

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Seventeenth Legislature
37th Day

Friday, April 11, 1975.

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

WELCOME TO STUDENTS

MR. D. BOLDT: (Rosthern) Mr. Speaker, I should like to take this opportunity to introduce a school from Waldheim, Saskatchewan. I think all Members will appreciate that these people rose before breakfast and it's not very often that we have students come in this early in the morning and I want to compliment them for being early risers. There are some 50 odd students from Waldheim under the direction of their principal, Mr. Lobe, and their teacher Mr. Schultz. I am sure that all Members wish them a happy stay in Regina. They will come back later on this afternoon to see the proceedings. I am sure that all will want to wish them a happy stay and a safe return home.

HON. MEMBERS: Hear, hear!

QUESTIONS

STUDENT JOB PROGRAMS

MR. E.F. GARDNER: (Moosomin) Mr. Speaker, before the Orders of the Day I should like to ask a question of the Minister of Culture and Youth. I notice he is continuing the program of student jobs, by a report in yesterday's Press, but I also notice that he has again omitted the two most important classifications — those jobs on farms and small businesses, which were carried on when we were the government and were a very worthwhile type of job for the summer.

Would the Minister reconsider his decision and change the program, at this time, to allow jobs on farms and small businesses to be included under his student job program?

HON. E.L. TCHORZEWSKI: (Minister of Culture and Youth) Mr. Speaker, the purpose of the Youth Employment Service Program is to create and give additional work for students during the summer months, and, therefore, the program will continue as it has in the last two years.

MR. GARDNER: Just as a supplementary then. If the Minister refuses to include jobs on farms and small businesses, would he consider some other type . . . I am asking the Minister then, in view of his refusal to do this, would he consider some other type of program so that students and young people will have a chance this summer to participate in the very worthwhile job of working on farms and providing food for a very needy world?

MR. TCHORZEWSKI: Mr. Speaker, students are able to do very worthwhile

April 11, 1975.

jobs on farms now, if they choose to work on farms, and if there are jobs available they can do so. If there is a program developed by the Government to provide assistance in other fields, that is now presently being provided, it will be announced in due course.

ANSWERS TO QUESTIONS

MR. A.R. GUY: (Athabasca) Mr. Speaker, before the Orders of the Day I should I like to direct a question to either the Attorney General or the Provincial Secretary, whichever one . . . I guess maybe the Provincial Secretary.

It has been a long time since the Session was first called back in November and we have put a lot of Questions for Returns, Orders for Returns on the Order Paper. These have not been received yet. It is hard to believe that you haven't had the time to provide this information, with the staff that you have. There has also been a lot of questions asked three, four or five weeks ago to which we have not yet had the answers. We are in Estimates, in fact we are well into Estimates. There is a lot of this information which the only way we can get is through putting it on the Order Paper, which we did in good faith. We believed that you were going to answer them in good faith, but we have not had the answers yet, and I should like to know when they will be forthcoming?

HON. E.L. TCHORZEWSKI: (Provincial Secretary) Well, regarding the Returns, as they come to the Provincial Secretary, all the function of the Provincial Secretary's Department is to make sure that they come to the Legislature after they are there from the departments, and they have been tabled as they have been coming in. In the last three days I think there have been some tabled each day as they have come in. The Member should recognize that many of the Orders that have been requested by the Members opposite are taking a great deal of time to prepare because of the kind of information that in fact is being requested. But I can certainly assure you that as quickly as they come, and are prepared, they are being tabled.

MR. GUY: A supplementary question. I wonder if the Minister doesn't feel it is partly his responsibility to contact the various Ministers and make sure that the questions are brought in?

I asked a question the other day about the number of cars that are in CVA. Well surely it's not going to take very long for them to go and count the cars.

MR. TCHORZEWSKI: In light of the point that the Member raises, I will be contacting the various Ministers and finding out when in fact their Returns are coming and urging that they be speeded up if they can be.

TRADE WITH LATIN AMERICAN COUNTRIES

MR. J.G. RICHARDS: (Saskatoon University) Mr. Speaker, I wish to

address a question to the Minister of Industry and Commerce concerning a conference to be held in Saskatoon on April 14, in conjunction with the Federal Department of Industry, Trade and Commerce. The conference concerns trade with Latin-American countries, and in particular there will be representatives encouraging trade with Chile. Given a military coup in Chile and the defeat of obviously a socialist government there in 1973, would the Minister not think it appropriate that the Government of Saskatchewan withhold any official sanction from the conference encouraging trade with Chile? And would the Minister consider even at this late date withdrawing any Government of Saskatchewan involvement in a conference which is urging Canadian businessmen to involve themselves in trade with an obviously fascist regime in Chile?

