

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Fifth Session — Seventeenth Legislature
41st Day

Thursday, April 17, 1975.

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

QUESTIONS

KIPLING HOSPITAL BED CAPACITY REDUCED

Mr. E.F. Gardner (Moosomin): — Mr. Speaker, before the Orders of the Day I should like to ask a question. I had hoped to ask this question of the Minister of Public Health because he is directly concerned. But it also involves the Department of Municipal Affairs so I will ask that Minister of that Department.

I was informed last night that the Kipling hospital has had its bed capacity reduced by the Department of Public Health because the population in the area has declined in the past year. However, I have here the 1975 Saskatchewan Municipal Directory which indicates the population in that area has not only not declined but it has increased by some 600 or 700 people according to the 1975 Municipal Directory.

I am wondering in view of this, where the population information is obtained because we have one Department showing the population declining and cutting the bed capacity? We have another Department indicating in its official publication that the population has increased by some 600 or 700 people.

Hon. E.I. Wood (Minister of Municipal Affairs): — Mr. Speaker, the Hon. Member I am sure is well aware that the population figures that are used in regard to hospitals and nursing homes cover a wider area than the town of Kipling or any single municipality . . . you have added them up, all the ones for the area? I am sure that I haven't done that, I don't know the answer to the question in that regard. But I also want to say as I have explained in this House, I may say ad nauseam, that these figures in the book are for the purpose of the Department of Municipal Affairs for the administration of their Community Capital Fund and equalization grants and unconditional grants. How the Department of Public Health arrives at the figures that they use for their purposes, I am sure I don't know. They may not find these figures as useful — whether they have used them in the past, I am not sure. I think that the Department of Health has their own methods of acquiring figures, population figures. I am not at all sure that they have ever used these figures. These figures in these books are for the use of the Department of Municipal Affairs and municipalities.

Mr. Gardner: — Is the Minister saying then that they have two sets of population figures and that they use them for different purposes to indicate actually a different population in an exact area?

Mr. Wood: — I think, Mr. Speaker, I have indicated the figures that are in the Municipal books are for the use of the Department of Municipal Affairs and municipalities. I don't know what the Department of Health uses.

ANNOUNCEMENT

TREE SEEDLINGS

Hon. A. Taylor (Minister of Social Services): — Mr. Speaker, before the Orders of the Day, I should like to call your attention and that of the Members to the potted tree seedlings on their desks. These seedlings come from the greenhouse at the Vocational Training Centre in Prince Albert which was recently established by the Provincial Government. The seedlings were planted this past fall.

The Centre provides training programs for handicapped persons, where they are trained to perform specific skills which equip them to undertake regular jobs in the community. The seedling operation is an important part of the Centre. Since it began two years ago more than 250,000 seedlings have been grown. More than 100,000 are now ready for transplanting into our forests. In the meantime about 150,000 that were transplanted by the handicapped during the last two summers are now growing into mature trees. The heavy demand for seedlings for forest renewal in Saskatchewan as well as inquiries from other parts of Canada and the northwestern regions of the United States are an indication of the potential of this industry. Expansion of the program would appear inevitable. As the Minister responsible for Core Services administration which is responsible for the Centre, it is a privilege for me to present these potted seedlings to the Members on behalf of the handicapped persons and staff who are now seated in the Speaker's Gallery. Members have been provided with information concerning this operation. The seedlings are perhaps symbolic of the new growth, new life, new opportunities that are on the horizon for handicapped persons. Mr. Speaker, I am sure that the Members will join with me in welcoming to the Chambers the workers and the staff from the Vocational Training Centre in Prince Albert. We welcome them and hope they enjoy their stay and have a pleasant trip home.

Hon. Members: — Hear, hear!

Mr. D.G. Steuart (Leader of the Opposition): — Mr. Speaker, I should like to join with the Minister in welcoming the group from Prince Albert and congratulating both the Government and the people involved in the development of this basic industry in Prince Albert. I agree with the Minister, there is a great demand and it is something I think can flourish and it is a step in the right direction.

