

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Eighteenth Legislature
40th Day

Tuesday, January 20, 1976.

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

QUESTIONS

NEGOTIATIONS WITH CUPE

Mr. D.G. Stuart (Leader of the Opposition): — Before the Orders of the Day I should like to direct a question to the Minister of Finance. Is the Minister of Finance aware that negotiations with CUPE in regard to psychiatric nurses began some time in early October and they are still dragging on. I am told a long ways from being settled, is the Minister aware of this? I recognize when I start this, Mr. Speaker, he probably is not the Minister in charge of these negotiations. We have a hold up in the settlement with the physical care nurses as well. At the same time is he aware as reported in the Leader-Post at least, there have been tremendous numbers of settlements in Saskatchewan, civic settlements, wage settlements, industry, some bound by the federal guidelines, some which may be or not bound by federal guidelines but who may well be bound by provincial guidelines when they are brought forward? Is the Minister aware of this and is he not concerned that we are getting into such a serious situation in regard to wage settlements alone, plus I presume price increases, but wage settlements alone, that it calls for a great urgency in the bringing forward of the Government's anti-inflation guidelines? Is he not concerned that this should be done, and should have been done two or three weeks ago. We recognize the hold up because of the federal regulations, but now that they are out can the Minister give us some assurance that we'll have these in the next day or two?

Hon. W.E. Smishek (Minister of Finance): — Mr. Speaker, I am aware that negotiations between Local 600 and the Public Service Commission are in progress. I would not say that they are unduly being dragged out or delayed. It is not unusual for contracts that may have expired on October 1, that at this point of the year may not have been settled. In fact, if the Hon. Member looks back at the record that negotiations where contracts have expired at times have not been settled to this point is not an unusual situation. Certain problems have been created as a result of the Federal Government introducing their Wage and Price Guidelines, the interpretation of their regulations have been a problem. There has also been a request from both parties not to meet during the holiday season. I am not able to tell the Hon. Member whether in the next day or two a settlement will be arrived at. I am not even aware that the two parties have meetings in the next day or two.

Certainly the Public Service Commission and their negotiators are keeping a watchful eye and I am hopeful that settlements will be arrived at, not only with this group but with

other groups where negotiations are still outstanding.

Mr. Steuart: — Mr. Speaker, maybe I didn't phrase my question properly. Let me preface, if I may, I didn't say negotiations were unduly dragged out, although four months is a long time and with the shortage of psychiatric nurses in many parts of this province I think there is some urgency to get them settled.

My question was: in view of the situation with CUPE 600 and in view of the situation with other employees of hospitals, the whole health personnel field and in view of the reported fact that there have been many negotiations, many wage settlements in the province of Saskatchewan that are clearly above the guidelines, some the responsibility of the Federal Government and some contracts will not fall under the purview of the federal guidelines or should come within any provincial guidelines, can the Minister give us assurance that within the next day or two, within the next week he will announce his provincial guidelines, provincial anti-inflation program so that we can settle the situation in this province, so that people know where they are at? That was my question. When can we expect an announcement of the Provincial Government guidelines?

Mr. Smishek: — Mr. Speaker, a question was directed to me last week about when the Government position might be announced. I did indicate in the House at the time that there were further meetings between federal and provincial officials - in fact I can tell the Hon. Member that a further meeting of officials did take place in Winnipeg last Friday on the interpretation and definition of the federal regulations. As the Leader of the Opposition may be aware when the regulations were announced on December 18, the Hon. Mr. Macdonald, the Minister of Finance, did tell the public that they were very complex and complicated regulations and will require the attention of many lawyers and many accountants to be able to interpret them. There has been further discussion last Friday on the interpretation and definition of regulations. I am trying to get a report from our officials who were at that meeting. I am hopeful that we as a government will be able to announce a position within the next week. I can't precisely say that it is going to be a week, it might be 10 days. But certainly the Government is attending to the matter, and I hope that as a result of us getting more information perhaps negotiations that are outstanding may be helped, but that isn't always an assurance. Whatever our position may be with respect to the federal guidelines it does not follow that automatically collective bargaining will be cleared up. We take the position that we believe in free collective bargaining.

As a government we have not placed any specific limitations outside of asking our negotiators to keep an eye on the federal guidelines which are there, but no direct instructions have been given that specific limits must be set. If the settlements have to be referred to the Federal Board our people have to be mindful of that and what the results may be thereafter.

Mr. Steuart: — A supplementary, Mr. Speaker, would the Minister not agree that there comes a point in time when it is better in the public interest to announce some guidelines and that is really what they are, guidelines, and not wait until every "i" is dotted and

every "t" is crossed, and I think we are reaching that point if we haven't already reached it.

Secondly, can he tell us now - surely he should be able to tell us - is his program going to call for legislation and will that legislation be presented within the next week or 10 days?

Mr. Smishek: — Mr. Speaker, it is precisely this whole question of clarification of the federal regulations that will determine whether legislation may be necessary. That decision will be announced by the Government as the Premier indicated in the House the other day. We are hopeful to make our position public within the next few days following these clarifications. I would be inclined to agree with the Hon. Member that it would be desirable to have the position known publicly. May I inform the Hon. Member that outside of the province of Ontario, and Manitoba, who have made their position public, no other province has been able to come up with a firm decision. Our position is really no different than that of seven other provinces in Canada because of the complexity of the problem.

SUBSIDIARY COMPANY OF SASKOIL

Mr. R.A. Larter (Estevan): — Mr. Speaker, a question to the Minister of Mineral Resources. Has Saskoil or the Government of Saskatchewan or other Crown corporations formed a subsidiary company in Alberta to do similar work as does Saskoil in Saskatchewan?

Hon. E.L. Cowley (Provincial Secretary): — Mr. Speaker, in reply to the Member's question, Saskoil does have a subsidiary, I believe it is a federally chartered company.

Mr. Larter: — Mr. Speaker, could the Minister give me the name of this company and how many people it does employ in Alberta?

Mr. Cowley: — Kywan Petroleums, no people.

Mr. Larter: — Could the Minister tell us how much money has been spent on land and drilling so far?

Mr. Cowley: — Mr. Speaker, it doesn't have any people, because the Saskoil employees carry out the work for it. With respect to how much it has spent, I would be prepared to answer that in Crown Corporations Committee, or if the Member wishes to put a question on the Order Paper, I don't have the information with me right now.

STANDARDS RAISED FOR SCHOOL BUSES

Mr. W.H. Stodalka (Maple Creek): — Mr. Speaker, I should like to direct a question to the Minister of Municipal Affairs. Recently you made an announcement about school bus standards being raised in the province of Saskatchewan. I think you indicated at that time that they were

raised for buses of 24 passengers and larger. The changes mentioned in the news release are padded seat belts, driver seat belts, interior guard rails, better emergency doors and stronger roof and side panels. My question is: don't most buses that are presently on the market already have these as standard equipment; and secondly, why was it for just 24-passenger buses and larger, not the smaller buses?