HON. K. THORSON: (Minister of Industry and Commerce) Mr. Speaker, I will certainly take that into consideration.

MR. RICHARDS: A supplementary, would the Minister undertake to report back to the House what his reconsideration will be?

MR. THORSON: Yes, I think I can undertake to do that.

SECOND READINGS

MR. J.G. RICHARDS (Saskatoon University) moved second reading of Bill No. 52 — **An Act respecting Conflict of Interest in Matters of Public Concern.**

He said: Mr. Speaker, I shall be brief on this. Chapter 121 of the 1973-74 Statutes, an amendment to The Urban Municipality Act, required the following to disclose holdings in the municipality in which they held office; councillors, city commissioners, managers, clerks, treasurers, assessors, solicitors, members of a board or commission appointed by the council, and any other official designated by council.

Mr. Speaker, unfortunately there exists no legislation in Saskatchewan requiring analogous disclosure by provincial officials. The purpose of this piece of legislation, which is in some ways based on analogous legislation passed by the Legislature of British Columbia, requires disclosure by the following officials at the provincial level: Members of the Executive Council; Members of the Legislature; in addition to councillors of urban and rural municipal councils; members of the Northern Municipal Council and officials of Local Improvement Districts; school trustees, and, it is important to note, senior designated civil servants as specified by regulation in the Act.

A final category for whom it would be valid and important to have disclosure information are the duly registered candidates for public office in the Province of Saskatchewan. Accordingly, were this piece of legislation to come into force, nominated candidates for provincial elected positions would be required to make disclosure.

With respect to the disclosures required, clause 3 requires

April 11, 1975.

that the disclosures include all assets, liabilities and sources of income, and all assets, liabilities and sources of income of the spouse, and of any corporation in which he, or his spouse, is an officer, or has a controlling interest; and the name of any society of which he or his spouse is a member, or an officer.

There are, I think, inadequacies in any such legislation as this. The attempt by the public to gain access to the information of the holdings and the interests of elected officials can never be perfect. There are always devices whereby elected officials can disguise conflicts of interests. One of the important areas which has come to my attention recently — and which I would like to try by House amendment, if this Bill gets to that stage, to cover — is lawyer's accounts where a lawyer has a majority of his interest in one particular account. This obviously creates a conflict of interest situation.

But in conclusion, Mr. Speaker, I think the ultimate limitation of this kind of legislation is that the conflicts of interest in which parties, legislatures, members of Executive Council, find themselves, are not immediate personal conflicts of interest because of assets owned in a company which may be favored by a government contract, but an over-arching philosophy of a political party which orients to support the interests of particular privileged groups in society. That has obviously been the experience with the Liberal Party for a good number of years. Nonetheless in a small way this is a useful addition to the Statutes of Saskatchewan. I certainly think it indefensible that we require local councillors to make disclosures about their land holdings while we exempt ourselves, a more senior body, from provisions for disclosure. Accordingly, I would move second reading to this Bill.

SOME HON. MEMBERS: Hear, hear!

HON. R. ROMANOW: (Attorney General) I wish to say a word or two if I can, in response to the Hon. Member's private Bill. I want to tell the House that I want at the end of my remarks to adjourn the consideration of this Bill for a little while.

This question, Mr. Speaker, of conflict of interest is a very important issue which I commend the Member for Saskatoon University for bringing to the attention of the House. Members will know that last year we prepared a White Paper on Conflict of Interest legislation as it relates primarily to the Members of the Legislative Assembly. I don't know whether this tells you something about the Members of the House or about the public but there were no submissions received by anyone in the Government relating to the provisions of the White Paper. I don't know whether it was because the White Paper was subject to criticism or whether it was so well written that there was no criticism to it. But, nevertheless, the amount of public interest was, I think, discouragingly very low.

Since the tabling of the White Paper, Mr. Speaker, I have had an opportunity to study in even more detail the proposals in that document. And I determined in my own mind that it was inadequate, basically. The result has been that we have not been able to prepare legislation in time for this Session which would deal with the question of Conflict of Interest legislation and Conflict of Interest of Members of the Legislative Assembly. The matter is under active review by the Department officials

and I am also seriously considering asking the Law Reform Commission, in fact I have done so by writing, to consider the matter as well. The Law Reform Commission has not yet accepted this as a task because they have a number of other matters which are on their agenda. So all of this is by way of further explanation to say that the Member's proposed legislation is certainly a very worthwhile contribution to the consideration of this problem.

