

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Eighteenth Legislature
5th Day

Wednesday, November 24, 1976.

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

WELCOME TO STUDENTS

Hon. G. MacMurchy (Last Mountain-Touchwood): — Mr. Speaker, may I on behalf of yourself and all Members of the Assembly extend a very warm welcome to the Grade Seven and Eight students from Quinton School. They are accompanied by Miss Perrot and Mr. Hubelet, their teachers. Also with them are Mr. Mathi and, Mr. Kreitzer and some other parents.

I hope, as we all hope, that they have a very enjoyable and a very educational stay here in the Assembly.

Hon. Members: — Hear, hear!

Mr. C.P. MacDonald (Indian Head-Wolseley): — Mr. Speaker, on behalf of yourself and other Members of the Assembly I would like to extend a very hearty welcome to ten Grade Twelve students from the community of Glenavon and their teacher who is accompanying them, Mr. Priechnik.

I regret very much that the Minister of Highways (Mr. Kramer) isn't here because I know they came down No. 16 highway and that they would like to discuss the problem with him. I do hope they have a very enjoyable afternoon in the Assembly and I hope that the Premier gives them his strongest and his loudest so that they can go home and recall very vividly their day in the Assembly.

Hon. Member: — Hear, hear!

QUESTIONS

LEGISLATION BEFORE THE SUPREME COURT OF CANADA

Mr. E.C. Malone (Regina Lakeview): — Mr. Speaker, I should like to ask a question, or perhaps more properly a series of questions to the Attorney General. The questions are in connection with a reference in the Throne Speech to a possibility of certain retroactive legislation being brought to this Legislature to deal with certain cases that are before the Supreme Court of Canada at this time. My question to the Attorney General now is, do you propose to bring this legislation to this Assembly prior to any decisions being made by the Supreme Court of Canada?

Mr. R. Romanow (Attorney General): — Mr. Speaker, I can't say to the Hon. Member exactly because Government policy has not yet been finalized. Generally speaking we are watching the developments in the court cases with a great deal of care and as developments take place there, the Government will be continuously assessing its position.

Mr. Malone: — Mr. Speaker, a supplementary. The only development that has to take place now is for the decision to be handed down. Would the Attorney General not agree with me that if an ordinary litigant acted in the same manner that this Government is acting, that is in effect saying to the Supreme Court of Canada if you don't uphold our legislation we are not going to obey your decision, we are going to do something else, if an ordinary litigant took that position and said to the Supreme Court, we are not going to obey your decision that that litigant could be readily held in contempt of court?

Mr. Romanow: — The Hon. Member, Mr. Speaker, is obviously confused when he asks the question, because if the Supreme Court should rule, like in any other case, that an act is unconstitutional, for example, it doesn't prevent a government from saying based on the decision of the court, we will pass a law which is constitutional. As the Hon. Member himself knows, being a member of the bar, governments in the past on a regular basis, have brought in legislation to amend legislation existing as a consequence of various court actions which exist. Indeed, many of the Bills which have been introduced in this Session are a consequence of some judges ruling in some way or other which as a matter of public policy it was felt should be clarified as a result of the wording. That is a common occurrence.

Mr. Malone: — Mr. Speaker, I beg to differ that it is not a common occurrence. A further supplementary question, Mr. Speaker. Can I ask the Attorney General what would happen if you do not have the legislation on the books of this Legislature, or passed by this Legislature, and the Supreme Court comes down with its decision and makes certain directions to you, as it is likely to do if you are unsuccessful, as to paying money back to companies involved? Will you defy the Supreme Court of Canada's instructions to you in this regard? Or will you call the Legislature immediately to deal with the situation?

Mr. Romanow: — Mr. Speaker, I would have to say that the Hon. Member's question is hypothetical and I am sure that he, too, would acknowledge that. I can't say until we get a chance to look at the Supreme Court judgement. We are very confident that the Supreme Court will recognize the provincial rights.

Mr. Malone: — Mr. Speaker, a further supplementary. The question is not hypothetical because it is contained in the Speech from the Throne, the whole question. If it was hypothetical it shouldn't have been contained in the Speech from the Throne.

Now, would the Attorney General give me one precedent in the British Commonwealth whereby a legislature has passed retroactive taxation legislation, as you propose to do?

Mr. Romanow: — Mr. Speaker, I don't have such a precedent with me, but I do draw the Hon. Member's attention to a Bill which was read a first time yesterday, I am going by memory here, but I think it was The Act Respecting the Regulations Act, which deals with retroactive legislation in 1973 in a non-resource area, but as a result of a court case. As I said earlier there are many examples of that type of legislation.

HIGH COST OF FOOD IN SASKATOON

Mr. L.W. Birkbeck (Moosomin): — Mr. Speaker, I should like to direct a question to the Minister responsible for Consumer Affairs. In light of the extensive studies conducted over the last few years by the Government of Saskatchewan on cost of food, could the Minister inform this Assembly why the cost of food in Saskatoon is consistently higher than its cost in Regina? Mr. Speaker, I ask this question in light of figures released in the November, 1976 Statistical Review by the Government of Saskatchewan.

Mr. Whelan (Minister of Consumer Affairs): — I am sorry I didn't get the question. I didn't hear it.

Mr. Birkbeck: — Mr. Speaker, I would be glad to repeat the question. In light of the extensive studies conducted over the last few years by the Government of Saskatchewan on the cost of food, could the Minister inform this Assembly why the cost of food in Saskatoon is consistently higher than the cost of food in Regina? These figures were released by the Government of Saskatchewan in its Statistical Review, November, 1976.

Mr. Whelan: — The answer is No.

Mr. Birkbeck: — A supplementary, Mr. Speaker. What is the purpose of this study under the Minister's portfolio if no attention is being paid to statistics?

Mr. J.G. Lane (Qu'Appelle): — A supplementary, Mr. Speaker, to the Hon. Minister. Could he start to come to this House duly informed and would he kindly advise the House when he will be informed?

Mr. Speaker: — Next question. The Member for Thunder Creek.

USE OF UNIT TRAINS TO MOVE GRAIN

Mr. W.C. Thatcher (Thunder Creek): — Mr. Speaker, I would like to, if I may, I would like to direct a question to the Minister of Transportation. The Minister has expressed his displeasure at the proposed use of unit trains to transport Saskatchewan and western Canadian grain to the eastern coast at a time when box cars are at a premium in our grain transportation system. Is the Minister expressing the official position of his Government of disapproval of the use of unit trains?

Hon. G. MacMurchy (Minister of Municipal Affairs): — Mr. Speaker, what we are expressing is an opposition to the use of unit trains to move grain to the Port of St. John and the Port of Halifax from the inland terminals which has been proposed to us as the vehicle to be used to replace the removal of the Atlantic and eastern freight rate subsidy. I think I indicated fairly clearly our opposition to that kind of a policy.

Mr. Thatcher: — A supplementary question, Mr. Speaker. Will the

Minister concede that at this point in time there is a very grave shortage of box cars and will the Minister concede, at this point in time, when Canadian exports as a percentage of the share of the world international grain trade have fallen drastically, agree that anything which places our grain in an export position as quickly as possible and returns those cars to the prairies, is beneficial to Saskatchewan farmers?

Some Hon. Members: — Hear, hear!

Mr. MacMurchy: — Mr. Speaker, I think we have indicated for a fairly long period of time our support for the country elevator system. The proposal that is being suggested here, which obviously the Member opposite supports, is to move grain not from the country elevator system to those ports, but to move from the inland terminals. It seems to me this is one further step in support of inland terminals and we just don't agree to that. It is well known, Mr. Speaker, that there aren't cleaning facilities for export grain at either of those two ports. It is well known that the country elevator system doesn't have cleaning facilities. Here we see a plan under the disguise . . .

An Hon. Member: — A dark, deep plot.

Mr. MacMurchy: — . . . a dark, deep plot under the disguise of an attack on inflation, to support inland terminals and that we can't agree with. If the Member opposite agrees with that kind of concept, fine.

Mr. Thatcher: — Is the Minister suggesting to this House that the cleaning of grain on the prairies versus the cleaning of grain at the export position is less efficient and is not going to put dollars in the pockets of our farmers? And I don't recall asking any questions pertaining to inland terminals as of yet, but are you suggesting that the system we are using now is more efficient than what is being proposed?

Mr. MacMurchy: — Mr. Speaker, I have to assume that the system of cleaning at the export points, say the Port of Vancouver, say at Thunder Bay, is more efficient than the proposal put forward because I have not seen any figures in my time to dispute that in fact.

Some Hon. Members: — Hear, hear!

HOG COMMISSION

Mr. J. Wiebe (Morse): — I would like to direct a question to the Minister of Agriculture. Because of the inability of the Hog Marketing Commission to maintain producer confidence in the hog industry, what is your Government prepared to do to restore that confidence and to prevent further announcements like this morning of closure by Intercontinental Packers of acceptance of further hogs after December 24?

Some Hon. Members: — Hear, hear!

Hon. E. Kaeding (Minister of Agriculture): — Mr. Speaker, I think the farmers who produce hogs make their own decisions. Prices of hogs were very satisfactory all summer. Farmers chose not to produce them and I'm sure that they didn't choose that because they didn't like the Hog Commission. They made their decision and they chose not to produce the volume of hogs which had been produced up until that time. I'm sure that the activities of the Commission were not in any way responsible for that.

Mr. Wiebe: — Supplementary question, Mr. Speaker. Is the Minister then telling the people of Saskatchewan that he is prepared to sit idly by and allow another 130,000 decrease in the marketing of hogs in this province and do nothing in this particular instance.

Mr. Kaeding: — Mr. Speaker, I have no evidence that there is going to be a reduction of another 130,000 hogs. I don't know why there should be. The assembly which is now being arranged and is now being considered should be satisfactory to deliver all of those hogs to Saskatoon.

Mr. Wiebe: — Further supplementary question, Mr. Speaker. Would the Minister of Agriculture then convey that assurance to Intercontinental Packers so that they in effect won't then have to close their plant to hogs on December 24th, because there is a clear indication of that deterioration?

Some Hon. Members: — Hear, hear!

Mr. Kaeding: — Mr. Speaker, I can assure the Member that the reason for the closure of the plant in Regina is not because of any act due to the Hog Marketing Commission. Certainly nothing the Hog Marketing Commission has done has brought that about.

PILOTS - ACCUMULATED OVERTIME

Mr. E.A. Berntson (Souris-Cannington): — Question to the Minister responsible for the Department of Northern Saskatchewan. Is the Minister aware that during the past summer some of the pilots employed by DNS have accumulated as much as 72 days or two and a half months of potential time off in lieu of overtime?

Hon. G.R. Bowerman (Minister of Northern Saskatchewan): — Mr. Speaker, I am not aware of the amount of time that individual employees may have built up over the summer. With respect to pilots who are required at times to fly excessive hours because of forest fire situations or forest fire conditions, it's not unusual for pilots in the north to accumulate overtime which they take off in lieu of paid overtime.

Mr. Berntson: — Supplementary, Mr. Speaker. Is the Minister aware that in a peace time airforce, the considered safe limit of air time in a 24 hour period is six hours and would he not agree that under the ideal conditions of airforce control as compared to

the hazardous conditions in the North, that this is a significant deterioration in safety to northern employees?

Mr. Bowerman: — Mr. Speaker, I believe it's true that the federal Ministry of Transport governs the matters of pilot licensing and hours of flying and matters relating to that kind of question. Therefore, if the pilots are flying in excess of the hours provided for by the Ministry of Transport, then I think it's a matter for the Ministry of Transport to deal with and not myself.

INSTALLATION OF COAXIAL CABLE

Mr. E.F.A. Merchant (Regina Wascana): — Mr. Speaker, if I might direct a question to the Minister in charge of Sask Telecommunications. Is it a fact that Sask Tel have hired two out of province companies, Mustang Engineering and G. M. Jest, who are and have all summer been desperately laying the ducting to install coaxial cable throughout Saskatchewan? They are working now down Angus Street to lay the north-south route in Regina. They are working on 22nd Avenue. Is it a fact that these companies, working now to desperately in all of the cities will be moving shortly to Prince Albert, to work at the same double time and a half rate to get this cable installed?

Hon. N.E. Byers (Minister of Telephones): — Well, Mr. Speaker, in response to the Hon. Member's questions, Sask Tel has a very large capital budget, most of which is contracted. This year's capital budget is about \$87 million as compared to \$24 million in the last year of the last Liberal Government.

Some Hon. Members: — Hear, hear!