Hon. G. MacMurchy (Minister of Municipal Affairs): — I might correct the Hon. Member, Mr. Speaker, that it is padded seat backs, not padded seat belts. The reason for changing the standards so far as Saskatchewan was concerned was to bring them equal to the Canadian standards. I can't respond with respect to the issue of the buses below 24 passengers. I don't think that has been examined on a national basis, perhaps on discussion on that level, we will see the changes lowering it below the 24-passenger vehicle, meaning the small econo-line buses which are being used extensively in the province. We just put our standards up to the Canadian standards.

Mr. Stodalka: — A supplementary question. I notice you are requiring seat belts. Does this mean that the drivers of the buses are going to be required to wear these seat belts and is this an indication that possibly Saskatchewan is going to follow Ontario's pattern and require seat belts to be worn by all drivers?

Mr. MacMurchy: — We have yet to make that decision. You will note that there has been a fair publicity campaign begun with respect to the use of seat belts. We hope that the educational process will stimulate the bus drivers, particularly, and all drivers to make use of their seat belts.

Mr. Stodalka: — A supplementary. I wonder if there was any study done on the glass. I understand at a recent convention of the Catholic Women's League in Saskatchewan a resolution was passed suggesting that there should be some checking into the degree of shattering that the glass might have in the buses and the danger it has for the children on the buses.

Mr. MacMurchy: — Not to my knowledge, there may have been a study but I am not sure of it.

CLARIFY REPORTS OF POTASH TAKEOVER

Mr. R.H. Bailey (Rosetown-Elrose): — Mr. Speaker, I should like to direct a question to the Hon. Mr. Premier. Would the Premier be prepared at this time to clarify to this House the conflicting reports regarding his statements made on the potash purchases or the expropriation of potash mines?

Hon. A.E. Blakeney (Premier): — Mr. Speaker, I certainly would not undertake to clarify the conflicting statements that have been made about our position on the potash mines. I would be perfectly happy to clarify my own statements, but my own are so frequently

wrenched out of context by Members opposite that I won't attempt to clarify what particular interpretations they may have put on it. But our position is to obtain provincial control of some or all of the potash industry of Saskatchewan. I repeat again the desire to obtain 50 per cent or more. We will propose to proceed with this over the next six to 18 months and we hope that at the end of the 18-month period, it may be a little more now, that we would have a pattern in place and that the pattern might well involve purchases, it might involve expropriation or compulsory acquisitions, it might involve new mines by the Government. Those are the elements of the mix. The amount of any one portion in the mix is not able to be determined at this time because it will depend on the course of negotiations.

Mr. Bailey: — First supplementary. The reason for the original question, Mr. Premier, was that the news reports that I heard last night indicate to me that there had been a change in the policy or at least in the intent of the Government since back in November. Would the Premier say then that there has been no change in the original intent of the Government at this time, that the Government has not changed its position in regard to the purchase of the amount of purchase or the amount of control. Is it still the same as it was last November?

Mr. Blakeney: — Exactly the same, there has been no change in government policy. It was certainly not my intention at any time when I have spoken either inside or outside this House to indicate that we have changed our position from that which was set out in the Speech from the Throne which set out in some detail in the debate on the Speech from the Throne and which the Attorney General set out in first reading of Bill 1.

Some Hon. Members: — Hear, hear!

RESOLUTIONS

RESOLUTION NO. 43 - POTENTIAL FIRE HAZARDS OF CERTAIN INSULATION MATERIALS

Miss L.B. Clifford (Wilkie) moved, seconded by Mr. Cameron (Regina South):

That this Assembly urges the Lieutenant-Governor-in-Council to enact appropriate regulations under the provisions of The Prevention and Suppression of the Prevention Act, requiring all persons selling urethane insulation materials and other similar materials in Saskatchewan to fully, clearly and accurately warn users of this material, or the potential fire hazards thereof.

She said: Mr. Speaker, I should like briefly to outline the background of this resolution and how it came to my attention. It is based on spray urethane foams. I would say it will be a particular concern in the rural areas, for one reason only, and that is, that cities have their own fire commissioner so to speak, so they make their own regulations. Whereas the rural areas are under the fire commissioner of the province.

This urethane foam is usually used for insulating curling

rinks, recreation centres as well and in some areas used as a decorative material in restaurants. The urethane foam sold by a number of chemical companies is not necessarily flammable in all cases. It usually is the cheapest material that is the most flammable, although it is a very good insulation material. What has happened in my constituency and a number of other constituencies around the province is that people in recreation go to these chemical companies and ask them what could be used for insulation. They are given a list of insulation foams and in this list they indicate that this is a good insulation and acceptable under the fire regulations.

Now the natural thing of course is to go to the fire commissioner and ask him whether or not this insulation would be approved or accepted. I should like to indicate that such investigation was not done lightly. In this case that I am going to illustrate to you I have a number of letters of correspondence between the fire commissioner and the recreation committee. You will be able to see that despite all this consultation there is still a problem and it could be an increasing problem.

The first letter refers to a centre which I will not name. It was responded to by the deputy fire commissioner. It said:

The Saskatchewan Government Insurance has contracted us stating concern regarding the flammability of the finished proposed interior of the centre. If the finished material is as flammable as the representative has indicated, it cannot be installed in buildings for public assembly.

That seems quite clear.

I am attaching a copy of our letter of May 25th stating the terms of the approval of preliminary plans submitted to this office.

And then it goes on to say that you have to consult the National Building Code of Canada.

This was written in May, 1974. In June 1974 he goes on to say:

As discussed in our telephone conversation I am enclosing for your information a bulletin published by the Urethane Safety Group of the Society of the Plastic Industry.

As you will note on page 2 of the bulletin where urethane foam is used as an interior finish or ceiling finish the urethane foam cannot be exposed but must be sheeted over with one-half inch cement plaster or fired gypsum wallboard to supply the required fire resisting rating, or the building should be protected by a fully automatic sprinkler system to protect it against fire.

So there are some ways in which you can use this foam.

The brochure from Sozsa Industries Limited, Mississauga, Ontario, are high performance protective coatings which we supply through our representative.

Gives a flame spread rating of five, contribution of zero

and smoke development of five. However, if you will note this is where the material is applied over asbestos, cement board or concrete. Where it is applied over a combustible material such as urethane foam, the flames spread fuel contribution of smoke development are considerably more and are in excess of what is permissible under The National Building Code of Canada for buildings classified as group (a) which covers rinks and public halls.

As stated in our letter of May 25th, 1971 this insulation would therefore not be acceptable unless properly protected.

So what happened in this case is that they put the foam on the building and with the ongoing feeling that they could protect the surface with this gypsum covering, which through correspondence seemed as if it would be permissible.

The next letter was written on August 7, 1974:

Further to our discussion of August 5th I am enclosing a photocopy of Underwriters Laboratories Incorporated listings for hazard classification of foam plastics. Appropriate characteristics are: flame spread of 25 or less and smoke development of 150 or less. In perusing the list I am sure you will note the very high percentage of materials have flame spread under 25 and many have a high smoke development factor.