QUESTION

OIL SHUT DOWN IN SWIFT CURRENT

Mr. D.G. Steuart: — While I am on my feet I should like to direct a question to the Premier. Mr. Speaker, I am sure the Premier is aware that the nomination date for the oil for the month of May will soon be upon us. My latest understanding is that the oil

April 17, 1975

field by and large in the Swift Current area is still closed down and I wonder if he can inform the House of what steps he has taken to see that the situation that prevailed a few weeks ago and caused this shut-down can be corrected, namely by cutting back of some of the taxes so that they can be competitive.

Hon. A.E. Blakeney (Premier): — Mr. Speaker, the nominations for the southwest sour medium crude were disappointing in April as has already been alluded to in this House.

When we were down at Ottawa, I spoke with the Hon. Mr. Macdonald and the staff of the Hon. Mr. Cowley spoke with Mr. Macdonald's staff in hope that we could get an adjustment of the export tax. I don't know where that stands, whether or not we are going to be successful. There were at that time expressions of optimism on the part of the federal authorities. I am unable to inform the House with precision what is likely to be forthcoming for the May nominations.

Mr. Steuart: — A supplementary question, Mr. Speaker. There was an indication — I had an indication too from private conversation with Mr. Macdonald that they were looking at this, but, in light of the fact that there is a distinct possibility that some of those people may be laid off, I think they have held on to their staffs down in that area, all or most all of the companies involved, but the information I get is that they can't do or they won't do this much longer and there might be some pretty serious lay-offs. And again if we lose these people, and I am sure that the Premier is aware, that if we lose these people, we have lost some highly skilled, some highly technical people which will be a real blow to this province in that area. In view of this, I wonder would the Premier be prepared to tell the House, that the Government of Saskatchewan would take the lead and cut back to some extent on their taxes on the medium sour crude to make this more competitive? I think he would then be in a much better position to demand that the Federal Government quit talking about doing something, they have been talking about it now for two months, and take some action.

Mr. Blakeney: — Mr. Speaker, I think Members will know the nature of the problem. The refineries in the north central area of the United States nominated for somewhat less oil than was normal, that was true both of Saskatchewan oil and Alberta oil. Alberta had the good fortune to have the nominations distributed relatively evenly so that most of their fields are operating at 70 or 75 per cent capacity. We had the bad fortune in a sense to have our nominations distributed unevenly so that we have Lloydminster operating at near capacity and southeast light petroleum fields operating at near capacity and the one field, the one at Swift Current of medium sour operating at a very low capacity.

It is said to us that the reason this is true is that the last adjustment we made in November made the Lloydminster oil more competitive than the medium sour from Swift Current. Accordingly it is a matter of maintaining the competitive nature of it, in the light of distressed crude, distressed middle eastern crude which becomes available from time to time.

We can certainly lower royalties, although, that certainly is not in keeping with our arrangement with the Federal Government where we get the first \$6.50 and they get the amount over

that, the value over that. But even if we act unilaterally it doesn't necessarily mean that we make any particular crude competitive unless we know what the reaction of the Federal Government is going to be on export tax because there is a fairly narrow margin to get your price within 10, 20 or 30 cents a barrel. I think therefore that we very much prefer to make a common move with the Federal Government so that we know what situation will be produced. I can however assure the House that we will certainly be doing everything we can to have that field operating for the very reasons mentioned by the Member for Prince Albert West. We want the expertise to be retained, we think the situation is indeed very temporary, and we would not want to see anyone dispense with staff which we fully expect will be needed short weeks ahead.