Mr. Byers: — Sask Tel does have some of its own construction crews, but a good portion of its capital budget is contracted and Sask Tel has a very vigorous program under way laying cable in the city of Moose Jaw, in the city of North Battleford, in the city of Regina, in the city of Saskatoon and we expect that by the end of 1977 that Sask Tel will have laid most, if not all, of the facilities for cable television in those four cities.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — I wonder if the Minister would indicate to the House whether it is not in fact true that the intentions of the Government were changed and that the reason that these out of province companies, one of whom has brought in crews from Ontario, are working at double time and a half and indeed even worked on Remembrance Day, that these crews are here working because the Government is attempting to force the hands of the CRTC and get the cable installed, regardless of the law and regardless of the intentions of the duly licensed authorities?

Mr. Byers: — Mr. Speaker, the decision of any contractors who work overtime, to work on Sunday, to work on weekends, to work on Remembrance Day, is a decision of the contractors and I'm sure

if they are breaking the labour relations laws of this province, the Minister of Labour (Mr. Snyder) will deal with them.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — I wonder if the Minister would indicate how the Government can claim to be bargaining in good faith when in essence the Government is saying we don't care what the municipalities say, we don't care what the licensing authorities say, we're going to do what our bureaucrats think is right, we're going to lay the cable and force the hand of the cable and co-op companies duly licensed by the CRTC.

Mr. Byers: — Mr. Speaker, I think if the Member for Wascana will check some of the statutes of this province he may find that the jurisdiction which Sask Tel asserts over cable television and communications facilities belongs to the Government of this province, has been the case since 1910 and that that legislation was drafted when a former Premier of this province, the Hon. W. J. Patterson was the Superintendent of the Rural Telephone Company Association in this province. That was the basis on which Sask Tel made its case to the CRTC in February, 1976, which at this time has not been resolved.

I want to say to him further, that the position which Sask Tel and which the Government of Saskatchewan has taken today is that it does not really reflect a change in government policy.

Some Hon. Members: — Hear, hear!

Mr. Byers: — Because I want to tell him that when the Hon. Gordon Grant was the Minister of Sask Tel and the Minister of Telephones in the former Liberal Government, that he relayed as the official policy of the Government of the day to the Department of Communications at Ottawa, the policy which this Government is upholding.

Some Hon. Members: — Hear, hear!

WESTERN ROTO-THRESH

Mr. R.H. Bailey (Rosetown-Elrose): — Mr. Speaker, I should like to direct a question to the Minister of Industry and Commerce (Mr. Vickar). Has your Department made any attempt to assist Western Roto-thresh, a wholly-owned Saskatchewan and Canadian company to remain here in Saskatchewan and to establish their plant here?

Hon. N. Vickar (Minister of Industry and Commerce:) — No, Mr. Speaker, I don't have that information. It has not come over my desk, but maybe the former Minister might like to answer that for you if he can.

Mr. Bailey: — A supplementary question, Mr. Speaker. I'll direct the question either to the present Minister of Industry and Commerce (he obviously doesn't know the answer) or to the former Minister (Mr. Messer).

Is the Government aware that cities in the United States close to the Canadian border are now negotiating with this totally owned Saskatchewan company for them to establish their manufacturing plant there rather than in Saskatchewan?

Hon. J.R. Messer (Minister of Mineral Resources): — Mr. Speaker, I am not aware of the negotiations which the Member refers to, but I can say that the Saskatchewan Economic Development Corporation has had extensive discussions with the principals of Western Roto-Thresh as to their operations in Saskatchewan, and I might also say that they have given some considerable assistance in the past, both in the way of manpower and by way of finances.

Mr. Bailey: — Supplementary question, Mr. Speaker. Thanks to the former Minister. Would you not then agree that obviously what you offered in the way of negotiations with this company fell far short of that which they can obtain elsewhere?

Mr. Messer: — Mr. Speaker, I do not agree. The problem I think that Western Roto-Thresh is now confronted with is one of being able to sell their machines with a margin of profit to the principals of that operation. Now I don't think that anything the Saskatchewan Economic Development Corporation can do in regard to either management input and/or financing will resolve that problem. That is a problem that the management of Western Roto-Thresh will have to contend with.

Mr. R.L. Collver (Leader of the Progressive Conservatives): — A supplementary question, Mr. Speaker. Would the Minister not agree, from his own words with that answer, that the succession duties in the Province of Saskatchewan and the labour legislation in Saskatchewan is contributing materially to the decision of Roto-Thresh to perhaps locate elsewhere?

Mr. Messer: — Mr. Speaker, I do not agree and the Leader of the Conservative Party I think is entering into another field totally and entirely. The problem with Western Roto-Thresh, up to this point in time is, it has not been able to turn a margin of profit. And I don't think that any company that's got a problem in trying to achieve a profit is concerned at this point in time about succession duties in the Province of Saskatchewan.

Mr. Collver: — The Minister of Industry and Commerce, or at least the former Minister of Industry and Commerce should know full well that perhaps there might be other influences in terms of succession duties, in terms of patents, royalties, capital costs, that are of substantial value to an organization and the fact that they can't turn a profit in the Province of Saskatchewan may be significantly due to the Government of Saskatchewan's policy. Would the Minister not agree that perhaps a review of those other bits of legislation that are so materially affecting Saskatchewan corporations in the light that many corporations other than Western Roto-Thresh are considering leaving the province?

Mr. Messer: — Mr. Speaker, I notice that the Member is kind of choking up and if I was in his present situation I would be choking too.

But, Mr. Speaker, let me say that we are aware of such farm machinery manufacturers looking to establishing a portion of their operations south of the border. But that is not only happening in the Province of Saskatchewan. It is happening in Manitoba, and Alberta as well. And there are some real reasons for that, Mr. Speaker. Not to say the least being freight rates, which this Government has stood solidly in conveying to the Federal Government that if there is not some change in regard to services and freight rates that we are going to lose industry in the prairie basin. I can name industries; Alco in Alberta; Versatile in Manitoba, are also looking to operations south of the border and I say to the Member opposite that it is because of freight rates and transportation, primarily, that they looked to those other locations.

Some Hon. Members: — Hear, hear!

JUNK FOOD - NUTRITIONAL FOOD

Mr. W.H. Stodalka (Maple Creek): — Mr. Speaker, I should like to direct this question to the Minister of Education (Mr. Tchorzewski) in regard to the recent statements he has been making about junk foods in school. I am sure the Minister realizes the amount of money that students' councils will probably lose by the elimination of selling such items as soft drinks, cheesies and the likes within the schools. The Minister seems to be very interested in establishing a nutritional program of some form in the schools. Is he willing to supply the necessary funds to possibly replace some of the existing vending machines that are in the schools, or to provide milk to some of the students within the schools? Exactly how far are you willing to go financially to change these junk foods within the school system?

Hon. E.L. Tchorzewski (Minister of Education): — Mr. Speaker, I made, sometime ago, an expression of concern about the availability of junk foods in our schools as it relates to the teaching of good nutrition and physical wellbeing of our students and the formation of good health habits as they grow up and become older. I also, at that same time, directed a letter to the school boards, after consultation with the SSTA and the Saskatchewan Teachers' Federation urging that they take some steps on their own initiative in phasing out the dispensing of junk foods. We have not, and are not in a position, and I have given no indication that we are going to be providing any kind of financial remuneration while that is being done. It is a decision that is going to be made at the local level.

Mr. Stodalka: — Supplementary, Mr. Speaker. I was rather amazed that you chose junk foods rather than say smoking within schools. Does the fact that you didn't mention smoking mean that you condone the smoking areas that are being set up within some school jurisdictions?

Mr. Tchorzewski: — That's an interesting question, Mr. Speaker, I think a bit facetious. I am not aware of any vending machines that dispense cigarettes in our schools of Saskatchewan at the present time.

ENERGY FUND

Hon. W.E. Smishek (Minister of Finance): — Mr. Speaker, on Monday, the Hon. Member for Indian Head-Wolseley (Mr. MacDonald) posed two questions in respect of the Energy Fund. I would like now to give him the answers.

The first part of the question was: What part of the Energy Fund has been used for exploration or development on new energy resources in Saskatchewan? The second part of the question: — Has the total been spent since the last session prorogued, for the purpose of existing jobs, mines and oil production in the province?

The answer to the second part of the question is, no. The total expenditures for the Energy has not been used for purposes of existing jobs, mines and oil production. The total up until now that has been spent for energy purposes is \$25.9 million to October 31. That's since the fund was established. Of the \$25.9 million, \$23 million went in payments to private petroleum and natural gas companies for the petroleum and natural gas exploration.

Mr. Merchant: — A supplementary, Mr. Speaker. I wonder whether the Minister would indicate whether he does not believe that by this improper use of the Energy Fund you are not putting our equalization payments with the Federal Government in jeopardy by using the Energy Fund in a way that it was not intended when the original arrangements were made with the Federal Government, you are not jeopardizing our future payments and the payments from the Federal Government?

Mr. Smishek: — The answer is no. The Hon. Member is obviously not informed.

ADJOURNED DEBATES

ADDRESS-IN-REPLY

The Assembly resumed the adjourned debate on the proposed motion of Mr. D. H. Lange (Bengough-Milestone) and the proposed amendment thereto moved by Mr. J. Wiebe (Morse), for an Address-in-Reply.

Hon. A.E. Blakeney (Premier): — Mr. Speaker, in my brief remarks yesterday afternoon I'd had an opportunity to congratulate the mover of the motion, the Hon. Member for Bengough-Milestone and the seconder of the motion the Hon. Member for Regina Rosemont (Mr. Allen) and I'd indicated that I thought each of the mover and the seconder had done an outstanding job. Each is a young man under 30 years of age; each is articulate; each gave a thoughtful presentation, and each I think, gave notice that he serves his constituency well, both in this House and outside the House.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I had an opportunity to welcome the two new Members to the Cabinet, Dr. Faris, the Member for Arm River and Mr. Vickar, the Member for Melfort, and I believe that each will discharge the responsibilities assigned to him in an exemplary way. I am very happy to have them in the Cabinet. I think they are going to do an excellent job.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I wanted also to congratulate the Hon. Member for Prince Albert-Duck Lake (Mr. Steuart), the Leader of the Opposition for his remarks in this debate. He indicated that they would be his last remarks as Leader of the Opposition, and I know that many of us regret the fact that he is laying down the burdens of that office. He has served well as a Leader of the Opposition. We naturally felt that that was perhaps his best role, but we certainly acknowledged and freely acknowledge that he gave outstanding leadership to the Liberal Party and has served his constituents and this House well.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — This afternoon, Mr. Speaker, I want to report to this House on a good number of things which I think are of concern to this province. I want to ask first the question, what makes our province strong? Why is Saskatchewan a good place in which to live?

Well there are certainly a number of answers to those questions. There is our great natural wealth, our agricultural land and our mineral resources, our forests and our wildlife, the rich bounty that nature has given us and which man here has developed.

There are our people, as sturdy and self-reliant a group of people as will be found anywhere on the face of the globe. There are our social institutions, our churches and our local governments, our schools, our universities, our hospitals and co-ops and community organizations, as rich and well developed a matrix of self-help organizations as exists for any one million people anywhere in the world.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — There is the concern that Saskatchewan people traditionally have for their neighbour. It's not all we would like it to be, and certainly there are large blind spots, but we have a concern which means that essentially in Saskatchewan we have a compassionate society. Some years ago a writer wrote about Saskatchewan: — "No place on earth are the good things of life more evenly distributed than they are in Saskatchewan." I am sorry to say that I don't think that is true. But it approaches truth, and it is a high tribute to pay to any society.

I want to talk this afternoon about some of the things which make our province strong, which make it so distinctive and so desirable a place in which to live. I want to speak of those

things which have caused Saskatchewan people to walk with a new pride and a new self confidence.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Because of past misfortunes and ignorance about our achievements and our potential, the understanding of our province among Canadians has sometimes been woefully inadequate. This has rubbed off on Saskatchewan people who are perhaps overly modest in any case. The result has been an undue modesty among Saskatchewan people about our province and about ourselves. This is fortunately passing. The day when people were self conscious and a little bit ashamed of being rural is gone. The day of uncritical admiration for the urban society, for the big city, is passing too. Now it is understandable why people felt that way. Almost since the dawn of history, from the glories of Athens and Rome, to the cryptic comments of Samuel Johnson who said, "He who is tired of London, is tired of life," to the view of a New York cabby driver that anyone who doesn't want to live in New York is somehow queer, we have, with all these views, been urged to believe that urban life was the pinnacle of civilization. We no longer accept that view, nor need we, nor should we.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Modern communications have opened up most of the cultural offerings of the city to small town and rural dwellers. The western world is in a new era, an era when a gracious, comfortable and satisfying way of life can be built on the strengths of rural and small town living with its personal contacts and opportunities for participation, combined with the great cultural offerings of the largest cities brought to the rural areas by radio, by television and by occasional visiting companies.

This is a new era for North America. It is certainly a new era for Saskatchewan. And Saskatchewan people are responding with a new sense of pride, a new sense of self worth.

When I go about Canada, or elsewhere in the world, I am proud to say that I am from Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — And I say that there is a rapidly growing recognition throughout the world that we in Saskatchewan have every reason to be proud. It's a good province and, working together, we can make it better.