The maximum suggested factor of 150 indicates smoke development at a rate of approximately one and a half times as bad as would be produced by an oak wood finish. You will also note the number of manufacturers listed, some of whom were mentioned in our telephone discussion where adequate properties are provided but thickness limits of one inch or less are noted. In some instances investigation of the material in greater thicknesses has not been carried out.

I have attempted to mark in red those manufacturers who market a product with adequate characteristics and thickness of two inches or over, among which you will note, Dow Chemical of Canada Limited, Leviperm Insulation Products Limited in Clarkson, Ontario and Morval-Durofoam Limited, Kitchener, Ontario are Canadian manufacturers and that Morval-Durofoam product has particularly desirable characteristics.

I have two more short ones which indicate that this has been an ongoing discussion and not been a hasty decision. It goes on to say:

We have recently been advised that insulation of sprayed urethane foam has been installed in the curling section of the centre. As stated in our letter of June 12th, the flame and smoke properties of this insulation is such that it cannot be left exposed but must be protected by the installation of one and a half inch plaster of fire rated gypsum wallboard or the area protected by a fully automatic sprinkler system.

The last letter, the last two letters were written on

September 10th and October 20th, 1975 and he says:

I am enclosing brochures on three spray installations which meet all criteria and are therefore acceptable for installation in buildings of public assembly in the province of Saskatchewan. Two of these firms are located in Rock Glen, Saskatchewan and the other is located in the city of Regina. As all spray insulations are not suitable for use in buildings where there is a high humidity content with low temperatures I would suggest that before contracting with any one firm that you get commitment from them as to whether their product is suitable for this type of application, and the cost of insulation.

And the final letter was written on October 20th:

This is to advise that Spray-Tec insulation applied to the manufacturer's specification is permissible insulation for use in places of public assembly, meeting the flame spread of fuel contribution and smoke development requirements of this office. This is contingent, of course, on the removal of the present urethane foam insulation.

Now I have read these letters rather quickly and as I said they were just to show you that much consultation has been given and it wasn't a hasty decision. I am sure that it will not be in any area in Saskatchewan. But problems have been that when recreation committees, perhaps not as knowledgeable as people who deal in fire regulations every day, go to these companies and look at their brochures, sometimes brochures, on the surface do not have the right information. For instance, some of these companies say that the foam insulation is self-extinguishing which means to laymen such as ourselves, that if it starts on fire you don't have to worry about it because it will go out in any brief period of time. But they neglect to say, or they don't explain accurately enough that if you have a chunk of this urethane material (which is just like styrofoam) and if you put a blowtorch to it and then take it away it will extinguish itself, but if it is on any other surface, like a building, it will continue to spread around the building and therefore that part of it being self-extinguishable does not apply in this case.

There is also the problem of being acceptable and approved to the fire commissioner. These letters which I indicated where they said that when you put this foam on, if you put gypsum on top of it, it will be accepted. Well the difference of accepted and approved is that the fire commissioner will accept it because it has 45 minute fire burning rating, but besides that, the insurance rate will go up 25 cents on a dollar if it is just accepted and not approved.

Now to small communities who perhaps did not know the difference between acceptance and approval this would be a great increase in fire insurance, which a small rural community could not afford. I think there is a misunderstanding and by passing this resolution we could alleviate the situation.

Perhaps some of you have seen the program that was illustrated on Consumer Affairs on television a number of weeks ago, or was it W5, which showed the problems with this urethane foam

in that any building where it was applied the building could be up in flames within 30 seconds to a minute and is a very grave dangerous fire hazard.

When we were debating morning sittings awhile ago, which may not seem to have any relation to this, I mentioned that I had a number of appointments and at that time many were with the Fire Commissioner's office. The last one I had was last week when I brought a delegation in from this town to try to get things settled. I asked the fire commissioner all these points and I got all this information and letters from him and I asked him what else could be done. He said, well this office has done everything they can and they had gone so far as to send a directive to all the companies that manufacture this foam. And the directive is this:

To Whom it may concern:

This is to advise that Fire Safety will not approve the use of foamed-in-place plastics, rigid foam plastics or sprayed on Urethane for the use of insulation in any building. Exceptions are those products that are now tested and labelled by a recognized testing laboratory and have a flame spread of 25 and a smoke contribution rating of 150.

And these are the types of foams that were indicated in the last two letters and as I said, for top quality there are no problems with those two types of foams.

We have much evidence to support warnings of the hazards associated with these products both as a fire hazard and health hazard. This policy will be in effect until we have received further reports and test and approval of these products by recognized testing laboratories.

And that was by A.I. Dron, Fire Commissioner of the province.

So speaking with the deputy fire commissioner he has said that he knows that there are problems and it is very extensive, but this is all that they can do. They sent out this bulletin to companies and they are trying to make them responsible for informing people who come in inquiring about these products. He admits himself that perhaps they could enforce regulations better but they do not have enough people to police these regulations so, therefore, they are just doing their best under the circumstances that they find themselves in.

Mr. Speaker, I have put this resolution forward because as I said, the deputy fire commissioner said that they have done all they can and that this would be the only step that would be left.

We have the vehicle in which to do this and the vehicle lies within the Prevention and Suppression of Fire Regulations under Sections G, I and J where it lets:

(g) The Lieutenant-Governor propose such material governing or the use of specified combustible building materials, regulating directional alteration, repair and improvement of hotels, churches, apartment blocks, rooming houses, institutions and other buildings of public accommodation or parts thereof and prohibiting

the commencement of the original alteration and repair improvement of any such building or part thereof accepting conformance of regulations pertaining thereto;

(i) adopting and constituting as regulations with respect to the protection of persons or property from fire or explosion, all or any part of any relevant codes, rules or standards subject to any alterations in addition as may be deemed advisable;

(j) generally for the enforcement in better carrying out the provisions of this Act.

Also, when I asked him "isn't there something that we could do?" he said that the only thing that we could do is to have this Assembly put a regulation forth, but he said, that will never happen because you would have to put some regulations on the companies which perhaps some people would not want to force onto companies.

Mr. Speaker, I think that it is time that we alleviate our political biases and put them aside and require the companies to face up to their responsibility. It would take just one small piece of paper saying that before you purchase any of these materials you are required to contact the fire commission with reference to fire and health hazards. And it is up to us, I think, to make sure that we enforce these regulations. Any action or lack of action would be irresponsible on our part and although no harm has been done to date, or any great loss of life, we must act before needless injury and death occurs as it has in many areas in the States.

Mr. Speaker, I move Resolution No. 43.

Mr. S.J. Cameron (Regina South): — I want to direct a few words in seconding this motion by the Member for Wilkie, which I think is a good one.

The Fire Prevention Act is, I think, wide enough in its powers to permit fairly extensive regulations governing the use of materials and the way in which construction and other materials might be marked with respect to their fire characteristics.

Where the Department of Consumer and Corporate Affairs nationally or such other appropriate department isn't taking this kind of action, I think it is something which the Fire Commissioner's office in Saskatchewan might well do. The Member has brought to the attention of the House an example with respect to this particular material in construction which has given some problem. It is the sort of thing which our own Fire Commissioner's office might pay a little more attention to and perhaps design a system of labels and some informational material to be inserted in the packaging of this material to give people using it a clear indication of the potential fire hazard that the material possesses.