Mr. Speaker, two or three questions have to be asked about the nature of Conflict of Interest legislation. First of all how wide should the Bill be? Should it cover every candidate for every public office in Saskatchewan? This appears to be the purport of this particular Bill 52. It talks about a candidate who is nominated for every type of an election in the Province of Saskatchewan whether that election is for a provincial House, or a municipal government or presumably even for a school board. I believe that Conflict of Interest legislation should, as a general principle, cover elected officials regardless of their levels but I am sure also that Members would agree with me that the degree of urgency is not equal. That the need for Members of the Legislative Assembly, for example, to have Conflict of Interest legislation is perhaps of a higher order than what might be the case with some other elected bodies at the municipal level. I am not saying that there is no reason not to have legislation apply to them but that in terms of urgency and the priority, first emphasis must be placed, I think, at various other levels. Accordingly, I am somewhat concerned about the fact that this proposed Bill seeks to cover at this very first instance pretty well every candidate who is seeking elective office in the Province of Saskatchewan.

The second fundamental question which must be asked of the Bill is, what kind of disclosure is required? Under Section 4 of the proposed Bill the Member purports to answer this by simply saying that every kind of disclosure must be made about every asset or liability that an elected person has. Here I have another reservation in my mind. I am not sure that it is particularly relevant to the public or to Conflict of Interest legislation that, for example, the Hon. Member for Cannington (Mr. Weatherald) should be asked to reveal that he has interest in a house say in his home riding or in the city of Regina, which is a house that is used as his own dwelling home, or perhaps maybe even one additional house. What we have to do is we have to strike a balance between revelation and the points that revelation tries to get at on the one hand, and on the other hand, some degree of privacy. I mean we are after all private individuals who do have private interests going. What is not allowed is any intermingling of our private interests with our public responsibility and our public duty. That is what this type of a Bill should be seeking to foster. I am not sure that it promotes the cause of elimination of Conflict of Interest by asking me to list that I have a \$2,000 overdraft for example in a local credit union or a local bank or that my asset happens to be the family home. And accordingly, the very fundamental question here is, how wide should the disclosure be? And I believe that under Section 4 at first blush the proposed Section 4 by the Member really is way too wide because it fundamentally says that every elected person everywhere in Saskatchewan should disclose absolutely everything about his or her assets, liabilities, financial responsibilities and the like. I think that is going just too far and we run into the situation of scaring off people who would otherwise consider

April 11, 1975.

public life but would reject it because there is absolutely nothing whatsoever private about their particular activities. And, accordingly, I am concerned about this particular Section 4 as well.

The other point that bothers me about the Bill and it is not in the category, I suppose, of a major objection but it is one that relates to the question of spouses and how we handle the revelation of assets with respect to spouses. For example, Section 3 of the Bill talks of the revelation of any source of income of his spouse or of any corporation he or his spouse has the controlling interest. Now this is something that the Federal Government in Ottawa is in a lot of hot water about a lot of debate about. But I'm not sure if I want to dismiss Prime Minister Trudeau's position out of hand. He says, in effect, in his guidelines, not in legislation, that a spouse of a public person has a right to live her life, and if it happens to be the other way around, his life, as well independently. That, for example, if the wife of one of the MLAs in this particular House is involved in her own career or is involved in her own individual bank accounts, or is involved in her own financial responsibilities which is a growing thing in our society today, that that is that person's right. We assume far too often that individual candidates or individual MLAs and their spouses are so intertwined in their political objective and their political degree of commitment that you can lump them together. I don't think that is the truth any more and I do believe that there is a growing degree of independence that I don't believe this Bill fully recognizes. I say for a Member to be asked that his wife who may be for example a school teacher and acquiring a little bit of assets in her own right, reveal that may again be overstepping the bounds of what we are trying to achieve by this particular legislation.

Now I realize what the Member is getting at because there is a substantial loophole. And if an individual candidate was going to break what generally is public trust and decide to funnel money to his spouse that would be a loophole and the Member is trying to close that by putting in the spouse provision with which I have a great deal of sympathy. But the point that I make is that quite obviously it is not a very easily resolvable problem. For my part, I think I would tend to go in the favor of the spouse and say to her that there may be this danger but nevertheless that she does have a right in her own capacity and that we ought to take that risk in order to encourage his or her independence from the activities of the spouse politically.

Mr. Speaker, before I adjourn the debate, I want to make one final observation with respect to this Bill. I want to tell the people of Saskatchewan and the spouse, of course, I don't think I have to remind the Members, that we are not without Conflict of Interest legislation in a sense as far as MLAs are concerned in the Province of Saskatchewan. From time to time, we hear references about urban municipalities and legislation which relates to the urban corporations and from time to time statements that there is no such similar legislation relating to Members of the Assembly. Well, that is not the case, Mr. Speaker. While it is correct to say that the legislation for MLAs is not identical to municipalities, there are provisions in The Legislative Assembly Act which set out, in a sense, disqualifications, types of contracts, types of activities in which we, as Members, are prohibited from involving ourselves.