Now let me turn to some of those things which are most important to the wellbeing of this province. There are really four or five intertwined, but I think we can deal with them separately.

First, there is our agricultural industry. There are a number of questions: Will it continue to be prosperous? Will it be organized in a way which will strengthen our way of life or weaken it?

There are our mineral resources. Can we develop them in a

way which will benefit us and our children, or will the benefits of development be siphoned off by the Federal Government, by resource companies?

There are our social institutions. Can we continue to develop our social institutions, our schools, our health services and our utilities, our co-ops and all the others in a way which will reinforce the unique values of Saskatchewan life, or will these institutions be totally swallowed up in a monolithic North American culture?

There is our nation; federal-provincial relations. Can we in Canada develop relations between the Federal Government and provincial governments which strengthen regional development within a strong Canada, or will we see a further growth in tension between the Federal Government and provincial governments, between region and region?

These are vital questions for Saskatchewan people.

Before turning to talk about them one by one, I want to say a few words about our economy and the economic outlook.

It is with feelings of pride, but with a certain amount of caution that I turn to this subject. I don't pretend that this Government can take credit for all the good things that have happened to Saskatchewan almost from the day we took office in 1971. I am sorely tempted to take the credit because in the future if anything goes wrong the Members opposite will be very anxious to claim that it is somehow our fault. If we follow that warped reasoning, it follows that when things go right, then it must be our doing as well. I will not take credit for several years of high grain prices, or the good crop this year, nor will I take the blame for the low hog prices or the low beef prices.

I won't claim credit for high resource prices. I will take credit for keeping some hundreds of millions of dollars of resource revenue within our province . . .

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — . . . money which would have been allowed to leave this province as corporate profits under either of the parties opposite. That's been a positive contribution made by the NDP Government to Saskatchewan's prosperity.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I think it was a former Liberal Premier who said population figures were the acid test of an economy. The acid test of the government's performance. At least he said that until under his government our population began to decline. If we can believe federal statistics, our population is rising sharply and our unemployment is the lowest in Canada. I don't believe that population is the acid test. But by that standard we are doing well and again by that standard our Government should receive the credit.

Some Hon. Members: — Hear, hear!

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Mr. Blakeney: — Mr. Speaker, Saskatchewan's economy is strong. Through a combination of high prices, good crops and good management we have been able to avoid some of the problems besetting the rest of Canada. We have had a government willing and able to take full advantage of our good fortune. We have not been able to avoid the affects of inflation. That is a national problem and no province has the power or influence to stop it. And no province in Canada has successfully done so. But we have escaped the economic stagnation of some other parts of Canada. We have maintained almost full employment and a booming construction industry.

Almost every economic indicator is at or near record level. We in Saskatchewan have done well.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — But our economy rides on the world prices of a relatively few commodities, such as grain, livestock, oil and potash. We are all painfully aware that it is entirely possible for Saskatchewan to go into a slump while the rest of the Canadian economy enjoys at least relative prosperity.

Indeed that happened the last time the Tories held office in this province in the 1930s. And the last time the Liberals held office in this province between 1967 and 1971. During each of those periods, Saskatchewan, relative to other parts of Canada was in depression when they enjoyed at least a relative prosperity.

All it takes is two or three bad crops or a big drop in the world price of one or more of our key commodities. Grain prices are going down and cattle prices are disastrously low, and hog prices are causing concern. Farm cash receipts and net farm incomes will be very satisfactory this year, but lower than in 1975. Despite these clouds I think we can look at least to 1977 with modest confidence.

There are other areas where our Government can take credit. At a time when governments everywhere are under pressure and some of them are having difficulty borrowing money, our credit rating in the money markets of the world is high and it has never been higher.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We are able to borrow money in Canada, in the United States or abroad at attractive rates of interest compared to other provinces. Private investment is at an all time high. Members opposite will try to claim that the investment climate in this province is bad. The cold hard figures put the lie to that claim. People are as willing to lend money to Saskatchewan as never before and people are willing to invest money in Saskatchewan as never before.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Private and public investment in Saskatchewan in 1970 was \$870 million, in 1975 it was not \$870 million but \$2.2 billion.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I don't know whether Members opposite are pleased that Saskatchewan is doing so well, but I am pleased that Saskatchewan is doing well, and I am pleased that the New Democratic Party is part of that prosperity.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Let me turn now to the four things which I say will determine the future of this province. I turn first to agriculture.

The goal of any government in Saskatchewan must be increased farm production and see that the farmer has a fair and stable income. Our Government and our university do an outstanding job in seeing that the farmers have the facts on which to base their decisions. And farmers make their own production decisions and they make good decisions. So far as production is concerned we can safely rely on our farmers to do a top rate job.

Farmers need governments not primarily to assist them with production but rather to assist them with marketing and in stabilizing incomes. Our Government supports orderly marketing. We fully support the Canadian Wheat Board, unlike Members opposite.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We believe that firm steps should be taken to make farm income more stable. The National Grain Income Stabilization Plan launched by the Federal Government is a step in the right direction. I want to congratulate the Federal Government on that move. The next step needed is a national beef income stabilization plan that offers similar protection to beef producers.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We will fully support such a plan and we will as a province contribute financially to a plan if it is launched on a national basis. The Minister of Agriculture will be dealing more fully with this important matter at an early opportunity.

I want to touch on two topics of vital interest to agriculture, rail line abandonment and the statutory Crow's Nest rates. Decisions on these issues will decide whether our rural economy and rural way of life is strengthened or whether it is all but destroyed.

How these two matters are dealt with will decide not how much we produce but rather who will get the most benefit from what we do produce - the farmers or the grain companies and the railways.

Mr. Speaker, the long battle between the people of Saskatchewan and the railways over rail line abandonment is approaching a climax. The Federal Government has set up two royal commissions. The Snavely Commission dealing with the costs to the railways of grain-handling and the Hall Commission dealing with the railways' requests for wholesale rail line abandonment.

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The railways' submissions to these Commissions pose a grave threat to rural Saskatchewan, in fact to the whole Saskatchewan economy. Intertwined are the issues of the Crow's Nest rates, the shape and distribution of our grain-handling facilities and the fate of rural communities on lines which the railways seek to abandon.

When first elected in 1971, our Government acted. We set up a special group under Harold Horner, former Deputy Minister of Agriculture, to marshal information and arguments on the effects of abandonment and on the effects of reorganization of grain-handling facilities. We established a transportation research group, to deal particularly with rail transportation. My colleague, the Attorney General, was first given the responsibilities of spearheading and co-ordinating these efforts. Last year we organized a transportation agency to concentrate even more fully on this vital matter. And the Minister of Municipal Affairs took charge and during the last year the Minister of Municipal Affairs has given outstanding leadership in this battle.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — As part of our efforts, we appointed regional co-ordinators whose job it was to help local communities or groups prepare their briefs to the Hall Commission. And the communities presented their case to Judge Hall, ably, forcefully and frequently. Whatever could be done, was done, and was done well.

As soon as the Hall Commission reports to the Government of Canada, the battle will move to the political arena. The railway companies and some of the international grain companies will be calling for wholesale abandonment. The people of Saskatchewan will be fighting to keep the rail lines necessary for a strong and healthy rural economy.

This fight concerns us all. I recall to your mind what were some of the elements of the abandonment scheme proposed by the railways. It is a scheme, for example, which proposes that towns like Wakaw, Glaslyn and Gravelbourg be totally without any railways. That is a scheme to destroy rural Saskatchewan. It must be fought and it will be fought.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We in the Government of Saskatchewan are firmly opposed to wholesale rail line abandonment. We believe that most of our branch line system can serve this province well for many decades to come.

This is not to suggest that our grain-handling system should not change. It should. And it is changing. The issue is whether the change should take place on a gradual planned basis making the consolidation meet the needs of the farmer, or whether the change should be a radical change involving the construction of a small number of inland terminals making a large part of our present grain-handling system either surplus or obsolete and in effect, making the farmer adjust his methods to the needs of consolidation.

To put it more bluntly: Should the face of rural Saskatchewan be determined by the railway companies, by Cargill and their

friends or should the residents of rural Saskatchewan have the major influence? We believe the voice of rural residents should prevail.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The argument is being put by the centralists, and some Tories, and some Liberals and their friends and supporters, that our current grain-handling system is out of date, old fashioned, next to useless and must be totally rebuilt.

That is false. Saskatchewan's grain-handling system is not obsolete. Certainly there are some obsolete elevators but as a system it is a good modern well-equipped grain-handling system. Certainly it will need to be changed in the future as any system that exists today will need to be changed. But this is a far cry from saying that the grain-handling system which exists today is obsolete.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The Saskatchewan Wheat Pool was the first group to present to the Hall Commission on grain-handling and transportation a coherent proposal to argue on a rail line by rail line basis what should happen to our branch line system. It was a thoughtful and reasonable presentation and based upon ideas as modern as tomorrow. The Government of Saskatchewan also presented a detailed case to Judge Hall. We also argued on a line-by-line basis. We had some differences with the Pool, but there is a remarkable similarity of view. This is not surprising because we both have a similar perception of the rural Saskatchewan we want to see 25 years from now.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — It is clear from the comments of the Members opposite during my remarks, suggestions that my remarks are nonsense, and that our grain-handling system is obsolete, it is clear that they have a very different perception of what they want rural Saskatchewan to be. It is our belief that Saskatchewan 25 years from now should still be based upon the family farm and small communities.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — For our part we are not prepared to stand by and cheer while agribusiness takes over this province.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The Saskatchewan Government is strongly opposed to inland terminals. As we see it, the wholesale use of inland terminals would lead to widespread abandonment of rail lines, the withering and eventual destruction of many small towns and villages and a vast increase in costs of hauling grain both to farmers and to governments who have to build roads. Mr. Speaker, if we were to bow to the pressure of the railways, the Cargills, and as it now seems the Liberals and the Tories, we would have an inland elevator system of perhaps 40 points. It would be very

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convenient indeed for Cargill, for the railways. But what would it mean for Saskatchewan?

For farmers, much longer hauls, higher fuel bills, extra time.

For the Pool and UGG, closure and abandonment of hundreds of good country elevators and possible financial ruin.

For the taxpayers of Saskatchewan, a multibillion dollar and I repeat, billion dollar cost for new roads, for road repairs and upgrading; and a multimillion dollar loss for streets and telephone lines and power lines, schools, rinks in small communities which are about to disappear. Yes, multibillion dollar losses for the taxpayers.

For hundreds of small communities, curtains! Closure of stores and businesses. Huge personal losses on properties and businesses.

For the Federal Government, money saved, because they don't have to pay for the roads.

For the railways, money saved because they can abandon most of their branch lines and take only the cream.

For Saskatchewan people, there are few social benefits, few economic benefits. There are costs. High costs.

Simply put, Mr. Speaker, Saskatchewan cannot afford these so-called benefits.

Our Government is being forced to take defensive action before heavy grain trucks start cutting up roads and highways they were never designed to carry.

We built our roads and highways as a complement to our railway system. We believed, and still believe, that railway lines are there to carry heavy loads and railway lines are there to stay.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — There is no reasonable alternative to the action we are being forced to take. Heavy grain trucks will wreck our roads. There is no reason why Saskatchewan taxpayers should have to pay the bills for massive repairs and upgrading on their road system when we already have a perfectly good rail system.

We are not going to ask all those farmers out there who built their own elevator system and their own efficient grain-handling system, to pay heavy taxes to subsidize the competition which will then use these farmers' taxes to run the farmer co-ops out of business. That may make sense to the railway companies. It may make sense to the international grain companies. But it makes no sense for the farmers or taxpayers of Saskatchewan. As a government we will continue to oppose wholesale rail line abandonment with everything we have.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I want now to turn to another subject closely

related and perhaps even more fundamental to the economy of the West. I refer to freight rates on grain. At the moment we are waiting for the report of the Snavely Commission. As you recall that Commission was set up following a prolonged publicity campaign by the CPR attacking the Crow's Nest rates.

The railways are attacking the Crow's Nest rates and pleading their case that they are losing money. Many of us are a little less than fully sympathetic with the railways' case. They have allowed many of their branch lines to deteriorate. They haven't bought new equipment and after allowing this to happen over a period of years they then tell us that the branch lines are inefficient. I am not surprised. I think when we consider this issue fairly we must admit that costs faced by the railway companies as by everybody else have risen. It is probable that the Snavely report will suggest that current rail rates are too low.

Suppose Snavely does suggest that the railways must have some more money. Clearly there are several things that could happen.

1. The Crow's Nest rates could stay as they are and we could reject the claim on the railway companies.
2. The Crow's Nest rates could stay as they are and a subsidy could be paid to the railway companies either partly or fully making up their loss.
3. The Statutes could be changed to increase the Statutory Crow's Nest rates.
4. The Statutes covering Crow's Nest rates could be repealed and substituted with some other way of setting freight rates for grain.