As I say, where this isn't done by the appropriate federal department then I think it is a good suggestion that our own Fire Commissioner's office should look at it. As I say, I think the Act is wide enough to permit regulations of this kind and something which we would commend to the appropriate Minister on the other side of the House to have a look at in connection

not only with the specific problem raised by the Member for Wilkie in connection with his resolution, but in respect, generally of construction and other materials that are potentially hazardous and in respect of which there is no action having been taken by the appropriate federal department.

Hon. G.T. Snyder (Minister of Labour): — Mr. Speaker, I should like to add a few words to the resolution that has been moved by the Member for Wilkie and seconded by the Member for Regina South.

I want to say first of all that I think the resolution itself is somewhat deficient but I don't quarrel with it because of the wording particularly, except that the author has attempted to bring both the long and the short title into the resolution and it would be somewhat better if it should read:

That this Assembly urges the Lieutenant-Governor-in-Council to enact appropriate regulations under the provisions of The Fire Prevention Act.

I don't make a big point of that.

The point that I do make, Mr. Speaker, is that the resolution in question should perhaps, more properly, be directed to the Department of Consumer Affairs rather than the fire prevention regulations of the Act. As the Member for Wilkie has indicated she was in touch with the Fire Commissioner's office because of a problem in the town of Wilkie and I think that I should say at this time that contrary to the instructions of the Fire Commissioner's office the contractor or the city whoever was in charge of the construction did install urethane foam in the rink against or in spite of the suggestions of the Fire Commissioner's office and the advice that was offered to them, at that time.

The Fire Commissioner's office has been in touch with the recreation association of the town and they are now in the process of removing this urethane foam. I think that is indeed unfortunate because it will undoubtedly result in additional costs. But I think the Fire Commissioner's office has a responsibility to see that the regulations are abided by, particularly in those instances where public assembly is a matter of real concern.

At the present time the Fire Commissioner's office does not approve the use of urethane foam in the province of Saskatchewan. I am given to understand that when any manufacturer comes out with any urethane or styrofoam insulation the only acceptance is that which bears the approval of the testing laboratory. All materials, as the Member for Wilkie has indicated, are tested in what they call a tunnel test which is a standard of combustibility which is flame spread in excess of 25 and smoke production of less than 150. This is all in compliance with the requirements of the national Building Code which are the standard bylaws of the province of Saskatchewan. Although we do not have regulations covering this particular material, under the Act in the regulations we do have the right to approve plans for constructions. It should be noted here that the jurisdiction of the Fire Commissioner's office extends to public halls, theatres, educational institutions or places of public

assembly. So I think it should be known that the Fire Commissioner's office in this way is somewhat limited in doing the sort of things that the resolution I believe envisages.

I think it should be known that we do not have the kind of jurisdiction to determine what material will be used in commercial buildings, for example. We have no way of indicating to a person who is building his home or insulating his own garage that he should not use certain flammable materials. I suppose if you wished and wanted to take the risk upon yourself, you could insulate your own house or your own garage with feathers. So I don't believe the vehicle that is suggested, that is to say, the Fire Commissioner's office, is the appropriate vehicle.

I have some sympathy for the resolution that the Member for Wilkie has directed to this Legislature. I know the Department of Consumer Affairs has indicated an additional interest. I know that the Minister of Consumer Affairs wishes to say a few words on this resolution. Perhaps an adequate amendment to the resolution might develop the kind of program that the Member for Wilkie has indicated. With those few words I think I am at this time prepared to adjourn debate to allow the Minister for Consumer Affairs the opportunity to speak on it. I beg leave to adjourn the debate.

Debate adjourned.

RESOLUTION NO. 45 - MOVE ADMINISTRATION OF LEVELS I, II, III CARE TO DEPARTMENT OF HEALTH

Mrs. E.G. Edwards (Saskatoon-Sutherland) moved, seconded by Mr. Steuart (Prince Albert-Duck Lake):

That this Assembly urges the Government of Saskatchewan to reorganize the delivery of health services in this province by moving the administration of Levels I, II and III care from the Department of Social Services to the Department of Health.

She said: Mr. Speaker, in order that Members may better understand the reasons that prompted me to bring forth this resolution, let me review briefly the history of how special care homes developed in this province. It is not my intention in reviewing past developments to make any political references. I would hope in discussing the problems facing the delivery of health care to the elderly at the present time the issue could be debated free of partisan politics, with one goal in mind - better and more efficient use of health care dollars spent to meet the needs of those requiring Levels I, II and III care.

In 1945, the year after the Department of Welfare was organized, the Wolseley Home for the Infirm which at the time was the only provincial home for aged in the province, was placed under the jurisdiction of the Department of Welfare. This was the first formal expression that the Department of Welfare would assume the responsibility for residential care of the aged, the needy and disabled people.

During the late 1940s and early 1950s the Department, through the Housing and Nursing Homes Branch engaged in a program of encouraging municipal, charitable and church organizations to

construct special housing for the above group of people.

This early program was developed in response to a demonstrated need within the province for residential facilities, especially for elderly people.

In 1958, the scope of Central Mortgage and Housing loans was widened to allow construction of lodges in communities for special housing of the aged, thus providing supervisory or limited personal care to those needing it. In 1964 a further broadening of the scope of Central Mortgage and Housing financing took place and this encouraged the building of special care homes throughout the province and extended the depth of care provided in these homes to include intensive personal and nursing care.

During the late 1950s the provincial government set up the Aged and Long Term Illness Survey Committee. I remember attending meetings of the committee. As a result of studies carried out under the auspices of this committee, a special care home came to mean a nursing home, supervisory care home and sheltered care home or other facilities used, whether for profit or not for the purpose of providing supervisory care, personal care and nursing care or any one of them for persons who by reasons of need, age, infirmity are unable to fully care for themselves. The legislative authority and the operative responsibilities for the Department of Welfare in the special care homes field were delineated in The Housing and Special Care Homes Act, February 1965 and regulations 1966.

It became necessary to establish certain criteria defining the extent and nature of care required by individuals who might apply for or were resident in special care homes. Thus, the definitions of levels of care came into being. However, these definitions did not coincide with terminology employed by the Department of Health. And both Departments co-operated in producing a joint statement of levels of care. These new definitions were finalized in May, 1969 and appear in the early pages of the directory of Housing and Special Care Homes for 1969.

The easement of financing which took place in 1958 and again in 1964, permitted the building in communities of special care homes in which varying degrees of care were provided to those in need of it. Prior to this expansion, charitable and church organizations had been the main providers of such care.

Reviewing the history of how special care homes began and developed in this province, I hope has shown all Members present how these homes came to be under the direction and jurisdiction of the Department of Welfare, which is now the Department of Social Services.

There are many organizations and a great many people in Saskatchewan who have been concerned for a number of years regarding the administrative, organizational and financial fragmentation of health care in this province, particularly as it pertains to the problem we are discussing at this time.