Section 15 is one example which outlines this in some considerable detail and it gives us the exemptions of activities in which we can involve ourselves and be in no conflict, but conversely it says that by some other activities we are potentially in conflict. So the fact is that in Saskatchewan we do have provisions which relate to conflict of interest. There is no doubt about that. I don't think that these are particularly up-to-date and I don't think that they are particularly comprehensive. I think the need for a new Bill is there. That is partly what was behind the White Paper and I'm sure which is partly behind the Hon. Member's Bill on the Conflict of Interest legislation. The point I want to make is that we are not without protection as far as the public is concerned because The Legislative Assembly Act does set out guidelines which we must as individuals follow.

Mr. Speaker, in closing my remarks today, this is a very complex area. If you follow the extreme form, which I would describe as extreme, namely revelation of everything under all circumstances, this is basically the sum and total of this Bill. Or you might tend to some modification of the Bill. In the end result it depends on the individual MLA and the sense of responsibility that we have to our jobs and to the public. I think in Saskatchewan the public have been fairly well treated by the MLAs in the past. No matter how your legislation is written anyone who wilfully would seek to circumvent it can do so whether it is in the form put here by Bill 52 or some other form. Our task is to draw up the type of Bill which accomplishes the public objective while at the same time preserves the fundamental basic rights of privacy to all people in the Province of Saskatchewan. I don't think that this Bill 52 accomplishes that objective. I believe it is a laudable Bill in terms of the debate which we should have ongoing as MLAs on the conflict of interest. I want to pursue my study of this Bill a little further and accordingly, Mr. Speaker, with those few remarks I beg leave to adjourn the debate.

SOME HON. MEMBERS: Hear, hear!

Debate adjourned.

STATEMENT

FEDERAL-PROVINCIAL OIL AND GAS CONFERENCE

HON. A.E. BLAKENEY: (Premier) Mr. Speaker, I should like to report to the House on the Federal-Provincial Conference held in Ottawa on Wednesday and Thursday, April 9th and 10th. As will be known the Prime Minister and the ten provincial Premiers met on that occasion. There were two items on the agenda: 1. Oil and gas prices and other related issues; and (2) the state of the economy.

I will refer first to the state of the economy. The Federal Minister of Finance, the Hon. Mr. Turner, expressed grave concern about the level of unemployment and particularly the level of inflation in Canada. He expressed the view that unless inflation and rising prices can be controlled, unemployment will increase sharply. On behalf of our Government of Saskatchewan I expressed our deep concern about the continually rising prices.

The Federal Government, it was announced, is proceeding

April 11, 1975.

with a plan of attempting to reach a national consensus through discussion with trade union leaders and business leaders. The Federal Government asked for the co-operation of the provincial governments in this initiative.

I have expressed misgivings as to whether or not the consensus approach in itself is likely to be successful. However, on behalf of Saskatchewan I undertook to give our full support to any consensus approach provided there is the required support from business and labor groups. I think that while it may not be a course of action which will necessarily succeed it is incumbent upon all of us in the House and all of us in Canada to use any means open to us. The Federal Government has selected this method and I think we should co-operate.

Saskatchewan urged that in addition to the consensus approach the Federal Government should embark upon a plan of selective price controls. We pointed out that there are in effect price controls now on oil and wheat. We suggested that other commodities key to the economy might be added and I suggested lumber and primary building supplies, iron and steel, chemicals, fertilizers and farm machinery. This suggestion was not accepted at this time. We will continue to press it. Here again I am sure that the Federal Government does not have a total blueprint of what they should be doing to cope with inflation. They are proceeding with their current initiative and I think they are open to other suggestions if the current initiative appears to be failing.

In the course of our discussion on the state of the economy Saskatchewan outlined conditions which restrict the healthy growth of our province economically, particularly the inequitable freight rate and transportation system and the current system of tariffs. We put forward specific proposals for immediate action including the following

1. Policies to free the housing industry from the ups and downs in interest rates and ups and downs in the availability of mortgage funds.
2. Effective Federal-Provincial policies to ensure stabilization of agricultural incomes.
3. That in international trade negotiations, particularly GATT negotiations which are now about to commence, the Federal Government act to the extent open to them to reduce trade barriers which restrict the export of Saskatchewan goods.
4. In a broader way, to pursue establishing a national transportation policy of the type which we advocated at the Western Economic Opportunities Conference in Calgary.
5. Adopt policies to provide for more equitable spending of Federal Government funds for goods and services — funds such as defence spending — to promote regional development.