There is a vast difference in the implications for farmers of each of these four methods. The first two leave things as they are so far as the farmers are concerned and therefore are to be preferred.

The third one, changing the statutes to increase the Crow's Nest rates would increase the rates but still leave them governed by statute. The fourth one would remove entirely the protection of the statutory Crow's Nest rates and declare open season on farmers. Now even the Snavely Report says that the railways need more money and even if the Federal Government is determined to respond to that claim, there is no justification for repealing the statutory Crow's Nest rates simply because the railways need the money.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — There may be a claim that the Crow's Nest rates should be increased, that the Statute should be changed to increase the Crow's Nest rates. On that we would argue when the time came. But the proposition that the railways need more money is absolutely no support for the proposition that the Crow's Nest rate Statute should be repealed.

On this side of the House we fully appreciate that if the Crow's Nest rates went, if the railways were permitted to charge flexible tariffs as they would, then they would decide which branch lines were abandoned, what kind of elevator rationalization we would have, what towns would lose their elevators, what towns would live, what towns would die.

Let's see what happens if the Crow's Nest rates go. Today to ship a bushel of wheat from Regina to Thunder Bay costs about 12 cents a bushel. But without the Crow's Nest rate we could expect that the rate would be something akin to what is charged by US railroads. To ship a bushel of wheat from Wolf Point, Montana to Duluth, which is just a little shorter distance than from Regina to the Lakehead, the price is not 12 cents, but 53 cents, four and a half times as much. Now picture if you will what the railways could do with that kind of flexibility. For the farmer on the branch line destined for abandonment, at least in the railways' plan, the railway can say, "Okay you can deliver your grain if you like to Francis or Montmartre, but it will cost you 55 cents a bushel. However, if you want to truck it to Regina, we'll haul it for 30 cents a bushel." Now that's a pretty persuasive argument. The difference between 55 cents and 30 cents may not be justified by any real difference in the railways' costs but there is no place where that can be argued.

Just take a look at what this means too 107 farmers who deliver over one million bushels a year to the elevators at Francis, 10,000 bushels each, a differential of 25 cents a bushel, \$2,500 each for each farmer. That's a pretty big premium to pay to keep the elevator open at Francis. The farmers will have to haul their grain to Regina. They will 'choose' as the saying goes to abandon their branch line. The railways will get their way and our country elevator system will go down the drain and very soon the branch lines that serve it.

Keep in mind that once the country elevator system is gone, tens of millions of dollars of farmers' money invested in their co-ops will go too. These co-ops will have to build new inland terminals at the few selected points but they don't have the kind of money that Cargill does. The Member for Bengough-Milestone (Mr. Lange) outlined the financial power of Cargill. If it gets into a battle of who can build inland terminals at 30 or 40 selected points, you know that Cargill will win and you know that the Pool and UGG will lose. That's the design for rationalization which is being put forward by Members opposite by those who say that the Crow's Nest rates should go, by those who say that we should have wholesale rail line abandonment. This is a design which appears at least in my mind, to be an emerging one. I hear attacks on our grain-handling system, attacks on our branch line system. And I ask, rationalization for whom? For the CPR and the CNR, for Cargill, for Continental. Certainly that's one concept of efficiency. But for the Saskatchewan farmer, the implement dealer in Francis, the merchant in Montmartre, for the people of Saskatchewan, that's not rationalization, that's completely irrational.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Now in the months ahead we are likely to be subjected to yet another campaign to do away with the Crow's Nest rates. We will hear sorry stories about how much money the rail lines are losing. We'll hear many Liberals and Tories defending the railways, extolling the virtues of the international grain companies. We will hear how inefficient our country elevator systems are, and how the branch lines have got to go. Don't believe those stories. I say to all Members of this House and to all the people of Saskatchewan, don't believe those stories.

Our country elevators, our branch lines, our roads, and our highways are at stake if rail line abandonment comes about.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The inter-connected issues of rail line abandonment and the Crow's Nest rates are vitally important to the future of this province. I call upon all Members to join with us in defending rural Saskatchewan, in keeping our basic rail line system and using it as a basis for building an even better Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, I said that our future depends upon agriculture, mineral resources, on keeping and strengthening our social institutions and on how Canada as a nation is governed. I want now to say something about resources.

When I rose in this debate a year ago, I spent some time outlining the resource policies of this Government, particularly our policies on non-renewable resources. The policy objective I said, is firm. In a word our objective is to guarantee a fair return to the people of Saskatchewan, in dollars, in jobs, in future security. But I also said that our means are flexible, and I set forth the approach we are using, resource by resource. This has been an eventful year for Saskatchewan in resource development. I would like now to give you a progress report, resource by resource.

Let me begin with oil. In Saskatchewan as in the whole of Canada, another year has gone by without a major oil discovery. Nevertheless, there has been a resurgence of interest among exploration companies in Saskatchewan's oil potential. In two sales of oil and natural gas drilling rights held by the Department of Mineral Resources so far this year bonus bids have totalled nearly \$8 million. That value is double the 1974 figure and more than double the bonus bids for the entire year of 1970, the last year of management by the friends of the big oil companies opposite.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — A third sale is scheduled for December. Thus the 1976 total for bonus bids may well top \$10 million. Now it's true that one of the bidders was SaskOil, but another was Shell and Golden Eagle and Murphy and Canadian Reserve and Francana, and Husky. SaskOil's share of the successful bids was only \$1.4 million. So that the bulk of these drilling rights were acquired by private oil companies, these self-same companies that, according to the Member for Prince Albert-Duck Lake and the Member for Nipawin, left this province years ago never to return.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Well, they're here. They're here because there's more oil to be found in Saskatchewan. They're here because there is money to be made in oil in Saskatchewan, not as much as the companies would like to make, but a healthy return.

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In consultation with the industry, we adjusted royalties and increased incentive refunds on January 1, 1976. The royalty schedule was adjusted again a few weeks ago. The price of oil went up by a \$1 a barrel on July 1, and half of that increase goes to the oil producers.

There has been a new light oil discovery in the deeper horizons in southeastern Saskatchewan and that's very encouraging. So there are some new and modestly encouraging signs in the oil development picture. Oil revenues in 1975-76 approached \$200 million with the major part of that being set aside in the Energy and Resource Development Fund. Perhaps the greatest potential for increasing our recoverable oil reserves lies in developing new technology for heavy crudes. We have lots of heavy crude in the Lloydminster area. To help solve the problems, Saskatchewan recently entered into a joint agreement with the Federal Government to provide over \$16 million for research and technical development. In the long run we are very optimistic about our heavy oil reserves.

Now let me turn for a moment to our young public entry in oil and gas exploration, SaskOil. A year ago SaskOil had reserves of about nine million barrels of crude oil and natural gas equivalent. Today, the figure is not nine million, but 30 million barrels. In its drilling program SaskOil has drilled 48 wells since last April in this fiscal year, producing 17 oil wells, 11 gas wells and 20 dry holes. That's a success ratio of 58 per cent. And when it closes its books in 1976-77, despite the derision heaped upon SaskOil by Members opposite, SaskOil will have returned a respectable surplus to its owners.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — SaskOil, a Crown corporation, doing a good job for the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — A word about natural gas. Although Saskatchewan has for many years been an exporter of crude oil, we have never produced sufficient natural gas to meet our own needs. The Saskatchewan Power Corporation has over the years, made up the difference by importing gas from Alberta from reserves which it owns and from other sources. I may say that SPC began buying those reserves in the 1950s and with great presence of mind continued to buy them. And I regret to say that during the seven years between 1964 and 1971, the government of the day sold off gas reserves to the private industry which are now costing us millions of dollars to buy back.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The policy of buying oil and buying gas in Alberta has paid off. It has worked well for Saskatchewan consumers, assuring an adequate supply at low cost. In recent years it has provided a substantial price cushion for gas users in Saskatchewan and so we are not yet having to pay the high prices paid in Manitoba or in Ontario where they do not have that cushion. But the day of cheap natural gas is coming to an end. So too is the unlimited availability of natural gas from Alberta. We expect that some time in the 1980s the amount we can import from Alberta will

begin to decline. Looking toward that day, we must take measures now to step up gas production from our own reserves. We will therefore be introducing legislation at this Session to establish a Natural Gas Pricing and Development Board. It's job will be to recommend to the Cabinet what prices should be paid to Saskatchewan producers, the order of development of new gas properties and any other measures needed to achieve orderly development of gas production. It is not likely that any permits to export gas will be approved, only one such permit has been issued in the history of this province. But as part of a new gas policy, we have adopted a formula which will only permit gas export if productivity from proven reserves, plus half of probably reserves will be sufficient to meet Saskatchewan's own requirements over the next ten years on an on-going basis. Current reserves only meet half that requirement. Thus until substantial new reserves are proven up, our gas will stay here to meet Saskatchewan's own future needs.

Jack Wotherspoon, a highly respected public servant of 25 years of service with the Government of Saskatchewan and until recently Deputy Minister of Mineral Resources, will head up the new Natural Gas Pricing and Development Board.

I turn now to coal. With the depletion of other energy sources, Saskatchewan's reserves of over five billion tons of lignite coal have assumed new importance. We have this year taken the first steps toward establishing a comprehensive coal policy. The Coal Conservation Act of 1976 passed at the last session, sets the framework for a sound policy to guide coal development and use, now and in the future. Work is under way on policy development.

The Minister of Mineral Resources will soon be announcing the appointment of the Coal Conservation Board provided for in that Act.

Water power. Our coal of course is used primarily by the SPC for the generation of power at Estevan and at Boundary Dam. A new unit is being added at Boundary Dam, new coal deposits are being developed at Coronach where the Poplar River Project will go onstream in 1979. Coal has been and continues to be the most economical source of electrical power. Nevertheless, we must plan well into the future if we are to meet the ever-increasing demands for electrical power. And renewable energy resources, like water power, become more important as our fossil fuels become scarcer and more valuable.

The Churchill River is one hydro site which has potential. As you know the proposed Churchill Project has been the subject of one of the most comprehensive studies of social, economic and environmental impact ever undertaken in Canada. The results of that study were published this summer. The next step will be the appointment of a board of enquiry to review these findings, to hold public hearings and to recommend to the Government whether or not this project should proceed. It is an attractive power project, but there are important reasons why this project should not be proceeded with, and all factors should be thoroughly weighed. That will be done.

A second site under consideration is the Saskatchewan River site at Nipawin. Design work and cost estimates on this project are now underway. I am not suggesting we are necessarily going to proceed with that project, I am saying that it is under careful consideration. Here the principal factors are economic

factors. There are some environmental considerations, but we are fairly familiar with what another dam on the Saskatchewan River will do, and accordingly most of the work is being done on the economics. These are being carefully assessed.

The Saskatchewan Power Corporation, a Crown enterprise, continues to plan for and provide the energy needs of Saskatchewan people as it has done so successfully for many, many decades.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Let me say a word about uranium and hard rock mining. In 1976 we had a record year for mineral exploration in northern Saskatchewan — record year bar none. We estimate that total exploration expenditures at about \$20 million. This compares with an average of \$3.5 million a year over the previous decade, six times the record of the previous decade. While uranium is the chief object of this northern search, important base metal deposits are also being discovered.

The Key Lake Uranium find for example, is associated with nickel. Preliminary estimates of the Gartner ore body at Key Lake, one of the two, indicate uranium oxide reserves of 43 million pounds, and nickel reserves of 36 million pounds. There has also been a substantial graphite find near Southend (Reindeer Lake) which may go into production in 1979. The Crown corporation, the Saskatchewan Mining Development Corporation, SMDC, is a 40 per cent partner in this venture. There is no doubt that the Key Lake discovery has heightened exploration activity. When further drilling and evaluation of reserves are made, the two Key lake deposits are likely to form Saskatchewan's largest uranium ore body. The activities of SMDC and others in the field of uranium raise some important questions and if time permits, I will address a few remarks to the general question of the development of uranium resources.

But there are two other factors in the current boom. First is the Government's willingness to enter into joint ventures, through SMDC. And, the second, is the general acceptance by the industry of the new uranium royalty schedules announced last March.

SMDC alone has \$8 million budgeted for exploration this year. It is by any measure one of the most active mining exploration companies in Canada. It is active in 20 joint ventures. In addition, SMDC undertook six projects on its own last summer and we hope that that will be ten or twelve in the coming summer.

The Saskatchewan Mining and Development Corporation, another Crown corporation, is doing an outstanding job for Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Let me turn now to the most abundant non-renewable resource, potash.

It's just a year since this Government, faced with the resource companies' concerted opposition to our taxation and management policies, faced with their calculated refusal to

comply with our laws, faced with a number of serious court challenges to our taxation and conservation powers, made a momentous decision. That decision was announced to this Assembly in the Throne Speech on November 12, 1975.