DEFINITION OF WORD "EMPLOYER"

Mr. J.G. Richards (Saskatoon University): — Mr. Speaker, I should like to address a question to the Attorney General concerning the definition of 'employer' in The Fair Employment Practices Act. A case came to my attention of an employee at a nursing home in Wadena who is not eligible to make any appeal with respect to her dismissal to the Human Rights Commission or to the Ombudsman, through The Fair Employment Practices Act, given the definition of employer which excludes non-profit employers. I would like the intention of the Government as to whether they have given consideration to amending the definition of 'employer' in The Fair Employment Practices Act which would permit that Act to be applicable in cases such as this, and permit the Human Rights Commission as the agency responsible for administering that Act, to be involved in cases where discrimination may have been involved?

Hon. R. Romanow: — Mr. Speaker, I must tell the Member candidly that no discussion or consideration within my Department has taken place with respect to the specific matter which has been raised by the Hon. Member. This is of course a very delicate issue. Saskatchewan is again not alone as far as the other provinces are concerned, almost all of them have similar provisions which exempt charitable organizations from the provisions of the Human Rights legislation. I have received representations from time to time that we should look at it, but I must say to the Member that we have not acted upon those representations as yet.

Mr. Richards: — If I am correct in my interpretation of the Act, Mr. Minister, it also excludes municipal employees altogether. The Ombudsman covers government employees of the Province of Saskatchewan but the non-profit status is accorded to municipal governments. In this case it concerns a nursing home owned by a number of rural municipalities. I see the Bill that was just put before us for The Occupational Health Act . . .

Mr. Speaker: — Order! What is the question?

Mr. Richards: — The Minister has stated that the Department has not in the past . . .

Mr. Speaker: — We can't debate it. Members can ask questions but they can't initiate debates.

Mr. Richards: — Since in the past nothing has been done about this, is the Minister prepared to change in the foreseeable future, the definition to include non-profit employers — I am primarily concerned with municipal employers as opposed to religious institutions as employers?

Mr. Romanow: — Mr. Speaker, I would have to see, I think, the specific facts of the case before I am able to give a more definitive opinion on this. But it is correct to say that the Ombudsman's jurisdiction does not extend to municipal bodies or to federal bodies because we are really here dealing with errors or administrative abuse of provincial agencies and departments of the Provincial Government. With respect to the Human Rights Commission, I don't believe that a similar limitation applies, certainly not with respect to municipal organizations. If my memory is accurate here, I believe, in fact, there was a case in the city of Saskatoon, involving a municipally run organization allegedly involved in discrimination. The charitable definition is another aspect of it to which I have already described. So I would have to take a look at the specific facts of the case which I would be prepared to do with the Hon. Member sometime later and give him a further opinion on that.

WELCOME TO STUDENTS

Hon. G.R. Bowerman (Minister of Northern Saskatchewan): — I was most pleasantly surprised and pleased to see on the list of schools that would be visiting the Legislature today 16 Grade Twelve students from the Debden High School. It's not very often that the Shellbrook constituency gets students coming to the Legislature and I'm most pleased that they are here today.

Their teacher and principal of the school, Mr. LePage is in the Speaker's Gallery with them and I'm sure that they will have a good day in the Legislature. Perhaps the way the Legislature is closing, the debates will not be as brisk as they might have been at other times but perhaps that will be as well. I would be most pleased to visit with the students after they leave the Chamber and I will meet them in the rotunda and visit with them on that occasion. I want to say, again, Mr. Chairman, I am sure all Members of the Legislature will wish them well in their stay here and a safe journey home.

Mr. A.W. Engel (Notukeu-Willow Bunch): — In the absence of the Member for Gravelbourg (Mr. Gross) I should like to take this opportunity to welcome, through you, to this House, 16 Grade Eight students from Gravelbourg. They are accompanied by their teacher. Those of you who have looked at the list, it isn't a 'real forest' but it's Real Forest and a driver that is there with them is a good friend of mine, Mr. Johnny Gauthier from Gravelbourg. We would like to extend a welcome to you people here and I intend to meet with you on behalf of Reg at 3:00 o'clock.

Some Hon. Members: — Hear, hear!