The fact that Levels I, II and III care come under the jurisdiction of one Department of government, the Department of Social Services and the fact that Levels IV, V and VI care come under the jurisdiction of the Department of Health, creates many

problems for those delivering care and those in need of receiving care.

The Department of Social Services has stubbornly maintained the position over the years that people entering a Level I, II or III institution do so because of a need for housing or social needs.

Mr. Speaker, I was convinced years ago, as were many others that people do not go into these homes simply because they need a house. In my opinion they enter these homes because they need care, health care. Since the days I trained as a student nurse, I have been involved at the local level with senior citizens' nursing homes and hospitals. I have been convinced over and over again that people give up their independence of living in their own homes (and most of them are reluctant to do so), because of failing health. They enter a special care home because they need care, care that is not provided elsewhere. In my opinion, over the past years the Department of Social Services has actually been running a mini health department, duplicating many of the people and services that could be provided by the Department of Health. Furthermore, the Department of Social Services over the years has jealously guarded their jurisdiction over special care homes.

It seems to me that the Department has actually set out to discourage logical and sensible co-operation and rationalization of services between special care homes and other health care institutions and organizations. I have actually been told that some nursing home boards have been advised to build their special care home as far away from the hospital as possible.

If the jurisdiction of all levels of care came under one department of government, many positive results could be realized. But in order to accomplish this major reorganization of government departments, it will take strong leadership on the part of the Minister of Health and the Minister of Social Services. Unfortunately, in the past, it seems to me that we have not had Ministers in either department who have had experience in the health care field, except perhaps, the past Minister of Health (Mr. Smishek). I believe he had experience in the labour field, but I am sure that bears no connection with the maternity ward.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — We need Ministers in both departments who are willing to listen to the people involved in the delivery of health services. Ministers who do not blindly follow the advice of bureaucrats and civil servants, who are in most instances quite removed from the front line where the action takes place.

The kind of positive results from such a reorganization that I suggest - I would like to list a few. There could be shared administrative costs between special care homes and hospitals, particularly in the rural areas where we have a small hospital and a small nursing home. It is ridiculous that both are trying to hire top notch and well-qualified administrators. In many cases the same administrator could manage both institutions. There could be shared laundry services. There could be shared consulting services in dietary, nursing, in-service

education and purchasing.

It is interesting that co-operation is already taking place in some areas. The areas I speak of now are more in the employee and labour relations. Homes that are now unionized know that labour negotiations require greater expertise on behalf of management than ever before. Special care homes have decided on their own to use the services of the Labour Relations Department of the Saskatchewan Health Care Association. Again, in the interest of and on behalf of their employees, many special care homes have found it to be advantageous to join the Saskatchewan Hospital Association to make it possible to have their employees participate in the Saskatchewan Hospital Association Sponsored Disability Income Plan.

However, the areas of patient care is another area indeed. The Hospital Association and the Association of Special Care Homes in recent years have expressed their desire to co-operate and work together to improve the quality of services. And they are concerned about meeting the needs and the increased demand for services in all levels of care in this province. These two associations, the Health Care Association and the Special Care Home Association, have witnessed many difficulties because of the two departments administering the levels of care. Because of the different policies and priorities of the two departments, difficulties are experienced and I should like to list some of them.

One difficulty is the transferring of patients from one institution to another. Hospitals, with long waiting lists have been urged time and time again by the Health Ministers, and this goes back, not just the present time, but over the years, hospitals have been urged to move long-stay, that is Levels III and IV patients out of acute care facilities where there are waiting lists, and it is only rightly so, they should be moved to facilities that offer the level of care that is needed at a more reasonable cost. Nursing homes offering Level III care are reluctant to accept Level IV patients because their budgets are not adequate to hire the staff required to give Level IV care. Level IV institutions are overcrowded and have long waiting lists. People requiring that level of care have little hope of finding any institution that will accept them.

Private homes offering levels of care should also come under the jurisdiction of the Department of Health. There should be realistic standards set out for private homes to ensure good quality care. There should be some realistic sensible way that they can be licensed and inspected.

Mr. Speaker, there are many problems in the delivery of health care in this province which are directly related to the division in the jurisdiction of special care homes and other health care institutions. Along with examples given, an additional and very serious problem is the difficulties experienced in planning. As a result nursing homes are often constructed without any relationship physically or administratively to other health care units, such as acute care hospitals. If there ever was a need for good research and good planning and positive action, so that present and future needs will be met, surely it is now. Saskatchewan has been noted as a leader in the health care field, however, other provinces have already taken steps to ensure continuity of health care on a co-ordinated basis. In British Columbia there is the development of extended hospital

care. In Alberta the development of auxiliary hospitals and nursing home services are within the Department of Health. In Manitoba there is a move towards the development of extended care facilities.

The philosophy that has prompted my recommendations is a belief that health care encompasses more than acute hospital care and in fact embraces a broad concept of health services, including regional public health services, home care programs, nursing home care at all levels, extended care including chronic care, rehabilitative programs, acute care and psychiatric services. This resolution asks for the transfer of the jurisdiction of Levels I, II and III nursing homes to the Department of Health. I submit this will bring about a balanced and integrated system of hospitals and related health services. In my opinion this will be for the benefit of the patient and taxpayer alike because after all in this whole matter who else really counts. Our goals should be to plan, organize and develop through the province a balanced and integrated system of hospitals and related health services including nursing homes. To accomplish this I believe there must be one department of government responsible for ensuring that individuals in need of care can have access to the type and level of care most appropriate to their condition and needs. I submit that a major progressive step will be taken by making the Department of Health responsible for the provision of all levels of care provided within this province. Therefore, Mr. Speaker, I take pleasure in moving this resolution.

Some Hon. Members: — Hear, hear!

Mr. D.G. Steuart (Leader of the Opposition): — Mr. Speaker, I should like to speak in favour of this resolution for a moment. When I was the Minister of Health starting in 1964 through 1965 to 1967, we gave serious consideration to this move. At that time Dr. Graham Clarkson was the Deputy Minister of Health and in fact we carried out extensive studies to ascertain the problems and the advantages and the disadvantages of bringing all nursing homes that have any level of health care involved, any nursing homes that are involved in any level of health care, under the Department of Health. As the Member for Saskatoon-Sutherland (Mrs. Edwards) pointed out, this is a move which has been contemplated and, in fact, carried out by many other Departments of health across Canada.