We said then, and we reaffirm now, that we intend to acquire, in the name of the people of Saskatchewan, 50 per cent or more of the productive capacity in this province's potash industry.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The first milestone in realizing that objective came just a few weeks ago with the establishment of PCS Cory, a wholly owned subsidiary of the Potash Corporation of Saskatchewan.

PCS is now producing potash. It is selling potash through its sales organization and through Canpotex. Canpotex is the Canadian international overseas selling agency of which PCS is a member. Through PCS, the people of this province today have a significant stake in the potash industry.

The Minister in charge of the Potash Corporation will be reporting on the Duval purchase in detail. I have just a few observations. You will have before you the report of David S. Robertson and Associates which states the opinion that the Duval assets were worth 131 million in 1976 Canadian dollars. The agreed price, reached through hard negotiations, was \$128.5 million U.S. dollars. The first offset against that \$128.5 figure is the saving on U.S. exchange, roughly \$2 million. Bringing the price down to 126.5 and 123.5 million dollars.

I won't attempt to put figures on the intangibles, a co-operative transition, a sales organization, company goodwill.

My point is this. A fair price was arrived at, fair to Duval, fair to Saskatchewan, across the negotiating table. In this House a year ago, the Leader of the Opposition said that the Government would have to pay \$225 million for a mine the precise size of Duval. I invite anyone to look at the records, \$225 million. He was obviously wrong. When the Duval sale was announced, he said that Duval "took" the people of Saskatchewan, that we shouldn't have paid more than \$90 million, or was it a \$100 million. And I say he's obviously wrong again.

If there is one thing you can be sure of with the Leader of the Opposition, it is that he's never a little bit wrong, he always goes the full way.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Recently he revealed some facts, so-called, about salaries paid by PCS to senior officers. Again as the true facts published by the Chairman, my colleague, the Member for

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Biggar showed, the Leader of the Opposition was just over 100 per cent wrong – about his usual batting average.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Members opposite should look at the statement issued by the Member for Biggar. He makes very clear that no employee of the Potash Corporation of Saskatchewan is getting more than \$60,000 Canadian. None.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — And \$60,000 Canadian is less than half of the \$125,000 which the Leader of the Opposition alleged was true and was false.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We believe that the Duval deal is a good deal for the people of Saskatchewan. It is a solid start toward putting our policy in place. But it is only a start. And PCS is actively pursuing other acquisitions. With PCS Cory we are about one-fifth of the way towards our objective.

I want to express a word of appreciation to the people who head PCS; Mr. Dombowsky and the other senior staff of that corporation. I know the Member for Prince Albert-Duck Lake will know Mr. Dombowsky well. He was the Member's Deputy when the Member was the Provincial Treasurer, and I know he had full confidence in him then, otherwise he would not have allowed him to occupy the key post of Deputy Minister of Finance in this province.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, the Potash Corporation of Saskatchewan, another Crown corporation, is making its mark on behalf of the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — In summing up our progress, let me be brief.

In the year before we took office in 1970-71, the total revenue to the province from non-renewable resources was less than \$33 million. In 1975-76, those resources contributed, not \$33 million, but \$304 million in government revenues.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, that would not have happened under any but a New Democratic Party government.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — But, Mr. Speaker, I must sound a warning. The measures upon which these resource revenues depend are under attack. They are under a strenuous attack by the multinational

corporations, by the Federal Government and yes, by the Government of the United States.

If I was amazed in June when a U.S. Grand Jury returned an indictment which all but named the Government of Saskatchewan as a criminal in violation of U.S. anti-trust laws, I was shocked in August when the U.S. Justice Department named a very large number of Canadians as “unindicted co-conspirators” in a criminal conspiracy, named people including my predecessor, the late Premier Ross Thatcher.

The actions in question were those related to the introduction and enforcement of potash prorationing by Mr. Thatcher and his government. This was action taken in Saskatchewan, Mr. Speaker, not in the United States.

Mr. Thatcher and his government were applying Canadian law to Canadian corporations; to Amax Potash Ltd. of Canada, not Amax of the United States; to International Mineral and Chemical Canada Ltd., not to IMC in Libertyville, Ill.; to Alwinal of Canada, not the parent companies in Germany and France.

Yet the implication of the indictment is unmistakable: that Premier Thatcher and the Government of Saskatchewan, in applying Canadian law to Canadian companies, took part in criminal offences charged against U.S. corporations.

Let me state the case another way. The U.S. Justice Department seems to be saying that Canadian corporations extracting a Canadian resource are constrained from complying with Canadian law because they are subsidiaries of corporations whose shareholders reside in the U.S.

Mr. Speaker, I reject this attempt to apply U.S. law in Saskatchewan. This Government will resist to the fullest possible extent such infringements on Canadian sovereignty and on the sovereign rights of the people of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I wish to acknowledge that, on this issue, we have had the full support of the Federal Government and the Department of External Affairs. I wrote to the Minister of External Affairs in Ottawa in early September, and a diplomatic note to the U.S. State Department followed, with some positive results. I express my appreciation to the Government of Canada.

I said our resource policies were under a strenuous attack in the Canadian courts. And, Mr. speaker, the resource corporations and the Federal Government of Canada are joined together in these attacks.

The constitutional validity of the prorationing scheme and prorationing fees is being challenged in the courts by Central Canada Potash. And standing with Central Canada, for the plaintiff and against Saskatchewan is the Attorney General of Canada.

Bill 42, the law establishing our royalty surcharge on oil, is under legal attack by Canadian Industrial Gas and Oil, CIGOL. That law was upheld in the Court of Queen’s Bench, over the objections of the Attorney General of Canada. It was again upheld in the Saskatchewan Court of Appeal, again with the Attorney General of Canada on the side of the oil companies.

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And when CIGOL appeared in the Supreme Court of Canada two weeks ago, standing by their side, for the oil companies and against Saskatchewan, was the Attorney General of Canada.

Standing reservedly for Saskatchewan were the governments of Alberta, Manitoba and Quebec.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — And when the potash companies joined in an appeal to the Supreme Court for a ruling that potash reserve taxes must be repaid by the Government, arguing for the appellants and against Saskatchewan, was the Attorney General of Canada.

Mr. Speaker, the pattern which emerges is all too clear. This Federal Government of Messrs. Trudeau and Lang which the Members opposite are attempting to support, that Government is willing to join any ally, any multinational corporation, in any fight which will increase its centralist powers and cripple the provinces.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — The Prime Minister knows that he cannot directly exert control over resources. The constitution is unequivocally clear on that point. But he eyes the United States and he sees how, over the years, the courts in the United States have eroded and weakened the powers of the States, through court decisions. And he apparently wishes to alter Canada's constitution through the same means. He and his party profess to be defenders of federalism. Their actions proclaim them to be, as they always have been, defenders of central power in the interests of the corporate heartland of central Canada.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Now because Saskatchewan has taken the lead in attempting to regain control of its resources, and to regulate the development of those resources, to tax them adequately, we are in the vanguard of this fight. But all of the provinces recognize that they are involved. Their future, like ours, is on the line. That is why Alberta was with us in the CIGOL case, and that's why Manitoba is with us in the CIGOL case, and that's why the Government of Quebec, the old government of Quebec was with us in the CIGOL case.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I think I'm not being alarmist when I say that we are moving all too rapidly toward a constitutional confrontation in Canada on the question of resources. I hope I'm wrong, but all the elements are there.

Now let me serve notice to the resource companies and to the Federal Government, that this Saskatchewan Government will use every legitimate weapon at its command, to preserve its resource revenue base, to maintain its right to conserve resources and to exercise its full constitutional powers.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, I want to turn now to the third support for Saskatchewan well-being, the organizations we have built to run our affairs. They are many, they are good and they are all our own.

First and foremost are all those things which make up the rural way of life. I've talked about some of them, the railway branch lines, our elevator system. There are other things that strengthen rural life. To preserve the family farm we have the FarmStart Program, the Land Bank Program. The Land Bank has helped the 1,700 farmers set up viable farm units. Under FarmStart, 2,500 have received loans for livestock operations. The average age of farmers leasing land from the Land Bank is around 30 years. The average age of farmers receiving loans from FarmStart is around 28 or 29.

These are solid, constructive steps to get young people on the land.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Operation Open Roads and Operation Mainstreet have hard surfaced 325 main streets in villages and have connected over 300 small communities to the provincial highway system.

Because we believe small businessmen have an important place in the Saskatchewan economy we have provided help through the business representatives of the Industry and Commerce Department. And through new rules of SEDCO, which have made dozens of loans available to small businessmen in small centres and now the mainstreet development and rural community business retention programs will help more small businessmen in smaller centres.

We've overhauled our housing program, with the result that there are thousands of new homes going up in smaller centres. Dozens and dozens of villages and smaller towns, which got no low rental housing under the Members opposite, now have projects, small projects perhaps, but projects which are big for their communities. And I think of places like Southey and Choiceland and Arcola. They mean that the older farm people can move off the farm and turn the farm over to the next generation and live in new, modern accommodation in their own town, near their family and friends.

This has gone a long way to keeping these villages and towns alive and prosperous.

There are new recreational facilities, curling rinks, swimming pools, golf courses, community halls, senior citizens centres. It's a treat to travel around rural Saskatchewan as I do and see the many improvements and the pride and sense of accomplishment on the faces of the people who have made these improvements a reality.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — With people like this we still have a very strong rural Saskatchewan.

We took natural gas to smaller centres like the village of

Jansen which the Government of the day between 1964 and 1971 refused to serve. Under this Government, Jansen is now served with natural gas. I could go on: new small rural hospitals at Lampman and Elrose and Lestock and Climax – not closing small hospitals, but building new ones; and many new nursing homes at places like St. Walburg, Macklin and Ituna. But I think that anyone who looks at the record of our Government over the last five years in the many programs which reinforce rural life will agree that rural Saskatchewan is a stronger place than it was five years ago. More can be done and I will touch on a couple of ways in a moment. I believe that we can strengthen our health institutions, I believe we can strengthen our cultural and recreation facilities, I think we can strengthen rural telephones. And let me say a word or two about health care.

We look back on a year of progress in health care. Our new pioneering health programs – the children's dentistry program, prescription drugs, hearing aids, the aids to independent living program, further advances in mental health – are going well and are giving leadership in North America.

Liberals and Tories say we should be spending money we are using not on potash mines but on hospital operating costs. I will say a little bit about that in a moment. Let me look for a moment at the facts of Saskatchewan health spending.

Like all other provinces, Saskatchewan faces the problem of dramatically increasing health costs. I am proud of the way we have met that problem. We have managed to restrain our spending on health care without making major cuts. Alberta increased its spending on health care by only 11 per cent over 1975 and closed down 300 to 400 hospital beds. Ontario is closing down 3,000 beds and eliminating about 4,500 jobs. British Columbia increased its premium 50 per cent to \$225 per annum for a family and put on \$4 per day deterrent fee as well. I won't go into the story of Quebec, the sorry Liberal story of Quebec as recounted by my colleague, the Member for Rosemont (Mr. Allan). By contrast with what is done in a Liberal province or a Conservative province or a Social Credit province, Saskatchewan increased its spending on health care by 26 per cent last year. I say that is a good record.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We are proud of our medical system. We don't want to re-introduce deterrent fees or to close small town hospitals. Those are techniques used by Members opposite. We will continue to look for ways to reduce the cost of expensive facilities, the use of expensive facilities, and see if we can find less expensive alternatives. We will need the co-operation of doctors and nurses and health workers and all of our citizens. With that co-operation, it can be done and, indeed, is being done.

I said I would say a word about this Tory argument, and now this Liberal argument, that we should use windfall oil revenues for the day-to-day hospital operating costs. It is true that a few years ago when the value of oil shot up, we moved to capture a large share of that windfall increase for our people of Saskatchewan. Even though our oil production is small compared to Alberta's, the amount of money in new revenue to our province is significant – more than a hundred million dollars extra a year.

We had a choice. We could have used that money for ongoing Government expenses – things like health costs or municipal grants. And those things are good and important. Or we could set a big chunk of that windfall money aside to invest in the future. We decided it was wiser and more prudent to safeguard this province's future.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We have been putting substantial sums aside each year out of oil revenues in our Energy and Resource Development Fund. There are critics of this policy. Some say we should never have passed Bill 42 at all, that the oil royalties should not be coming to the Provincial Government, but should be going to the oil companies. That is the position of the Liberal Party. Others say that if we collect the money, we should be spending it on current expenses for current purposes. Daily we hear them say, “You shouldn't be spending the money on potash, you should be spending it on nursing homes or hospital costs or the like.”