Mr. P.P. Mostoway (Hanley): — Mr. Chairman, I should like to introduce to this House 65 Grade Five students from Clavet School. Clavet School is a large rural school located roughly 12 miles east of Saskatoon. They are accompanied today by teachers, Mr. Unruh, Mr. Stewart and an interim teacher, Miss Hayes. As well, they are accompanied by two parents, Mrs. Daniels and Mrs. Gossen. It's my hope they will find proceedings in this House this afternoon interesting, as most people do.

I will be meeting with them shortly, and I want to say that I hope they have a pleasant stay here today in Regina and a safe journey home.

Some Hon. Members: — Hear, hear!

Hon. J.E. Brockelbank (Saskatoon Mayfair): — Mr. Chairman, I should like to introduce to you and to the Members of the House a group of 90 Grade Seven and Eight students from Saskatoon. They're from Estey School. I understand they are situated in the east gallery. They are accompanied here today by teachers, Mr. W. Pierce, Mr. Kalwalko and Mr. Widemaier. I want to take this opportunity to say that I hope they appreciate their stay in the Legislative Buildings. Unlike the other Members who rose before me to welcome students, I will not be able to meet with them after they leave the Chamber unless the Opposition is extremely generous with me in my Estimates today. However, I may not be able to and in any case I know that all Members will join me in wishing them an interesting day in the Legislature and a safe journey back to Saskatoon Mayfair.

Some Hon. Members: — Hear, hear!

Mr. H.H. Rolfes (Saskatoon Nutana South): — Mr. Chairman, seated in the west gallery are a group of 32 Grade Seven students from John Lake School in Saskatoon. John Lake School is probably one of the bigger or the biggest elementary school in at least its physical dimensions in Saskatoon. It is a fairly new school and certainly a very good school. I talked to the students just a few minutes ago and outlined to them some of the proceedings they would observe in the House and so I hope that they have at least some idea as to what is going on. They are accompanied by their teacher, Mr. Lozinski. They will be staying in the House for about one-half an hour. I hope they have a safe trip home and I think that this experience is worthwhile.

Some Hon. Members: — Hear, hear!

Mr. D.L. Faris (Arm River): — Mr. Chairman, I wonder if, at this time I might also take this opportunity to introduce to the House a group of students from the Liberty School accompanied by their teachers, Mr. Steward and Mr. Conger and Mr. Ripplinger. This community of Liberty is a community with a small school but a school they are very proud of and I am looking forward to meeting with the students and the people accompanying them following their tour at 4:15 p.m. this afternoon.

Some Hon. Members: — Hear, hear!

SECOND READINGS

Hon. W.A. Robbins (Minister of Finance) moved second reading of Bill No. 68 — **An Act to amend The Income Tax Act.**

He said: Mr. Speaker, before presenting the motion for second reading of this Bill to amend The Income Tax Act, I would like to make a few very brief comments.

The actions of this Government have consistently demonstrated our commitment to move towards a more progressive tax system. The Bill before this House will eliminate 100 per cent of the provincial income tax for about 70,000 taxpayers with the lowest taxable incomes. All other taxpayers will have their provincial income taxes reduced by \$100. As a result, Saskatchewan will have, on average, the fourth lowest provincial income tax in Canada.

This tax cut will increase take-home pay starting in July in this year, easing the burdens of inflation of all provincial taxpayers. About \$27 million will be returned to the taxpayers of Saskatchewan in the year 1975. I am confident that this measure will receive full support of all the Members of the Assembly.

This Government, Mr. Speaker, has strongly opposed Ottawa's legislation to make resource royalties non-deductible for federal tax purposes. These royalties, in our view, are clearly a legitimate expense of doing business. The amendments to The Income Tax Act that I have presented to this House will make these royalties deductible for provincial tax purposes through a 'royalty tax rebate'. As a consequence, our corporate income tax for the 1975 taxation year will be reduced by about \$38 million. This is revenue we would have otherwise received as a result of the Federal Government making royalties non-deductible. This is a significant amount of money that the province is returning to the oil and potash resource companies. It is our hope that the Federal Government will see the basic logic in making the royalties a deductible expense and take the opportunity in their budget this spring to restore deductibility.