Now, Mr. Deputy Speaker, on the matter of oil and gas prices, Saskatchewan took the position that the matter of prices could not be separated from the issue of the control of natural resources and the taxation of natural resources.

On this broad issue Saskatchewan took the position: (1) that future security of supply was of the greatest possible importance; (2) that Saskatchewan insisted that we receive a substantially greater return for our depleting oil resources.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: To meet these two objectives, Saskatchewan put forward two alternative proposals. The first proposal involved the Federal Government removing the onerous double taxation provisions contained in the federal budgets of May and November, the provisions which have sometimes been called the non-deductibility rule. And also the Federal Government agreeing that the current Canadian price of \$6.50 per barrel would be increased according to an index of increases in costs of oil production. Based upon these two moves, additional amounts over \$6.50 would be directed into Federal-Provincial Canada Energy Security Fund and used exclusively to guarantee adequate supplies of energy at reasonable cost to Canadians in the decades ahead.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: This proposal clearly involved a major move on taxation by the Federal Government, and this we made very clear.

We proposed, alternatively, that if the Federal Government felt itself unwilling or unable to make this major taxation move, Saskatchewan would demand a significantly higher price for Saskatchewan oil. This is what I termed in my remarks, the simple solution, the simple solution of simply setting a higher price. We are aware that the lion's share of the additional money from any increase in price will under present tax laws find its way to the Federal Government. Too little would remain to be divided between the Provincial Government as royalties and the oil companies to pay increased costs. There would, however, be some additional net return to Saskatchewan from an increase in price. We accordingly took the position that we will not willingly agree to Saskatchewan oil moving to eastern Canada and the United States after the current agreement expires on July 1 under existing tax laws and existing prices.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: We insisted that a change be made to bring a greater return to Saskatchewan.

Our position encountered sharp resistance from the representatives of some oil consuming provinces — notably from the Premier of Ontario. There was, however, encouraging recognition from the Federal Government and from some provinces, with varying degrees of reluctance, that a price increase is probably fair and desirable. Many of you who saw the television presentation saw some indication of this from provinces who are essentially consuming provinces.

We were disappointed that the Conference did not give more emphasis to guaranteeing future supplies of oil and gas at reasonable prices. In our view the future of Saskatchewan particularly of our agricultural industry — depends very heavily on a readily available supply of oil and gas at reasonable prices. In future negotiations we will be stressing as well this aspect of our oil policy.

Mr. Deputy Speaker, no agreement was reached. I was not surprised at that. I did not really expect an agreement to be reached in a two-day conference. I recalled last year when we had a two-day conference in January and there was a good deal of

April 11, 1975.

negotiation thereafter until a compromise was arrived at in March. I would suspect that some similar process might well go on on this occasion. It was agreed that there would be further consultation in the weeks ahead between the Government of Canada and the governments of other provinces including the Government of Saskatchewan and very possibly a further meeting of First Ministers. No firm decision was taken on that but I think it is entirely likely.

During the course of these weeks ahead we will be restating the position of the Government of Saskatchewan. We believe that Saskatchewan has a right to a greater return on our depleting oil resource.

SOME HON. MEMBERS: Hear, hear!

MR. BLAKENEY: We believe that the people of Saskatchewan share this view. Notwithstanding, Mr. Deputy Speaker, the opposition from consuming provinces, such as the Province of Ontario, we will be insisting with all the force we can muster that Saskatchewan get a greater return for our oil.

SOME HON. MEMBERS: Hear, hear!

MR. D.G. STEUART: (Leader of the Opposition) Mr. Deputy Speaker, I think it is too bad that the Premier wasn't quite as firm when he was down at the Conference as he is when he is backed up by all his men over there. With the round of applause he got I thought he came back with some money in his pocket, instead he came back empty handed.

I think the first thing that should be said about this Conference is that in the opening statement of the Prime Minister and then backed up by the Energy Minister, Donald Macdonald, the Federal Government made it clear that they are prepared to see an increase in the price of oil. In other words they came down on the side of Saskatchewan and Alberta against Ontario and some of the other eastern provinces.

SOME HON. MEMBERS: Hear, hear!

MR. STEUART: Well, you can laugh, you reports because that was one of the first statements that was made. As a matter of fact in Ontario, in the papers in Ontario, the Premier of Ontario stated after the first day of the Conference that he was shocked that the Prime Minister had said, yes, the price of oil must go up. He said that immediately and he said, all we are talking about now was the mechanics of how much and when.

Now the Prime Minister opened the door but neither Mr. Blakeney nor Mr. Lougheed went through that door. Mr. Lougheed didn't offer anything. He went down there with a strong mandate that he said he needed to deal tough in eastern Canada for the people of Alberta and if he said how much he wanted in the increase of the price of oil, then everyone down there missed it. He may have said it in the secret session but he certainly didn't say it publicly.