We disagree. We believe this extra money should be invested in long term capital projects. You ask, “Why?” and you might well ask why. Because it is a good thing for a government to have more money to spend. There are always more good ways to spend money than there is money in the Treasury. But we looked ahead 10 or 20 years and we could see our oil drying up. If we spent these windfall funds on day-to-day expenses now, there would come a day of reckoning for some future government. When the oil runs out, government programs would have to be cut, or huge increases in taxes would have to be imposed.

We asked ourselves, “Isn't it a better idea to take these one-time revenues from a rapidly depleting resource - oil - and set them aside to invest in resource development which will benefit us in later years, our children and our children's children.” And that's what we have been doing. Some of these oil funds have been invested in developing new energy resources like uranium. And some have been going into potash. A large share of the Duval purchase fund came from the Energy and Resource Development Fund. I said before that for Saskatchewan, potash is a resource unlike any other. In world terms, our oil reserves are so tiny as to be invisible. We may have a great deal of uranium, but much of it is yet to be discovered. But with potash, right now, we hold 40 per cent of the world's proven reserves. By investing in potash, we are trading short term oil revenues for a public stake in an industry which will serve this province well for at least a century, maybe many centuries.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I think that makes good sense. As I've said, not everyone agrees with me in this cautious approach to the use of the Government's capital funds. “Don't buy potash mines,” they say. “Instead, spend the money on things we need today. Let tomorrow take care of itself.”

I reject that approach. We should not spend Saskatchewan's oil heritage heedlessly. We are the stewards of that heritage. We will invest those one-time dollars in resources, resources like potash. These resources are the province's bonus for

tomorrow. We think they're good investments. We think they'll make money for health care for generations of Saskatchewan citizens.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Another important new initiative to strengthen rural Saskatchewan is the newly announced rural telephone program. This is the next step in those important steps like the SPC rural electrification, grid roads and school buses which did so much to improve life on the farm. You may recall some of that history. Back in the late 1940s and 1950s, it was the CCF that created a well-run and efficient organization out of the Saskatchewan Power Corporation. It was the CCF that got moving on converting our power system into one efficient, integrated, and reliable interconnected grid.

In those times the SPC invested many millions of dollars in rural electrification. This brought power eventually to almost every farm house in Saskatchewan, using imaginative technology developed right here in Saskatchewan and in Manitoba. We say that that is just one more example of what local people here can do to solve local problems. What SPC has done for rural Saskatchewan, Sask Tel is now proposing to do. Many years ago, there were a large number of small power systems in Saskatchewan. Gradually they were transferred to the SPC. Now we propose to do the same thing with the hundreds of rural telephone companies. We will integrate them into Sask Tel, if they want to be integrated.

I want to emphasize that this is a voluntary program. Those rural telephone companies can vote on whether they wish to amalgamate with Sask Tel. If they vote in favor of amalgamation and take the appropriate steps, then they will become part of the Crown corporation. Those who wish to stay with their present organization will continue to do so. By merging with Sask Tel, rural companies will gain for their subscribers the advantages of access to the advanced technology that the big companies like Sask Tel have at their disposal, the same technology now available to Sask Tel subscribers in the cities. They will have the advantages of access to Sask Tel's full services, including installation and maintenance.

Mr. Speaker, it should be noted that although this Government is the first to recognize the advantages of local control in many activities, we also recognize that an efficient and centralized operation can sometimes serve people better than a multitude of local services. That was true with power. With telephones, the rural people will make up their own minds. We think this new program to assume responsibility for rural telephone companies on a voluntary basis is a good program. It will be one more encouragement to people to live and carry on business in smaller communities.

The cost will not be small. If a large number of rural telephone companies take advantage of this program - as we expect they will - it will mean an outlay of upward of \$100 million over a few years. This is a very large sum of money for Sask Tel to invest in order to install and update rural telephone services. It is a lot of money but we think this expenditure is fully justified and we believe the people of Saskatchewan will agree.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, we will provide a very active program of taking rural telephones to the farthest regions of this province.

Another program is to establish a Cultural and Recreational Facilities Capital Fund. This new fund, announced in the Speech from the Throne, will need an expenditure of \$26 million over four years beginning on September 1st, 1977. The fund will have a double commitment to the principle of community life. It will encourage people to develop proposals and make decisions at the local level. Grant applications must come through municipal governments. Cities, towns, villages, rural municipalities, local improvement districts, Indian bands, libraries, other community service bodies will be eligible for grants under this new program.

The basic formula will be \$25 per capita with an extra \$5 per capita bonus for projects supported by more than one community. The idea is to encourage the development of better multi-use facilities within easy reach of people no matter where they live. My colleague, the Minister of Culture and Youth, will give many more details on this program. The idea of the program is to see that better facilities are available right across the province. As far as the bigger cities are concerned we hope that much of the money will find its way into newer areas where facilities are not yet in place. That will be up to the city councils to decide. We believe this program will provide jobs particularly in the winter months. We think it is a good program, a flexible program designed to fill local needs and to make provincial tax money available for spending at the local level by local people. We have no doubt that the money will be spend wisely and well and the result will be a Saskatchewan which is an even better place in which to live.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, I indicated that there appeared to be four bases for prosperity in Saskatchewan. I have mentioned agriculture, mineral resources and the wealth of institutions which have made our society so strong, which have allowed Saskatchewan people to participate so fully in the decisions which affect their lives. The fourth thing is federal-provincial relations.

The relations between the Federal Government and the provinces have rarely, if ever, been at a lower ebb than they are today. Relations between the western provinces and Ottawa are possibly even worse than relations between Ottawa and some of the other provinces.

I will not at this time, because I expect that some other Member will elaborate on them, dwell in detail on the financial relations between the Federal and the Provincial Governments. I do want to point out very briefly what is involved.

Moves taken by the Federal Government appear to be part of a system of withdrawing federal support from a very large number of programs and, at least from our perspective, appear to be part of a number of moves which involve at attitude of

confrontation, rather than accommodation in the field of federal-provincial relations. We have new and different rules by the CRTC. And I want to emphasize that the rules which they are attempting to enforce in Saskatchewan are new rules put in by the CRTC, bound to be resented and resisted. We have moves to take control of provincial resources. New moves let us say in resource taxation which were bound to be resented and resisted by the provinces. The list goes on and I could give you grievances that other provinces have because I meet with them at federal-provincial conferences. Most of these federal actions are unnecessary, disruptive, counter productive and negative. They are grave threats to national unity, even John Turner says so and he should know as he was part of the 'tough guy' stance of confrontation which the Federal Government appears to have adopted.

I touch now on apparent controversies in financial terms. The Federal Government has been overspending and overspending by billions and they have decided to cut back by withdrawing part of their support from medicare, part of their support for hospitalization, part of their support for post secondary education, part of their support, for example, for RCMP financing, and also the revenue guarantee which they gave to the provinces in 1972.

I know Canadians get pretty confused about all this high finance. They don't really care whether a program is paid for by the Provincial Government or the Federal Government because they feel they are going to have to pay the taxes anyway. But let me make this clear, total income taxes in Canada are going to go up because of the financial moves of the Federal Government. What are these moves? They are going to withdraw the revenue guarantee. Now that is a guarantee that they gave to the provinces in 1972 when the Federal Government made unilateral changes to the income tax plan. The provinces say those changes are going to cost us money. The Federal Government says, oh, no, and if it is it will only be a small sum. The provinces with some prudence said, fine, if it isn't going to cost much how about guaranteeing it. The Federal Government said, all right, we will guarantee it. And what happened? The guarantee has been costing the Federal Government in the order of \$900 million a year. Now our share this year is \$37 million and the Federal Government is now saying, oh, we made a great mistake, we are going to cancel that guarantee. We say, are you going to reverse the changes you made in the income tax? Oh, no, we are not going to reverse the changes we made in the income tax we are just going to cancel the guarantee. What is their argument? Their argument is that the guarantee was only for five years and the provinces should readjust their figures. In another language that means raise taxes and that is going to happen. But they said something more, they said we made such a mistake over those five years that as for the last two years we want to change the rules, retroactively.

An Hon. Member: — Surely not retroactively.

Mr. Blakeney: — Retroactively! They want, in 1976, to change the formula for payments for 1974. That is one thing they are doing, the revenue guarantee, withdrawing that, that is \$37 million we are entitled to this fiscal year and with respect to the next fiscal year we are entitled to zero and that means five points on the income tax or an extra \$100 for every

taxpayer in this province or pick your own tax but it is a lot of money.

An Hon. Member: — . . . potash mines . . .

Mr. Blakeney: — Use the money earmarked to buy potash mines. Once again the proposal to use those oil revenues for current purposes. I say that that folly of the Liberal Party will come back to haunt them.

The second thing the Federal Government is doing is withdrawing from their contributions to medicare, post secondary education and hospitalization. They are drawing back, admittedly they are drawing back gradually, but it will have this effect. It will mean that a larger and larger proportion of those programs will have to be financed from provincial taxes. It will mean that the richer provinces will be able to run these programs more effectively than the poorer provinces. Inevitably national standards will erode. And the gap between 'have' and 'have not' provinces will widen.

We have always objected to that. We do not particularly suffer because we are in about the mid-point of the income scale of provinces. But we have consistently said that there ought to be a federal contribution on some basis like per capita so that the poorer provinces can maintain standards somewhere equal to those of the rich provinces.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We operate our schools that way, we operate in our province that way and we think we should operate federally that way with respect to these key national programs, like medicare, hospitalization and post secondary education.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I have said earlier that the relations between the Federal Government and the provinces have rarely, if ever, been at a lower ebb than they are today. I ask you to consider the situation. I can't speak for relations between Ottawa and Toronto, the Government of Ontario, but they certainly are not good. My reading of the state of relations between Ottawa and the maritime governments, is that they are very definitely strained. When I look at the relations between the Government at Ottawa and the Government of Newfoundland, I don't have to surmise, they are very, very strained indeed. I say more strained than at any time since 1949. I invite you to talk to any Member of the Newfoundland Cabinet.

Consider western Canada. In the last 25 years I can remember no time when the mood of discontent was so pervasive and so deep. I don't mean discontent about the state of the economy in western Canada, I mean discontent with the relationship between the government at Ottawa and the governments of the four western provinces. And now Quebec. We have a crisis in Quebec caused by the sheer folly of the Liberal Party. The combined effect of the inept policies of the federal and provincial governments had left Quebec voters bitter about unsolved social problems. But rather than tackle those problems we saw a cynical attempt to divert attention by calling an election and by

calling it on the separatist issue. No election was necessary and the PQ were not making separatism the issue. The Liberals called the unnecessary election and they called it on the separatist issue. They played roulette with national unity and they lost. Now we have a crisis. A crisis bearing the indelible stamp "Made by the Liberal Party."

We Canadians, all of us will have to face that crisis. We need leadership. But I say not leadership of those who created this crisis in the course of their efforts to further their narrow partisan interests. We need leadership from those who are committed to Canada and who are able to draw a distinction between the welfare of Canada and the partisan interests of their political party.

I profess no expertise about Quebec politics. But it seems to me that the public in Quebec did not vote for separatism. And I may say recent polls seem to suggest that this is the case. Rather they were prepared to risk a PQ government because they felt a Levesque government would be more likely to come to grips with some of the real social problems facing Quebec.

It's at least arguable that if Mr. Levesque is able to bring a greater measure of social and economic justice to the people of Quebec, then he will have played a major role in keeping Quebec in Canada. He will have dissipated much of the resentment and feeling of injustice and discrimination that has been feeding the fires of separatism.

Our Government proposes to regard the PQ government as the duly elected government of the Province of Quebec and deal with it as we would any other government. We wish it success in dealing with the social problems that beset our fellow Canadians in Quebec. We are prepared to work with it as we would with any other government in Canada on common problems. We think any other position at this time would be harmful to national unity.

I know there are some - notably the Liberal Party and certain multinational companies - which take the view that the public has no right to elect a government that they don't approve of. But that is not our view. We respect the decision of the voters of Quebec as we expect others to respect the decision of the voters of Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, before I take my seat, I want to say a few words on an issue which seems to have emerged into the public forum a good bit in the last few days. I speak of cable television. I say the story of cable television is a story of the Saskatchewan Government's attempts to bring cable TV to Saskatchewan people as quickly as possible in the face of a power play by Ottawa. We have had Members opposite freely concede that Sask Tel is attempting to lay cable as rapidly as it can. They are some of the same people who are saying that somehow we are holding up cable TV. I am not sure how we can hold up cable TV and lay the cable as fast as we can, but we are accused of doing both. Shortly put, what the Federal Government is doing is telling its cable TV licensees in Saskatoon, Moose Jaw, Regina and North Battleford that they can only use Sask Tel's cables provided Sask Tel gives up ownership of part of our provincial telephone system.