It should be taken note of, Mr. Speaker, that the royalty tax rebate in this legislation applies only to corporations. Individuals in Saskatchewan will be eligible for this rebate if they make application to the Minister of Finance. Section 76 of the Department of Finance Act will permit us to make these payments to any eligible individual taxpayer. We're not sure that we have many of these individuals in this category but there may be some.

Mr. Speaker, this Bill also proposes a number of other amendments that are of a highly technical nature aimed at making our Act conform to the federal Act as amended by their November 18, 1974 budget. The Tax Collection Agreement between Canada and Saskatchewan requires that, except in very special cases, our Act parallels that of the Federal Government. The substance of these amendments relates largely to easing of the rules for making instalment payments of tax to Ottawa and are generally beneficial to the Saskatchewan taxpayer.

Mr. Speaker, I move that this Bill be now read a second time.

Some Hon. Members: — Hear, hear!

Mr. G.B. Grant (Regina Whitmore Park): — Mr. Speaker, I think we, on this side of the House naturally, like all people of Saskatchewan will welcome any tax reduction. Governments, in my opinion, for too long have taken too big a bite out of our dollars and I don't know just what the figure is now but it used to be 37 per cent, I think it must be well in excess of 40 per cent now of every dollar we earn that goes to some form of government. The only sour note that I can sound would be that possibly this should have been done several years ago but better late than never.

There are other Members on our side of the House that would like to comment on this Bill and I ask leave to adjourn the debate.

Debate adjourned.

Hon. R. Romanow (Attorney General) moved second reading of Bill No. 69 — **An Act to amend The Statute Law.**

He said: Mr. Speaker, I don't have any prepared notes for second reading of this Bill because, as Members will know, it's usually the Bill which is near the end if not being the last Bill and it concerns itself with a number of technical changes or printing errors and some other changes which really affect matters of principle.

There are some amendments which I would invite the Hon. Members to take a look at before we go into Committee of the Whole or if we will, in Committee of the Whole we can answer in better detail. Most of the amendments are, as I say, errors, such as section numbers that have been numerically struck.

Now the Member for Saskatoon University raised with me a boundaries commission problem and if you will look at Section 12 of the Bill, does that look after the problem?

Mr. Richards: — Mr. Speaker, being asked specifically about it, line four . . .

Mr. Speaker: — Order, order! This is not a debate.

Mr. Romanow: — Yes, okay. It was my fault because I asked him so it's . . .

In any event, under Clause 12, if you can take a look at it, if it requires another word change, then we'll make it. So, I think there is not very much more that I can add to it. I think it really is a Committee Bill, clause by clause and accordingly, I move second reading of the Bill to amend The Statute Law.

Mr. J.G. Lane (Lumsden): — Mr. Speaker, just a comment. I would hope that the Attorney General would be prepared, in Committee of the Whole, to advise why members of the Community Legal Services should be able to exempt themselves from The Superannuation Act. I can't see any obvious reason other than the personal desire of an individual not to have to make a contribution. If that's the

April 17, 1975

case then, of course, it's contrary to the practice otherwise and I would hope the Attorney General would be able to explain that in second reading.

Motion agreed to.

Hon. R. Romanow (Attorney General) moved second reading of Bill No. 70 — **An Act to amend The Occupational Health Act, 1972.**

He said: Mr. Speaker, on behalf of the Minister of Labour, I should like to introduce second reading of this Bill.

This Bill introduces a number of amendments to The Occupational Health Act, 1972. The Department of Labour feels that they are necessary as a result of a very recent court decision that might put in doubt the enforceability of The Occupational Health Act and regulations under that Act.