Premier Blakeney came up with a proposal that was weak,

confused and what he knew from the start, before he began, was doomed to failure. But I would like to remind the Premier and the people of this province when we are talking about taking a firm position, to just ask them to compare Premier Blakeney's position or the several positions he has had in this last 18 months, the fall of 1973 and in January of 1974. Premier Blakeney went down East, he was going to get \$9.50 a barrel for our oil. He was pounding the table and telling those dirty easterners, this is our oil, our money and we are going to get \$9.50. But we all know what happened, he went in and he went to lunch with the Prime Minister and the sharpies, as he likes to call them, from down East, and collapsed and he came out with \$6.50 not \$9.50. At that time he wanted \$9.50, he knew exactly how much he wanted, at least we'll give him credit for that. He also made it very clear that that money belonged to the people of Saskatchewan and should be controlled by the Government of Saskatchewan. Well now, a year later, and he goes down and we don't know whether he really wants a dollar or two dollars, he doesn't really say. He said he wants the price to go up, he didn't say when. What's he going to do with that money that was so fiercely defended by Premier Blakeney as our money to be controlled by us. He now wants to turn it over to the Federal Government. He wants to set up a fund in which the Federal Government will have major if not total control.

Well now, is it any wonder in the face of this flip-flop that no one down there took the Premier seriously? Here was a golden opportunity for the people of Saskatchewan for our Premier to come out there very squarely and very strongly and say that we want \$2 or \$3 or \$2.50 and back it up. If he still does that, if he does it now, we will support him and the people of this province will support him. The proposition he put forward he knew was doomed to defeat. He was really proposing to make up a fund of which Alberta was going to put up 85 per cent of the money. So Ottawa was going to allow expense royalties, they were going to lose millions of dollars and hundreds of millions in revenue from corporate tax, Alberta was going to put up 85 per cent of the funds, granted Saskatchewan was going to put up 15 per cent of the funds. But here was a proposition that depended on the co-operation of Alberta and the co-operation of the Federal Government and, as I say, the Premier knew before he went down that it was doomed.

Now, what should he have done? Well, I wish he had used the vehicle of the Western Economic Conference. Maybe he did, maybe he did try to get some agreement with Alberta and say, here is one place we should join together, stand together and go down and make a common stand on behalf of the two oil producing provinces. If he did try that, certainly he didn't get the co-operation because there was no common stand. The only person who said in a back hand way that he would agree with Premier Blakeney's proposition was Premier Barrett and by the time he said it no one was taking him seriously about anything he said at that time.

Now the real tragedy of this Conference, the failure of this Conference, was not that it didn't come to grips with raising the price of oil, because the price of oil will go up. When the agreement runs out Alberta and Saskatchewan can and I am sure will raise the price of oil. In the meantime if the Federal Government passes a Bill that will give them the power to control the price of oil and natural gas, they have committed themselves to raise both the price of oil and natural gas. We are not talking about whether or not the price of oil

April 11, 1975.

and the increased revenue is going to come to Saskatchewan, we may be talking about how much. And I echo the words of the Premier and say we should fight for every cent we can get because it is our money. But the real tragedy and the failure of that Conference was we never came to grips with the proposition of how we are going to find more oil.

I think it was significant, it was pointed out, that of all the nations in the world oil exploration has dropped more in Canada, in this whole nation, than it has in any other nation in the western world. Premier Lougheed pointed out that, and we didn't need it pointed out here because we have seen it happening, that we are losing men, we are losing oil rigs, we are losing equipment. Men and equipment that we cannot replace. We can have all the SaskOil we want and all the petro-oil from the federal Government, all the pious wishes in the world, but if we lose the people who know how to find the oil and the machinery to find the oil, we won't get that back for a long time. That was one of the biggest failures that they didn't come to grips with at that Conference and if the Premier has some ideas on this, then let him put them into effect and set the pattern here in Saskatchewan because we have lost more than anyone else.

Our oil drilling has come down in Saskatchewan, it went up in Alberta last year, it went up in the Northwest Territories and it went down in Saskatchewan. So if Mr. Blakeney is serious when he says that we need to do something about ensuring a supply in the future, let him bring Bill 42 into this Session, let him amend Bill 42 or change Bill 42, let him recreate in this province a climate that will encourage people to stay in here and find oil, drill for oil and look for oil. If he doesn't do it and there is no indication that he will, then the failure will be paid for by the people of this province, the farmers and other consumers in this province for many, many years to come. I say, right now we should be amending Bill 42, we should be making our position very clear that we want at least \$2 a barrel when the agreement runs out in June. We should be trying to get Premier Lougheed to follow through on the mandate that he got from the people, the mandate he said he got from the people, to show some courage and say how much money he wants. I think that was unbelievable that the man with 85 per cent of the oil as usual did five per cent of the talking. Mr. Blakeney with 11 per cent of the oil did 90 per cent of the talking, not loud enough and not clear enough . . .