The argument put forward was that if these cable companies rented the cable from Sask Tel, then Sask Tel would somehow be controlling the programming. That is rubbish! The CBC and CTV rent facilities from Sask Tel and Sask Tel does not control the programming. Maybe somebody should be controlling the programming on the CBC and the CTV, but we are not doing it. The Federal Government controls programming if anybody does. Apparently the federal Minister of Communications has now admitted in its dealings with Manitoba that there are no problems with the cable operator renting the service from a provincial telephone company. We say that under those circumstances let's get on with the job of our cable companies leasing their cable from Sask Tel.

But with Saskatchewan the federal agency, the CRTC, is still insisting that the cable companies must own a part of the provincial telephone system. Naturally, we oppose such suggestions. We are running a very effective and efficient telephone service in Saskatchewan. We think we have a better telephone service here in Saskatchewan under provincial jurisdiction than do people in those parts of Canada where private companies operate under federal jurisdiction: — Bell Telephone, BC Tel. I say our rates are lower, our service is as good or better.

So the CRTC is attempting to make itself free with our telephone system. It is attempting to give away strategic parts of our phone system to several private companies. I am sure that is very generous of the CRTC to give away our telephone system. However, I don't think it is unreasonable of us to resist this generous gesture by the CRTC.

I want to explain pretty carefully that what we are talking about here is not something at the end of a line. Clearly Sask Tel can transmit signals to somebody's television set and we don't insist on owning the television set. Clearly they can transmit signals to somebody's computer and we don't insist on owning the computer. But that isn't the CRTC proposal. The CRTC proposal is that the cable company own something in the middle. It is like a water pipeline with pumps along the line. Suppose we operated a water pipeline and had six customers at the end of it. And one of the customers said what about these pumps that you have placed along the line to pump the water? We say, what about them? And they say, well, we want to own one of those pumps. We say, we are not going to let you own one of those pumps. Then you would be able to decide which of those six people at the other end of the line would be served. They would say, yes, we want to tell you whom your pipeline can serve. That is what the CRTC proposal is. It is a proposal that the amplifiers along the line be owned by the cable company. Why? So that the cable company can tell the telephone company who can use their cable. It is an effort to get exclusive use of the cable, by owning not the cable, but the amplifiers. Now I think you can understand why we are resisting that proposition.

We have seen how private companies behave in running telephone systems and we see particularly how private cable TV companies operate in other provinces. We don't think that they would use that power to control that cable in a way which would generate funds to take cable TV to smaller centres. We don't believe that because everywhere in Canada where private cable TV has operated they have not used their profits to take cable TV to smaller centres. There is no suggestion on the part of this Government that we wish to deny the use of Sask Tel

facilities to anyone who wants to use those facilities for any lawful purpose. But what we will not agree to do is to give an exclusive franchise for private operators to use our wires and cables for their profit and to the exclusion of other possible uses.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — We are confident that our powers and our jurisdiction cover the use of our own telephone system by people of Saskatchewan to send information to one another in a closed-circuit system using our cables and our own telecommunication facilities. If it is totally within province and that nothing goes over the air, we say it is provincial jurisdiction. That means closed circuit TV programs. It may mean community programs generated within a community and sent by closed-circuit cable. It means video telephones.

Mr. MacDonald: — What if the signal comes from outside?

Mr. Blakeney: — I will come to that in a moment. It also means films and video tapes that are not broadcast but are carried by closed-circuit TV.

We agree that the Federal Government has jurisdiction over all broadcast signals - that is to say signals which are transmitted through the air by Hertzian wave. Ottawa has legal control over radio and television broadcasting. We might sometimes question whether they are doing a very good job but we don't challenge their legal right to do so. I hope that point is clear. If we are talking about anything that comes over the air we are not talking about provincial jurisdiction and we are not claiming it.

What we do object to is the contention that Ottawa has the right to control what goes on an in-province closed circuit cable system. We don't understand the basis of what contention. We want to control it in the same way that the Government of Ontario controls it.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — You go to any major hotel in Toronto and you will find a closed circuit cable TV system. You will find that controlled by the Government of Ontario. I don't know whether what is shown is their selection of programming . . .

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — . . . but I am saying that it is not controlled by the Federal Government and is controlled by the Ontario Government. We see no reason why what goes on in Ontario shouldn't go on in Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — In particular, we totally reject the claim that somehow we are stopping the introduction of cable TV to the

four Saskatchewan communities I mentioned because we won't give up control of our telephone system. We are laying the cable as fast as we can. I am glad that Members opposite now concede that. It is available for use by broadcasters who have been licensed by the Federal Government just as it is available to any other customer who has a legal proposition.

We say that anyone who wants, in effect, to broadcast radio and TV signals should have a CRTC licence. Because we say that is a rebroadcast of an on-air program and that is controlled by the Federal Government. But if people or groups want to operate a closed-circuit system which is within provincial jurisdiction, and using non-broadcast program material, then we are ready to do business.

If we have a phone which has a television screen on it, as we may 20 years from now, we don't want to hear anyone say that that somehow is TV and controlled by the Federal Government. We say that since it is all on the wire and not through the air at all, it is not under federal jurisdiction.

Mr. MacDonald: — I don't like you boys controlling . . .

Mr. Blakeney: — I know that the Members opposite feel that if the Federal Government controls something that it is pure. There is not a suggestion of political taint in the granting of any radio licence in Canada, who would ever think that. Except that when the Liberals are in, the Liberals get them, and when the Tories are in, the Tories get them. But that is sheer accident. They wouldn't want political considerations to creep into that area. So therefore they want it controlled by the Federal Government but not that Provincial Government, because we are political. We think ours is a reasonable position.

Now why is Sask Tel so insistent on retaining control of its cable. It is my belief that we will only get cable TV in smaller communities like Meadow Lake, Humboldt, Assiniboia and Nipawin, if Sask Tel provides the cable. And Sask Tel can only do this if it applies the same rate-averaging principles it has applied to the other telephone services. It must get what revenue it can from its city cables and use that revenue to put cable in other centres. It will rent some of the cable space to CRTC licensees if they wish to rent it. But it can also use the same cables for other strictly provincial telephone businesses, computer connections, video-phone services, for shopping services, for educational TV, SaskMedia, to name four.

Mr. MacDonald: — That's right.

Mr. Blakeney: — The Hon. Member seems to suggest that it is inappropriate for SaskMedia to have cable television programs of an educational nature. It is entirely proper for the Government of Ontario to have an entire education television network, it is entirely proper for the Republicans and I guess now the Democrats in the United States to have a whole educational TV system. But if Sask Tel so much as allows any of its cable to be used by the provincial Department of Education to transmit a program, that is somehow despicable. Well that brackets the Liberal Party for what they are - totally, totally politically oriented and wholly unable to see the mote in their own eyes.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I say that if the private cable company owned part of our telephone system it could deny the use of the entire cable system for other non-broadcast uses in the way that I have illustrated with my pipe line analogy. Please understand that the CRTC proposal is that the cable TV company must own part of the system right in the middle, and that's what allows the CRTC to give or deny permission for the use of those cables. They could then insist that the cable company operate these profitable services, such as connections between a branch bank and a main office branch or the like. We say that money should belong to the people of Saskatchewan to allow cable to be laid in smaller centres.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — But we say that if the CRTC controls it and if they can say who can use that cable, then we can kiss good-bye to any cable in the Humboldts or the Meadow Lakes or the Assiniboias, because the money, the cream that would be skimmed off by the cable company, simply will not be there.

Mr. Speaker, that is why we believe that the only chance for people in Saskatchewan to have open access to the cable TV, and the only chance for people outside the larger centres to get cable TV is for Sask Tel to continue to own and control all its own equipment.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Now I shall try to summarize again what our position is: We want cable TV in Saskatchewan as quickly as possible; we want Sask Tel to own all the hardware; we want Sask Tel to be able to use the hardware any way it legally can to make a profit; we want Sask Tel to use the profits to take cable for cable TV to smaller centres; we do not want to challenge any legal powers of the Federal Government; we do not want the Federal Government to challenge any legal powers of the Government of Saskatchewan. Now that's what we want.

What we are doing is this: We are laying coaxial cable as fast as we can; we are not prepared to sell out the hardware; we are prepared to provide service to all legitimate customers; we are not prepared to give one customer exclusive control of the cable.

What we believe will result from what we want and what we are prepared to do is this. Cable TV will be operating in some centres in Saskatchewan within the next year. This cable TV will be provided either by broadcast cable TV companies licensed by the CRTC, or by closed circuit cable TV companies, or both. In any event, cable TV is coming. I know that that will disappoint Members opposite who persist in spreading the myth that somehow Sask Tel is delaying cable TV. But however much they may be disappointed, cable TV is coming. And when it comes their myth will be gone.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — I am convinced that

Saskatchewan people have the possibility of having more variety and more distinctiveness in cable TV offerings than almost any other place in Canada. We have the possibility of cable TV in more smaller centres than anywhere in Canada. I don't say probabilities - possibilities - and I say they are exciting possibilities, and I hope in one year's time to report on much more concrete results.

Some Hon. Members: — Hear, hear!

Mr. Blakeney: — Mr. Speaker, the hour grows late. I want to ask all Hon. Members to consider the Throne Speech. As I recall the Throne Speech and as I look at our province and its people, the tremendous progress that has been achieved in five years, I am proud of what Saskatchewan people have done and I'm proud that our Government was a part of that progress. I am proud that the positive program of the Throne Speech points to the way of still further progress. I am disappointed but not surprised at the amendment proposed by the official Opposition as almost totally negative. And since I believe that this province rejects that negative approach by Members opposite, and continues to support the positive programs set out in the Throne Speech, I will oppose the amendment and support the motion.

Some Hon. Members: — Hear, hear!

Mr. R.L. Collver (Leader of the Progressive Conservatives): — Mr. Speaker, before the Premier takes his seat would he permit a question?

My question, Mr. Premier, is this: You mentioned the ownership of cable TV and the amplifiers in the centre of the system. Is the Premier prepared to give his assurance to the private cable companies that Sask Tel is prepared to give a long-term commitment to lease that equipment in order that they can make their plans for capital expenditures in accordance with reasonable assurance rather than any kind of short-term month to month rental that they can't bank on?

Mr. Blakeney: — No, I think the Hon. Member makes a good point and I think that I don't know whether this has been considered in detail but obviously we are not talking about month to month. They would have to have a long-term solid deal. And I think that we are not trying to play games in the sense that we are saying that so long as they are not asking for the exclusive use of the cable, then we are prepared to enter into a deal with them whereby the over-air cable TV people could use the cable.

Mr. Collver: — Are you prepared to give them your assurance that during the term of the lease they would have exclusive rights to cable TV to the people of those communities that they are licensed to serve - you wouldn't want to have two or three or four cable companies all serving the same community surely?

Mr. Blakeney: — I don't know whether we can have two or three or four cable companies, and I am not sure whether we would be prepared to bargain away that one. If we can get two customers to serve

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we would be delighted to have two customers to serve.

If you are asking whether we would give them a long-term contract, I think the answer is yes. The exclusivity is bargainable.

Mr. A. Thibault (Kinistino): — Mr. Speaker, Members of the Legislature, first of all I want to congratulate the mover and seconder of the Speech from the Throne for the great ability that they displayed in delivering their speeches. I listened to them a couple of times over the radio and every time I heard them they were still better. I want to congratulate the Premier for (I don't know where he gets all his energy, but he has more than I have right now) doing such a wonderful job. He has kept Saskatchewan in the forefront and he has always spoken with great discretion.

I also want to congratulate the Member for Melfort (Mr. Vickar) and the Member for Arm River (Mr. Faris) for their appointments to the Cabinet. I am sure that the Member for Arm River is going to see to it that our drinks are a little smaller and that the Member for Melfort is going to be a great business administrator.

I can tell you that some complain because the Premier has too many Members in the Cabinet, but I always was told that a ship at anchor did not need a very big crew, whereas a ship on the move you need people at every post.

Some Hon. Members: — Hear, hear!

Mr. Thibault: — I also want to compliment the Whip and the House Leader, and the chairman of Committee for the real job they have done over the years.

The Speech from the Throne is a very important document, and up until now there has been very little that has been said about page 7 on the Votes and Proceedings pertaining to highway traffic and safety. Later on I am going to say a few words about this, but in the meantime I have other subjects to cover.

I want to talk about my constituency and some of its problems. I want to tell you that many years ago we had a gopher problem, now we have a beaver problem. Some people have a funny idea in their heads that conservation meant planting beavers in the middle of pastures and flooding the pasture. Some way we will have to find a way to deal with the problem in our area as the complaints are coming thick and fast. Some people, somewhere along the line, many years ago did not know what the meaning of conservation was and that's why we got into this problem.

Now we have heard a lot about television and there is one thing that I would like to tell you. I am a farmer and the animals that grow on that farm respond to the environment. My crops respond to the environment. While we till well, we fertilize and we get the rain, then we have a wonderful crop. All through this television controversy we have never heard a word about the environment television is causing on our society. When television programs can portray three rapes and two murders an hour you cannot tell me that it hasn't got an effect on the people out in the country and all over the province. I think there has got to be a little better sorting out of the smut

and junk that is being poured on television just to make it interesting. So much for that.