The Department, apparently, recently laid three charges against a company for violations of regulations under The Occupational Health Act. These alleged violations were, one, not providing workers with the protection from falling from or being bumped off a particular machine, two, operating a shear or an instrument without a proper guard and three, failure to install a device on a hook used in operation of another large piece of equipment. The charges came before a judge of the Magistrate's Court. Counsel for the company objected to the charges on the basis that the Act and regulations were not enforceable. The judge gave a judgement on March 20 agreeing with these objections and dismissing the charges. In effect, in the judgement the judge ruled, (a) there was no definition of employer in the Act, (b) the Act did not provide that it applies specifically to employers and (c) the Act has not imposed any duty on the employer to comply with the Bill.

If this decision is indeed correct quite obviously the result would put an end to the Government's Occupational Health and Safety Program. Neither employers nor workers would be required to comply with the Act or any of the regulations. There would be no way in which they would be compelled to do so.

These amendments are designed to take care of the points made by the judge in his decision. Accordingly, the employer will be defined in the Act.

As presently written the Act imposed certain obligations on quote: "The person in charge of" an operation or a place of employment. This obligation should really be placed on the employer and the Department, in this Bill is proposing amendments to make this clear. It is often very difficult to determine who is the person in charge of an operation. It is usually not so difficult, however, to determine who is the employer.

The Department also proposes to amend Section 23 to make it clear that the Act applies to employers and workers. Previously this section had been drafted without specifically saying to whom it applied, except to say that it applied to the Crown. The Department always understood that it applied to employers but the effect of the Magistrate's Court ruling is that the Act should be made specifically applicable to employers. Accordingly, a new Section 23A and 23B impose such a legal duty on every employer and worker to comply with the Act and the regulations.

Section 23C ratifies and confirms the existing regulations under the Act and makes them applicable to every employer and worker. These amendments will remove the doubts created by the decision of the lower court magistrate.

Accordingly, Mr. Speaker, on behalf of the Minister of Labour, I move second reading of a Bill to amend The Occupational Health Act, 1972.

Mr. J.G. Richards (Saskatoon University): — Mr. Speaker, I rise in support of the principle of the Act and I merely would comment that the definition of employer as given here differs from the definition given in several other statutes within the Province of Saskatchewan. The definition here, because of its comprehensiveness is recommendable and I trust the Government will take under consideration the advisability of standardizing the definition of ‘employer’ used in its statutes as here in The Occupational Health Act, in The Labour Standards Act and as I was citing this morning in a question to the Minister, the definition of employer is very restrictive in The Fair Employment Practices Act.

Mr. E.C. Malone (Regina Lakeview): — Mr. Speaker, I must say that the Minister of Labour discussed this Act with my colleague, the Member for Moose Jaw North (Mr. MacDonald) and myself and when we originally looked at the Act we had some objections to it. The Minister of Labour acknowledged that our objections were well taken and made certain changes which are illustrated in the Bill before us. The Member for Lumsden (Mr. Lane) has raised another point, which, I think, perhaps we should have some clarification on from the Minister of Labour before we proceed further with the Act and I trust he will be here tomorrow so that we can discuss the matter with him. I think we can safely put this over until tomorrow.

Before adjourning debate, Mr. Speaker, I think I should comment on the remarks of the Member for Saskatoon University. I think one of the great deficiencies in all the labour statutes we have in this province is the difficulty in defining such terms as ‘employer’, ‘employee’, ‘wages’ and so on and so forth, which makes the Acts very difficult to enforce. This has been brought to the attention of the Minister of Labour on a number of occasions. I am not sure whether the definition of employer in the Act before us is more proper than in other definitions, but I think the Member’s point is well taken that the Acts should be examined thoroughly to have a uniform definition in all of them. I hope the Government will look into this in the very near future. With those brief words, Mr. Speaker, I would ask leave at this time to adjourn the debate, and I am sure that the Government will have no problem getting this Bill through tomorrow once we have had an opportunity of discussing it further with the Minister.

Debate adjourned.

The Assembly adjourned at 9:40 o’clock p.m.