnesses on one side of the ledger we are now about to create some on the other side. I do see in this woman's liberation and illegitimacy an area of the law with a pendulum effect. There is no question about it, that heretofore illegitimate children, and women, were not fairly treated in the eyes of the law as it developed over the years, particularly from the common law. I see a pendulum swinging now which will produce some substantial unfairnesses to the male population and I think we must be cautious not to overdo the direction we are now moving in. At the same time I do acknowledge that clearly the position of women and their dependents is not properly protected in the law as of today and I have no doubt we shall have the opportunity to examine these things as time goes by.

Consequently, Mr. Speaker, I will support the amendment as proposed by the Hon. Attorney General.

Motion agreed to and Bill read a second time.

MR. ROMANOW moved second reading of Bill No. 5 — **An Act to amend The Wills Act.**

He said: — Mr. Speaker, this Bill No. 5 is an Act to amend The Wills Act. The effect of the amendment which is being proposed is to broaden the rights of an illegitimate child so as to inherit through the estate of his father if there is no contrary intention expressed in the will. And if the father has during his lifetime publicly acknowledged the child be his or if the father was living with the mother when the child was born and appeared to accept the child as his child.

The amendment proposed recognizes the right of an illegitimate child to inherit through his natural father insofar as it is possible at this time to recognize this right.

It is felt by my Department and myself that if a father recognizes or accepts an illegitimate child to be his own, it is the duty of the law to give effect to this recognition and not to obstruct it by legal presumptions which would deny this type of acceptance and recognition. At the present time an illegitimate child is presumed by law to have no father, broadly stated. Biology, of course, and common sense prove otherwise. If the father has accepted and recognized his status as father, the legislation will give meaning to the father's actions and recognition of his child even though he may not be married to the mother in question.

Therefore, Mr. Speaker, with that brief introduction, I should like to move second reading of Bill No. 5 — **An Act to amend The Wills Act.**

Motion agreed to and Bill read a second time.

MR. ROMANOW moved second reading of Bill No. 6 — **An Act to amend The Intestate Succession Act.**

He said: — Mr. Speaker, basically Bill No. 6 is following along the lines of the last one or two amendments that we discussed in the Legislature. I think I should, for the record, although this might be repetitive, state the rationale behind the second reading of this Bill. This amendment will do two things:

(1) It will broaden the right of an illegitimate child so as to inherit from his father, if the father died intestate, that is to say without a will. And if during his lifetime, he acknowledged the child to be his or was living with the mother when the child was born or after the birth of the child appeared to accept it as his own.

(2) It will give the right to the father of an illegitimate child to inherit from the estate of his illegitimate child who dies intestate without a will if there are no other beneficiaries and the estate would have passed to the Crown by way of escheat. This right to inheritance is conditional on the father having either acknowledged the child to be his during the child's lifetime or having appeared to accept the child as his, the child being born during the period when the father lived with the mother.

Mr. Speaker, this amendment recognizes the right of an illegitimate child to inherit through his natural father insofar as it is possible to give effect to this right at this time. It is felt that if a father recognizes and accepts an illegitimate child to be his own, then it is the duty of us, the Legislature, to give effect to this recognition and not to obstruct it by legal presumptions as I have already stated.

The amendment will also give the right of inheritance to the father of the estate of an illegitimate child if the conditions set forth in the legislation are met, the ones that I have briefly talked about above. This will only occur if the estate would otherwise escheat to the Crown. It is felt that if the father has met the conditions that I have enumerated above it would be more equitable to allow him to inherit the estate of the illegitimate child than to have the moneys go to the Crown on the basis of the legal fiction (because that is all that it is), that the illegitimate child really has no father.

Mr. Speaker, with those brief words I should like to move second reading of Bill No. 6 — An Act to amend The Intestate Succession Act.

**MR. MacLEOD:** — Mr. Speaker, I would not want to allow the opportunity to present something in perhaps lighter vein to the Legislature in connection with this matter. I would suggest for those who feel in times to come our society could do without the kindly and benevolent assistance of the legal profession that this is the kind of thing that should dispel any such ideas. I might tell the Members that there was a time when the question of who was the father of a child could involve itself in quite lengthy debate. And, if in fact, two or three prospective fathers could be the father of a child, obviously you couldn't tag any one of them with being the father, therefore, all escaped. It therefore became a bit of a game in the case of a woman who would bear a child and she, being unmarried, might well have had the opportunity to have more than one father for the child. It became a game where two or three or more men would each acknowledge the likelihood that he was the father. Thus all would escape. The law was amended and consequently it was amended to make it possible that there could be more than one father of an illegitimate child and that frankly is the situation today. For many purposes, but primarily the purpose of contributing to the support of a child the courts may well determine that more than one man is the father of that child. Up 'til now the only benefits seemed to be to the child or to the mother raising the child.

Under 17 (a) subsection 2 it now appears that if this illegitimate child should die leaving an estate we may find three or four fathers vigorously competing to be determined as the father of that child so that they may benefit under sub- section 2, 17 (a).

I might say that this is something that probably will happen very rarely but you will have a case where two or three men acknowledge publicly, or otherwise, that they are the father of the intestate. In any event, I am sure that the courts in their overall general wisdom will be able to resolve the problem and I also support this amendment.

Amendment agreed to.

Motion agreed to and Bill read a second time.

MR. ROMANOW moved second reading of Bill No. 7 — **An Act to amend The Summary Offences Procedure Act, 1969.**

He said: — Mr. Speaker, in moving Bill No. 7, I would simply say that this perhaps could have been referred to the non-controversial bills committee because I don't think it has that much importance to it.

But under the existing conditions of The Summary Offences Procedure Act, 1969, a Justice of the Peace receives payment for his services where an accused person has been found guilty and pays the fine and costs or where the accused person has been found not guilty. Fees payable for these services are \$2 for the swearing of an information and \$2 or \$4 for presiding at the hearing.

The proposed amendment to this Act is an amendment by way of addition of a new Section, Section 9 which authorizes the payment of fees to a Justice of the Peace upon receipt by the Attorney General's Department of the case report indicating either that an accused person has elected to serve a jail term rather than pay an imposed fine and costs or where a fine and costs have not been paid for 60 days following the date of conviction. Similar fees for \$2 for swearing an information, \$2 or \$4 for presiding at the hearing are payable. In effect the situation appears to be now that where the accused person is found guilty and pays the fine and costs, then the JP is entitled to payment. But where he is found guilty and does not pay the fine and the costs and goes to jail for example, the JP has no way of recovering for his services rendered. So what we are doing here is to say that he has really performed his function regardless of what the accused does. And this is the purpose of the amendment to Bill No. 7.

Accordingly, Mr. Speaker, with that brief explanation, I would move second reading of Bill No. 7 — An Act to amend The Summary Offences Procedure Act, 1969.

Motion agreed to and Bill read a second time.

The Assembly adjourned at 5:15 o'clock p.m.