I also want to congratulate the Leader of the Opposition (Mr. Steuart) for his appointment probably to the Senate. I am very happy that some people are finding their way up there. I know quite a few who have sat in this House. I have been here since 1959. I was happy in a way, and yet I was disappointed because I thought that maybe I would get that appointment because I can speak French and English. Nevertheless, I want to congratulate him for the good humor he brought to this House. He was given a cookie monster and he is going to take it to Ottawa. Now this is really something. Some have no sense of humor whatsoever and they want to kill the whole thing. Well, I think that was very nice of the Member for Bengough-Milestone (Mr. Lange) for the gesture he has made to the two leaders of the opposing parties and even if the Member for Prince Albert-Duck Lake (Mr. Steuart) is not in the House, I want to wish him well and I want to say that he has also made a great contribution to this House.

Some Hon. Members: — Hear, hear!

Mr. Thibault: — Now I want to congratulate the Minister of Municipal Affairs (Mr. MacMurphy). Being a municipal man, I was reeve for seven years, and the only way they could get rid of me as reeve in 1959 was to elect me to this Legislature. In this way they got rid of me. They weren't so lucky with the mayor of Regina. They elected him to the Legislature and he is still the mayor of the city of Regina.

An Hon. Member: — That means that this man has got such great ability that he can handle both jobs very efficiently.

Some Hon. Members: — Hear, hear!

Mr. Thibault: — Now my constituency is composed of people from every land. They speak many different tongues and you know I look at this whole set-up as a beautiful garden. Some people would like to have the flowers in the garden all the same color, but when I go to Cudworth and I hear the German language being spoken or Ukrainian, it is really something what we have in this country. They learn to live together, they appreciate each other's culture, and yet some people would want to break up Canada because of the writing on the cornflakes box. I want to say that as far as the election in the Province of Quebec (my parents came from the Province of Quebec), and I'm not ashamed of it. The reason they have a separatist government today was brought about from the corrupt practices of the two former governments. I don't think that you will see Quebec separate by any stretch of the imagination. What some people would like to do is cause confrontation and to give themselves an excuse for severe exercises. But I hope that people in Parliament, at least, will hang onto their heads and learn to accept the things you cannot change and change the things they can change, and look at the whole Dominion of Canada as a flower garden that has its merits. I wouldn't want the girls to all be blondes, because I married a dark haired one (she's grey now). While I'm talking about her I want to thank her for the wonderful job she has done as my secretary . . .

Some Hon. Members: — Hear, hear!

Mr. Thibault: — . . . and all this time she hasn't got paid for it. She continues to work without being paid and she has not turned me down yet. I hope she can hang on for another three years because I think we are going to terminate this whole job of being Member of the Legislature. But I am not going to be too far, I will still be poking at politics.

Now I want to go on to the Minister of Highways (Mr. Kramer) and he is not here. I'm sure he is making good use of the time in what he is doing while he is away. I want to congratulate him for the extension of No. 41 Highway called the Wakaw cutoff. It's bringing our people closer to the cities with better service and I'm sure that after he has gone as far as Wakaw he will continue as far as Melfort. I also want to say that on the rail line abandonment question it is very important that we try even today to build the kind of highways that will carry some of these trucks. However the opposition that is before us on the question of stopping them on our grid roads is valid and I am all for it. We have spent millions of dollars on grid roads to give service to the farmers and today we are trying to sell the idea that they should move these products with these big trucks, 900 bushel trucks.

We had the Yellow Creek elevators filled from farm trucks, the railroad went out in the spring, and the Wheat Board or the powers that be decided to haul the grain out with trucks. In two weeks, they put 199 or 120 big tandem trucks on to move that grain. I am going to tell you that about 20 miles of that road was completely massacred. And it is still not in good shape today, because the base of the grade was completely destroyed. You would follow behind one of these tandems, and you would see the grade go down about four inches and then come back up again. In some places where there was water in the ditches, the motion of going up and down would pump the water to the surface of the road.

I was in the elevator at Yellow Creek when a trucker was phoning headquarters. He says, can you give me another road to go on I can't go on that one any more. He wanted another 20 miles to smash up. If you want a sample of rail line abandonment, we had one there. The damage to that grade is still visible today.

I want to congratulate the Minister of Municipal Affairs for the wonderful job he has done on the question of rail line abandonment.

We have other problems, such as drainage problems, with farmers who become very hungry for land and are going out indiscriminately without plan, draining their sloughs. I am going to tell this Government that we have to get to that problem as soon as possible, because the people on the receiving end of drainage from three and four and five acres of water from each farmer are going to have a serious problem of flooding. I don't think this is politics, but I think the Government had better have a very serious look at that. As a matter of fact, I am afraid we are a little late, but better late than never.

I also want to thank the Minister of Agriculture for his cow-calf program, that is going to mean a lot for the smaller

farmers. I tell you, it is not a very pleasant situation to try to keep a herd over and use your revenue from other sources to keep your herd intact. I have one of my own sons who has about 50 or 60 head of cattle, and he is trying to hang on, but I don't know how long he is going to be able to hang on either. I am sure there are many people in the same position.

I also want to compliment the Government for the FarmStart Program. I can notice now throughout the country, new houses being built along main roads, mainly built by young people who are coming back to the farm. When this program started the average age of our farmers was 58 years of age. Something had to be done. I want to congratulate this Government for having the courage in spite of all the talk of the land we were going to take away from the people, in spite of all the noise, they brought in the Land Bank legislation. Before the Land Bank came in, it was not the person who needed the land who got it, it was the person who had too much already. We are trying to bring in a program that will put a stop to that.

Now we hear a lot about the health program. As I said a moment ago, I have been here for quite a few years. I can remember back in 1923 when I was a little boy going to school and an epidemic of diphtheria struck the school. There were 60 children in school and when it was all over eight school children had gone to their graves within two weeks and a total of 14 died from that district. That was in 1924. I remember the names of those little boys just as if it happened yesterday. There were two little boys who sat in front of me on Friday and were dead on Monday. When I found out that vaccine for diphtheria was available in 1917, why did these kids go? Because there was no program to immunize these young children and they died by the dozens. Yet, the vaccine was available. You don't forget these things. The Liberals in 1919 talked about medicare and hospitalization, yet by 1944 nothing was done, very little. I won't take everything away from them, they brought in care for TV. My golly, at that rate we wouldn't be half way there yet if it hadn't been for what they call the CCF in those days, 'the Liberals, in a hurry.'

Well, we were in a hurry because there was a need to be in a hurry. Later on when the Salk vaccine came about, I have a member in my family who was hit with polio, inside one year in this province we wiped out polio. That was done because there was a decent organization of medicare and hospitalization.

Some Hon. Members: — Hear, hear!

Mr. Thibault: — Now I am going to refer to the part in the Speech from the Throne, about the highway and traffic safety.

Next year we are going to declare 1977 'Traffic Safety Year.' Now I know we are going to bring in a lot of programs, seat-belt legislation, some will be for, some will be against. Where I have attended meetings, after listening to the pros and cons, the people support it wholeheartedly and 100 per cent. I think this question here should go across political lines. We had an intersessional committee represented by three Liberals and six NDPs, three of the most dedicated Liberals and dedicated NDPs that you could find in this House. Mr. Boldt, Mr. Guy and Mr. Grant, came up with many recommendations, and what we are trying to do is to carry out some of the recommendations. We are talking about saving 100 lives a year and at

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least \$12 million on our health costs, with seat belts alone. This program is not going to be successful unless the people in our society are going to start providing good examples, while they are on the road and respect the rules of law on our roads.

I want to quote one passage from the Highway Safety Report in the letter of transmittal:

As in all problems to do with people, there is no easy answer. The problem must be tackled on all fronts, and it is essential that drivers become well informed and have an awareness of their moral responsibilities in the matter of traffic safety.

It goes on to say:

In 1974 we killed 318 people in traffic accidents. The committee believes that this loss to society resulting from traffic accidents can no longer be tolerated and that measures recommended in this report would significantly improve the present situation.

This report has been a best seller, they ran out of them and you know that last year we had 1,000 reprinted. I am going to tell you what we are looking for today, and what I am saying, we are looking for crusaders, not people who are going out there sniping at the program. I can remember when we brought in .08, brought in by the Thatcher Government, the Members on that side of the House. We supported it wholeheartedly because it was a good program, it was realistic. Today we are going to ask everyone in this House to go out and be crusaders in 1977, work with the Safety Council, work with every safety program that will be proposed.

I know that there will be a lot of programs, bringing films to the communities. Carl Shields has been appointed director of the program, who I am sure was not chosen for his politics, but for his ability and the position he holds.

I want to point out another thing in the Speech from the Throne, changes in the courts. I sat on the Safety Committee in 1965-66 under the Thatcher Government, I spent one year on the Liquor Committee, and was chairman of the last committee which made its presentation in 1975. I have seen many situations. We visited places on the continent. We visited court rooms where the people walking out of the court room would say, can we bring our friends to sit in on the court? We visited the court rooms in this province and I would say it would be sacrilegious to refer to this type of traffic court that we have in this province as justice. I think it is one of the worst performances you can have in the traffic safety effort, is to continue with the type of court we have today.

The traffic court experience has to become an educational experience and not a means of laying \$25, \$500, or whatever the case may be, on the table and going disgruntled and unhappy. We are not going to cure the alcoholic by taking \$500 out of his pocket. We are going to hurt his family more. We have nothing compared to what other jurisdictions are doing for the alcoholic. These roads have been found, programs have been looked into and they do work. We have got to bring them into this province and do something about it.

Well now your government is just as guilty as this one here. There is another thing, last year I had 317 students visit the Legislature and I posed the same question, Mr. Speaker, to all of them. How many of you have taken a first aid course? Even if I said, put your hands up those who have in this House, I think there would be very few.

An Hon. Member: — Take a vote . . .

Mr. Thibault: — It's not up to me to take a vote, so I am not going to be bothered with it. Out of 317 students, there were seven of them that had taken first aid. Out of those seven, two of them were teachers. Can you imagine our schools today with teachers who haven't got a course in first aid? Can you imagine that about one out of every hundred of the motorists today when they see an accident look the other way, because they don't know what to do. At the International Conference in Toronto we were told that about 20 per cent of the people who die on our highways would not have died had a person with experience been on the scene to start with.

Now the first aid course should be for parents as well as students before they come out of Grade XII. In New Zealand, they start first aid in kindergarten, little kids playing along the rivers and ponds will save each other from drowning. To say that we have done so little is not a credit either to this Government or the former government on the other side, because you haven't done anything either.

I hope that the Minister of Education is going to take a real look at having better health education in our schools and it will reflect itself in the amount of hospital bills and hangnail cases that the doctors have to look after. I am looking with a lot of hope to the propositions made here in the program listed in the Speech from the Throne.

In closing I would say a few things more, I could go til 7:00 o'clock, I have so much to say.

Now the question of DWI courses that I would like to raise. I think the Phoenix experience is turning out well where the judges give the first offenders of DWI, which is Driving While Intoxicated, they have a month to complete a DWI course, and can continue driving while they are taking their course and at the end of a month, if they have completed their course successfully, they get a restricted license to continue driving. What we are doing today, we rip the license away and this person who loses his license loses jib job, and he has every reason in the world to keep on drinking and to go to the pub more often. I hope that we have a DWI program coming on, and I am sure it is.

Now on this question, we are all for these things, but I am going to tell you I have pecked at this traffic safety issue ever since I came here. I know in 1961 we brought in a resolution to introduce traffic safety in the schools. Every Member in this House, on both sides of the House from the teaching profession got up and said the curriculum is so crowded, we cannot introduce traffic safety. I am going to tell you, give me that curriculum for a couple of hours, I'll throw enough junk out of it - and all you need for a first aid course is 20 hours of a St. John's Ambulance course. We cannot find 20 hours in the 15 years of a child going to school! I think we had better have another look at our priorities.

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The driver training course is really to get youngsters starting to drive but later on there is the defensive driving course which improves their driving. The Power Corporation, for instance, had a very high rate of accidents. They put all their drivers through a defensive driving course and the result was that they reduced the accidents by 50 per cent. Well, I am going to tell you, let us give everybody a defensive driving course and that will reflect itself by decreasing the number of accidents we will have.

I am going to say in closing, I could go on for another hour, but I say in closing, we want crusaders for safety in 1977 and I hope that every Member of this House will join the crusade.

Some Hon. Members: — Hear, hear!

Mr. Thibault: — You can see by my remarks, that I am going to support the Speech from the Throne.

Hon. W.A. Robbins (Minister of Health): — Mr. Speaker, I have a few brief remarks to make in this Throne Speech Debate but the hour is getting late and I, therefore beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 5:34 o'clock p.m.