I suppose the basic reason that we didn't do it at that time was that when I became Minister of Health we were occupied in cleaning up the mess that has been left by the old CCF Government under medicare and hospitalization.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — The NDP brought in medicare and left the province of Saskatchewan split from top to bottom, the medicare plan in a state of disarray, our hospitals at each other's throats, towns and villages split from top to bottom. Even one hospital where people had taken up arms and shot bullet holes into the hospital door all because of the mess left by the old CCF. In their

short-sighted, narrow-minded effort, not to put in medicare which was a good thing, but not only put in medicare but to punish the doctors as they are now attempting to punish the potash industry.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — At the same time we found all over this province that doctors, some of them imported by the CCF in an attempt to break the so-called strike of the medical profession in Saskatchewan. Many of the doctors who had been in Canada for many years, well qualified doctors were in fact kept out of the hospitals in Regina, in Saskatoon, in Prince Albert, in fact in almost every centre of this province. We found many excellent and well qualified doctors denied hospital privileges and I had the job of cleaning up that mess and I say that I cleaned it up from one end of this province to the other with the help of my colleagues. So I just wanted to go on record to say that while I must give the old CCF credit for bringing in medicare it was the Liberals who in fact made medicare work.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — So, Mr. Speaker, my attentions were drawn at that time to that most serious problem and being forced to take the corrective actions that I had to take to make this good social program work, we were diverted from some of the other reforms that we wanted to bring in at that time.

Now let me go back to the beginning when hospitalization was brought in and again it was brought in by the CCF. It was brought in by a group of people who had a little more deft touch than the Members opposite. In fact a more deft touch than the Members of the old dying and decaying CCF government we replaced in 1964. But a basic error was made at that time and I think it was made with good intentions and the problem wasn't as obvious then as it is today. The mistake that was made by the old CCF when it brought in hospitalization was that they did not insure all levels of health care. Now that wasn't as obvious then because there weren't as many nursing homes and more people went to acute care hospitals. We had not developed a sophisticated hospital or health care delivery service in this province or in this nation that we have today and so as I say the problem wasn't as obvious so hospitalization insurance was brought in. However, when it was brought in across the nation in about 1967 or 1968, the mistake was very obvious and in spite of the experience up to that point by Saskatchewan, in spite of the fact that we brought to the attention of the Federal Government, and it was a Liberal Government at that time that brought it in, and other Ministers of Health, to try to convince them to avoid the mistakes that we had made in Saskatchewan. At that time there was no question, everyone recognized that this was an error. The Federal Government and the other provinces persisted and again we insured only the acute level of hospital care. What we did in effect then, and everyone is aware of this, is that we insured the most expensive level of service and we immediately put pressure and we did this right across the country, every government did it, we immediately put pressure on the hospitals and on the government by people who wanted to get themselves or their relatives, anyone who was sick,

in a bed that was insured, where the cost was insured and that's natural. And so we ended up with too many people who needed other levels of care knocking on the door of our acute principal care hospitals, our Levels V and VI.

Once we got into this, once we got down the road in this situation the corrective action has proven not only extremely difficult but almost impossible. If we now face the situation that if we extend hospital insurance to cover every level of care we are going to face across the country, in this province and across the country, a tremendous bill. We are already having difficulty enough facing the bill, the hospitalization bill, that we now have. Every government of every political stripe is facing the same problems, but had we made at the beginning, had we insured all levels of hospital care then we could have in a sensible way decided who went where, where we built the exact levels of care. In other words to paraphrase the former Minister of Welfare, Cy MacDonald, when he said one time, the great problem - and I don't know whether it was a personal problem - was to get the right person in the right bed at the right time. I think there were those who misunderstood his implications, but I think when you look at it, his motives might have been suspect considering his vigorous productivity in the area of family unplanning, however, his motives were quite sincere and that has been our problem. We've got right now probably 20 or 25 per cent of the people in Level VI, in the acute care, high in cost level hospital care who belong in some other level of care and we know that. That's part of our problem.

So what we need to do and you people are grappling with it as we grappled with it. I don't think you are doing it as honestly as we did it, but you are grappling with it because you have to. Either we are going to control, as a government, health care costs or the thing is going to collapse with its own weight. I suggest that this move is a move in the right direction. Now there is no question that the responsibility of the Minister of Health in the province of Saskatchewan, or any province, is huge. That we already have one of the largest, if not I imagine, the largest departments of government in this province. They have the most employees, and the largest budget and one of the most onerous tasks given to any Minister. And to add the levels of nursing care even adds to this whole problem. However, it may be that the Minister needs more help, maybe there should be an associate Minister of Health, maybe they need two jobs although they tried that in British Columbia and it didn't work. I well remember when they had two Ministers of Health and somebody pointed out to Mr. Bennett, the Premier, and who was the Minister at that time, he said we've got difficulty with two Ministers of Health. Mr. Bennett told the other Minister look, I'm the coach and you are the team and I lay down the rules and you follow the rules. I am the coach and you are the players. One of them said, yes, you may be the coach but this is the first baseball team I've heard of with two second basemen. Now there is no question if you have two Ministers of Health it would probably be the same as putting two cooks in the kitchen, it wouldn't work. That is a problem, adding to the burden of the Minister of Health.

However, in the long run if we are going to make commonsense out of the delivery of health care in this province or in this country, then I am convinced that we have eventually to put all levels of hospital care under the one department so that

proper planning can take place and we have to look at expanding our hospital insurance to cover now, I think, Level III and eventually any level of hospital care where medical service is rendered. If it is Level I, just homes for senior citizens to live in and there is no level of care, we can leave them out, but Level III and Level IV certainly fall under this category. So I join with the Member for Sutherland (Mrs. Edwards) asking the Government to consider this move and to consider it very sincerely. I think it is a move in right direction. Right now, you know it as well as I do, that acute care hospital beds are costing anywhere from \$60, \$75 to \$100 to \$125 a day and it is absolute nonsense to continue to put pressure on yourselves or the hospitals to have people who should be in another level of care at maybe \$20 or \$30 or \$40 a day, placed in or taking up hospital beds the costs of which are running \$60 or \$70 or over \$100 a day.

So with rising hospital care costs, rising medical care costs, this move is even more necessary, more urgent today than it ever was and every day that goes by it becomes more urgent. While I realize I have discussed this in a very sane and non-partisan way and I know the Minister of Social Welfare (Mr. Rolfes) who is just dying to get up and enter this debate will agree with me. And as a matter of fact when you consider the two Ministers I must say with all deference to the personalities involved, it makes it even unfair if you make this move now than it ever was before. However, I hope that the Government opposite will consider this step and not take a narrow partisan view as they are wont to do from time to time when we make excellent suggestions from this side of the House, to proceed with a study done as quickly as possible so the result in all levels of health care will be brought where they belong under the Department of Health and under the Minister of Health.

Some Hon. Members: — Hear, hear!

Hon. H.H. Rolfes (Minister of Social Services): — Mr. Speaker, I would hope that the Member for Prince Albert-Duck Lake (Mr. Steuart) would remain but I note that he has some urgent business to take care of.

Mr. Speaker, I think that the resolution brought forward by the Member for Saskatoon-Sutherland (Mrs. Edwards) is one that should have some serious debate. I had only hoped that if you wanted to have this discussed in a non-partisan manner that you would have chosen maybe the Member for Regina South (Mr. Cameron) or maybe even the Member for Saskatoon Eastview (Mr. Penner) or I would even go along with the Member for Qu'Appelle (Mr. Lane), but you certainly don't choose the Leader of the Opposition, the Member for Prince Albert-Duck Lake, if you want this discussed in a sane reasonable manner. You just don't do that. If you had been in the House before, I know you would not have chosen him for your seconder. You cannot ask him to participate in any debate and have it non-partisan. He just doesn't operate that way. But I do have a few comments that I want to make about the Leader of the Opposition.