SOME HON. MEMBERS: Hear, hear!

MR. STEUART: It was too bad that in the 90 per cent of the talking that he didn't come through clear and strong and place our Saskatchewan position on the records like he should have.

Well, Mr. Premier, I should like to be able to congratulate you, you look good on television I am told but I'm afraid that won't put any new oil development in the Province of Saskatchewan and you didn't bring back a five cent piece for the people of this province and so I say that you failed, you failed very badly and I wish you would make up your mind what your position is and then have the courage and integrity to stay with it.

SOME HON. MEMBERS: Hear, hear!

WELCOME TO STUDENTS

MR. A. THIBAUT: (Melfort-Kinistino) Mr. Deputy Speaker, I should like to introduce to you and the Legislature a fine group of students from Cudworth School. They're led here today by their teachers, Mr. and Mrs. Peter Yuzick and their bus driver, John Yakue. It was a long trip for them and I'm sure that the House will join with me in wishing them an educational tour — trip here today and I know they will have appreciated what they have seen already and I also want to wish them a safe trip home.

HON. MEMBERS: Hear, hear!

MR. P.P. MOSTOWAY: (Hanley) Mr. Speaker, I should like to introduce to this House a group of 43 Grade Eight students from Aberdeen Composite School. They are accompanied by two of their teachers, Mr. Thacker and Mr. Peters and for your information, Mr. Speaker, Aberdeen is located roughly 15 to 20 miles northeast of Saskatoon. They have visited the RCMP Barracks in Regina and also the Museum and it is certainly to be hoped they will enjoy themselves watching the proceedings of this House. They will be met shortly, I believe, by the Hon. Member for Rosthern and myself. We will be speaking to them. I should also mention that Aberdeen is located in Rosthern constituency but the students come from both Rosthern and Hanley constituencies. As I mentioned before, a pleasant day and a safe journey home.

HON. MEMBERS: Hear, hear!

MR. BOLDT: (Rosthern) Mr. Deputy Speaker, I want to extend a hearty welcome to the students from Aberdeen. I hope that we shall be able to see them later on this Afternoon. This morning I introduced a group of students from Waldheim. I have received word that they have changed their plans. They were to be here at 4:10 I believe, but I understand they're in the gallery as well. I hope this afternoon will be an enjoyable one for them as well.

HON. MEMBERS: Hear, hear!

MR. A. OLIVER: (Shaunavon) I should like to introduce to you and to this House some 20 Grade Twelve students from the Frontier High School seated in the west gallery. They are accompanied by the principal, Fred Herron and their bus driver Lloyd Dyck. They are going to see as the House Leader, the Attorney General stated earlier, the Lieutenant-Governor give Royal Assent to a number of pieces of legislation. You will see that part of the operation of the House as well. I hope that you will have an enjoyable and educational visit and have a safe trip home.

HON. MEMBERS: Hear, hear!

ROYAL ASSENT

At 2:54 o'clock p.m. His Honour the Lieutenant-Governor entered the Chamber, took his seat upon the throne and gave Royal Assent to the Bills presented to him.

SECOND READINGS

HON. W.A. ROBBINS (Minister of Finance) moved second reading of Bill No. 53 — **An Act to amend The Education and Health Tax Act.**

HON. E.L. COWLEY: (Minister of Mineral Resources) Mr. Deputy Speaker, on behalf of the Minister of Finance who is in Ottawa, and as I understand, on his way back from attending the First Minister's Meeting, and the Finance Meeting that followed, I intend to move at the close of my remarks the Bill that's before us to amend The Educational and Health Tax Act.

Mr. Deputy Speaker, before presenting the motion for second reading of this Bill, I want to make a few comments. This Government has consistently endeavored to eliminate or reduce the regressive elements of taxation. The tax on meals is a hardship on many persons, particularly those on fixed incomes and in the lower income groups. When we were the Opposition, Mr. Deputy Speaker, we vigorously opposed the imposition of the 'hot dog' tax by the former administration. Many Members of this House will recall that the now Leader of the Opposition introduced his some 1,400 new taxes in 1968, after having called a snap election in order to avoid having the people know the true facts of his financial maladministration. When we were elected to office we took some steps immediately to alleviate the hardships of some of these taxes and this was one area in which we moved when we raised the exemption from 14 cents to \$2.50. I might say, Mr. Deputy Speaker, that at the same time that we removed the tax from take-out meals purchased for off premises consumption.