Mr. Penner: — Are you going to speak on the resolution.

Mr. Rolfes: — The non-partisan aspect is out of the window as far as I am concerned. When I make some comments referring to the Member for Saskatoon-Sutherland I hope to make it non-partisan, but I will treat the Leader of the Opposition in the same manner that he treated us and I think that is only fair. Let me say a few comments to the Leader of the Opposition. He said that when they took over the Department of Health he found it in a complete mess. Let me say to him that by the time that he left it was a complete catastrophe. A complete catastrophe and the former Premier realized this, took him out and put him into Finance. But he made the same mistake in Finance in 1968; we all remember Black Friday. What did he do to straighten out the mess in health, he taxed the sick. He couldn't do it when he was Minister of Health but he said, I'll get them now. I'll tax them. I'll make them appreciate health care by having them participate. I'll put a deterrent fee on them. I'll put a hospitalization fee on them. I won't give them the free drugs that we promised them. He really straightened it out.

Mr. Speaker, if there is one policy that the Member for Duck Lake can take credit for, two policies, one is the taxation on the sick, the other is his influence on the then Minister of Health, the Hon. Gordon Grant, for whom I have a lot of respect, to convince him that the best policy in health was to close hospitals. If people haven't got access to hospitals one can cut down costs. What about the members opposite in closing rural hospitals. That is his contribution to health and health policies in this province.

Mr. Speaker, a little later in this debate I want to refer to some statements made by the former Minister of Social Services, at that time the Minister of Welfare, and what he thought about Levels I, II, III. I want extensively to use some of his quotes because I am sure that the Hon. Members opposite know that he is a great authority in this area having been the former Minister of Social Services and they would want to back up some of his statements.

Miss Clifford: — Who was that?

Mr. Rolfes: — The Hon., well the former Hon. Cy MacDonald. I wish he were in the House because I do want to refer extensively to some of the statements that he made.

Mr. Speaker, the resolution that is before us asks us to put an entirely different interpretation on the definition of health as it has been known in this province and I think in other provinces in Canada. What the Hon. Member for Saskatoon-Sutherland is saying is that all special care homes should have as their primary function health care. That is what she is saying, she may not say that in the resolution but that is what the resolution will do. The primary function of special care homes is not health! I disagree with the member for Saskatoon-Sutherland that people go into special care homes because they need health care. People go into special care homes because of social problems, personal problems, not health problems. If that is not true why then do you only have supervisory levels of 20 minutes a day for Level I? Why do you only have about 30 minutes or 45 minutes for Level II? And only approximately two hours for Level III? That is the total care, that is health care, personal care, social care, the supervisory, a total of

two hours. Two hours in a day. You cannot convince me that the primary function of a special care home should be the health care of the patient. It simply does not make sense. The facts aren't there, the facts don't bear this out.

Mr. Speaker, let me refer to a few remarks of the Member for Saskatoon-Sutherland. There is no doubt that the Member for Saskatoon-Sutherland and myself disagree on what the functions of special care homes should be. She also disagrees with the Saskatchewan Association of Special Care Homes. She also disagrees with the Senior Citizens' Council. She also disagrees and I often have my disagreements with Joe Phelps' Action Now Committee. Because all of them have indicated to me since I have taken over this department that they want more community services, they do not want the nursing homes or the special care homes, nursing homes as these people refer to them. They are not to be referred to as nursing homes, they are special care homes and by calling them nursing homes you are making health the primary function of these homes which it should not be. All of these people have indicated to me that they are alarmed at the trend of total institutionalization. And I believe, Mr. Speaker, that if we were to follow the advice of the Member for Saskatoon-Sutherland that we would be, I think going on a very dangerous road to institutionalizing our senior citizens. I don't believe for one minute that once you reach the age of 65 that necessarily with it comes sickness. To me it is a state of life that all of us hope some day to enjoy and I am sure that most of us do not want to enjoy that state of life in an institution. That's exactly what your resolution will do.

Mr. Speaker, it's obvious that I believe that the function of a special care home is mainly supervisory, it's mainly personal, it's mainly social. Incidental to this is the nursing component. Let me say that the seconder, even the seconder, the Hon. Member for Prince Albert-Duck Lake did not agree with the mover, because he ended up by saying this and I'll paraphrase it. He ended up by saying, Level III and IV should be insured, should be considered for insurance. Level III and IV. What does the resolution say. Levels I, II and III should be put under the Department of Health. So even the seconder doesn't agree with the mover. Even the seconder I think can recognize the dangerous trend that we would establish by moving these under the Department of Health.

Mr. Malone: — Start over again. I'm sorry I missed your opening remarks.

Mr. Rolfes: — Don't worry about it. I'm sure that the Member for Saskatoon Eastview took notes for you.

Well the Member for Saskatoon-Sutherland also said that Social Services has been involved in a mini-health care service. Nobody in the Department of Social Services will admit to that. No one will admit to that. It's only a figment of the imagination of the Member for Saskatoon-Sutherland who has had this figment of imagination ever since 1969 that I'm aware of and as I will point out very shortly and she probably had that much before. I would think it probably comes to her because of her background, her professional background. I don't say that in any critical sense. Because I believe that she has been a nurse for some time and I believe that probably in this regard her

professional training has been more in the area of health care as opposed to personal and social care. Certainly, I would think that, and that is not saying it in a critical sense. I appreciate that and I don't say that you are obviously wrong on it.

The Member also said that we need some strong leadership. We need some strong leadership in the two Ministers. What she is simply saying that if you don't agree with me then they are not strong. That's a fallacy. Just because we don't happen to agree with you doesn't mean that there can't be strong leadership. Would you therefore say that because Cy MacDonald or the Member for Indian Head-Wolseley, when he was the Minister of Social Services, because he disagreed with you, that there was weak leadership? I agree with you, probably there was. But not because he wouldn't agree with you. The letter that I'm going to be reading to you, addressed to you by the then Minister of Social Services, by your own phraseology you would say that he was weak. I think many Members on this side of the House probably agree that maybe he was. But not because he disagreed with you. There are probably other reasons as to why he was.

Mr. Speaker, no doubt there could be some savings as far as administrative costs are concerned. I will admit that to the Member opposite. But there is also the danger that if you put it into a department which is already large that you will have more bureaucracy and more difficulty in being in touch with the individual who would like these services in the special care homes.

Mr. Speaker, there are a few other things that she alluded to which I hope to respond to later on in the debate when I hope to pick it up again. But as I said before I should like to refer to a letter written to Mrs. E. Edwards, Chairman of the Medical and Nursing Services Committee, Saskatoon Hospital Association.

Dear Mrs. Edwards:

This is written October 31, 1969. I won't read the whole thing, it's much too long. This was written by the then Minister of Welfare, Cy MacDonald. Let me just refer to a few items.