The Bill . . .

MR. MALONE: It's a significant move.

MR. COWLEY: Now, Mr. Deputy Speaker, the Member for Lakeview says it's a significant move. I want to tell the Member for Lakeview that it was a significant move when we had the Liberal Government in office and they increased these taxes on food which we had never before had in this province under the CCF. The Member for Lakeview may be in the fortunate financial position where a tax on meals doesn't mean anything to him but I want to assure the Member for Lakeview that this is not true of all the people of Saskatchewan and I'm pleased and proud today to be able to stand here before this House and introduce this Bill which will remove completely the tax on meals.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: Mr. Deputy Speaker, the Bill which is before this House will remove the tax from all meals irrespective of price. We believe that this is a progressive move and that it merits the support of all Members of this Assembly.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: Mr. Deputy Speaker, I will be interested in watching how the Members opposite vote on this particular motion. I'll

be interested in seeing whether or not the Member for Lakeview will oppose this, in his words, 'insignificant measure'. I'll be interested in seeing whether or not the Leader of the Opposition will oppose this particular measure, or whether he will once again, as he has hundreds and hundreds of times in the past three and one-half years admit that he was wrong. I have never seen, Mr. Deputy Speaker, a man that was so wrong so many times.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: I want to say, Mr. Deputy Speaker, that he was wrong again today. Mr. Speaker, the Bill will also remove the tax from books, periodicals and magazines.

SOME HON. MEMBERS: Hear, hear!

MR. COWLEY: While this exemption will be of general benefit to all residents of Saskatchewan, I want to say that it will be of particular benefit to students and to libraries throughout this province.

Mr. Deputy Speaker, these two amendments to The Education and Health Tax Act represent additional progress in fulfilment of the commitments we made in the New Deal for People. They will provide a considerable tax saving to the people of this province and they will be of substantial assistance to the operators of restaurants, lunch counters, book stores and news stands in these inflationary times.

Mr. Deputy Speaker, it is with a great deal of pleasure that I move that this Bill be now read a second time.

SOME HON. MEMBERS: Hear, hear!

MR. A.R. GUY: (Athabasca) Well, I'm certainly pleased that we had the Minister of Mineral Resources introduce the second reading of this Bill rather than the Finance Minister. He put a little color into it. It is unfortunate that he's been down in Ottawa all week and he didn't see fit to speak as loudly on behalf of the people of Saskatchewan for energy resources than he is for removing a tax from meals and pornographic material that is in the book shops.

You know, I don't think that anybody will oppose this action of eliminating the taxes from meals and from the reading material but he talks about the New Deal for People and I'll tell you that the people of Saskatchewan are far more concerned that he didn't keep his promise made in 1971 to remove taxes from children's clothing than they are about removing the tax off meals over \$2.50. I think the people that have large families would much sooner have seen the promise that was made, kept in relationship to the clothing of children, children's clothing, than they are in what is being done in this particular Bill because, you know, let's face the facts of life. The people who are going to benefit from this legislation are those in the middle and upper income levels because there are very few people, poor people or low income people today who can afford to eat out in restaurants where your meals are \$6, \$7, \$8, \$9 and \$10. So

April 11, 1975.

anyone who is in that category who can go to a restaurant and pay \$6, and \$7 for steak and lobster or whatever they have isn't going to worry about a five per cent tax on the top of their bill so it's not going to be that much of a benefit to the people of Saskatchewan. It's going to benefit those who can well afford it. He said it was for the benefit of those who could least afford it and that's not true, that's not what this Bill is doing and that, we say, the other major group of people who will benefit from the Bill are travellers who are on the road a good part of the week. And for the most part the travellers do not pay these expenses. They are paid by the companies which are hiring them, many of them international and multinational corporations.

So here is a man who has spoken so loudly against helping the multinational corporation bringing in legislation which will assist them.

Then he mentions about the books and the book stores and it's true it will help the students and it will help a great number of people, but again there's a large majority of the people who purchase books who are in the middle and upper income class. They can well afford the extra five per cent. And when you look at some of the stuff that's in the book stores today, it would be a lot better if they couldn't afford to buy them because it's nothing but smut anyway.

So the Minister says that this is a fantastic Bill and it's another promise made and another promise kept, but I think the real significance of it is that the promise that was made that would have been of major benefit to thousands of Saskatchewan people was the one where he promised to remove the tax on clothing and he has refused to do that and instead is trying to cover it up by removing the tax that will have a very limited benefit to those who really need it.

Mr. Speaker, I think there are other Members here who would like to speak on this Bill and I'm sure that the Minister isn't ready to close it at this particular moment, he wants to look at my remarks, so I will beg leave to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 4:45 o'clock p.m.