The original concept of special-care homes (this is what the then Minister of Welfare stated). It seems in the light of these developments (the developments he says of pressure of trying to get all of these services under the Department of Health) that the original concept of a special-care home in this province was that of a personal care element. This was paramount and that the nursing care element was of a minor degree.

Now he says:

The first two levels of care, namely supervisory and limited personal care contain no element of nursing care.

I agree with him on that.

The third level of care, intensive personal and nursing care is perhaps badly named in that it gives the impression that the word intensive implies equally to the nursing element which it doesn't.

The facts today simply do not bear this out. There is very little nursing care in special-care homes and so it should be. He goes on to say:

This is not the case. The word intensive being an adjective for personal care and thus stressing the depth of personal care required. Nursing care was intended to mean basic nursing care. However, it appears that this description of Level III care is a source of some of the misunderstanding which prevails concerning the extent of care to be provided in a special-care home.

In other words what the then Minister of Welfare had indicated, the primary function of a special care home should be personal and social and with that I agree. Incidental to that should be the nursing care. That was true in 1969 and that is true today.

The former Minister also goes on to say:

During the past two decades there has been an increase in the number of people, age 65 and over. Approximately five or six per cent are presently residing in special-care homes in this province. As this group of people become older the amount of care that they require tends to increase. There is a natural reluctance to move these people out of their community even though the level of care they require is beyond that provided in the community.

And that is true. It was true in 1969 and it is true today. I think what we must do is provide those community services and facilities that are necessary that people can stay in their own community. This is what they want, they don't want to be shoved into some institution. These people tell me that what they want is some place where they can get these services, homemaker services, meals on wheels, local transportation assistance, possibly some place where they can stay with their friends and their relatives and some subsidy in that regard is needed. That is the direction that we must go, not in the direction that you are indicating - institutionalization.

Some Hon. Members: — Hear, hear!

Mr. Rolfes: — The former Minister goes on to say - this is one thing that I will concede to the Member for Prince Albert-Duck Lake and I think he sort of inferred it. What we need is better utilization of our acute care beds. This is what we need. There are too many hospitals and I know that I am infringing on the Minister of Health's Department now but I hope he will forgive me for this. My own personal opinion, of what we need is better utilization of at least Level V and Level VI beds so that many of these beds which are vacant can be used for Level IV patients. That's what we need. Maybe there has to be a more authoritarian decision made by this government to make sure that hospitals utilize these beds more efficiently. That is possibly what we have to do.

But the Minister goes on to say:

Undoubtedly during recent years there has been a steady extension of the depth of nursing care given in the special-care homes. The Saskatchewan Hospital Association

in its report on nursing home care in the province uses the term nursing home . . .

As did the Member opposite, often she uses the term nursing home rather than special care home and that is important to recognize. Her emphasis is on nursing care, health care, where as that was not meant in the original intent for people called them special care homes. I think the former Minister recognized this.

It is not clear whether this refers to all special-care homes or merely to those in which some nursing care is given. Perhaps this is an example of confusion in the use of terminology mentioned in the report.

The former Minister recognized also that most people are better off living in their community. He goes on to say:

As a generalization it can be said that people are better off in all respects if living in family groups in their own community.

The Department of Welfare has encouraged the concept in special-care homes of trying to reach this goal as far as it is possible in a home-type setting.

And I am continuing in this particular goal which the former Minister was trying to obtain.

It does this by considering the social, emotional and physical needs of people, or in other words, by considering each person as individuals and as a whole person. The intent has been to emphasize the positive aspects of life in living rather than the negative aspects of disease, disability and death.

The impression that I have received from the Member for Saskatoon-Sutherland is that she cannot divorce old age for senior citizens from disease. She cannot separate the two. In her concept when you are a senior citizen you are automatically sick. I simply cannot buy this, I think these associations do not buy this and I think that we must make absolutely certain that people who try to convince us that this is true do not have their intentions carried out.

Mrs. Edwards: — . . . public health program.

Mr. Rolfes: — Now the second recommendation in the Saskatchewan Hospital Association's report is in regard to finances. The former Minister wrote:

There seems to be a general consensus of opinion that care provided for Levels I and II should be the patient's financial responsibility.

Mr. Bowerman: — To whom was that written?

Mr. Rolfes: — That was written to Mrs. Edwards. And let me repeat that. The former Minister says:

There appears to be a general consensus of opinion that care provided for Levels I and II should be the patient's responsibility, with the existing welfare programs being available to those who qualify due to financial circumstances. There also appears to be a consensus of opinion that some consideration should be given as to how to ease the financial burden that the cost of Level III care casts upon the individual family.

And again let me tell the Hon. Member that my department and myself agree with his interpretation.

An Hon. Member: — Mrs. Edwards didn't get the letter.

Mr. Rolfes: — I think the Member did get the letter. I think she indicated that she had a copy of the letter.

Now let's go on and see what the former Minister had to say about Level IV. He goes on to say:

It is perfectly true that some of the special-care homes are providing both Levels III and IV care. The reasons for this have been mentioned previously but it is important to make clear that no extra financial assistance has been given for Level IV care in these homes to date. It is also true that in the near future there will be two additional units housing these two levels of care, namely the Provincial Geriatric Centre at Melfort and the former Victoria Hospital in Prince Albert. In the case of the proposed development of Level III beds in Melfort Geriatric Centre the administrative dealings and responsibilities there for both the Levels III and IV beds will remain with one department of Government, namely the Department of Welfare.

The Department of Welfare. It is too bad, I had hoped, I suppose maybe I was selfishly hoping that the Member for Indian Head-Wolseley (Mr. MacDonald) had seconded the motion. That would have made this letter even more important.

Mr. Speaker, let me again refer to a section in this letter where the former Minister indicates what he thinks the function of special care homes should be.

It is stated that there may be difficulties in planning because of division of administrative responsibility. It is stated that as a result of this nursing homes are sometimes constructed without any relationship physically or administratively to other health care units such as general hospitals. This suggestion tends to equate nursing homes with auxiliary hospitals.

Exactly the opposite to what the Member is recommending in her speech today, exactly the opposite.

As previously stated this is not the intended use of special-care homes.

Obviously the former Minister did not agree with you and I think that probably today he does not agree with you. It would be interesting to see him participate in this debate.

Now some people have suggested that people want to remain in hospitals unduly. The former Minister had some comments to make on this also. He said:

It surely is unfair to suggest that the citizens in this province prefer to remain in a hospital bed rather than strive for independence.

The same argument is used in the report:

If Level III care was an insured service then there should be no incentive to improve to Level II or Level I care or to return to home care.

The Member for Saskatoon-Sutherland wasn't listening and I want to read that over for her for that is the crux of the argument.

Mrs. Edwards: — Repeat that and you'll have me as confused as yourself.

Mr. Rolfes: — Well, you were confused before, if you are more confused now that's not my problem. You should have thought of that before you introduced the resolution.

Some Hon. Members: — Hear, hear!

Mr. Rolfes: — The former Minister of Welfare says this:

It surely is unfair to suggest that the citizens of this province prefer to remain in a hospital bed rather than strive for independence.

If Level III care was an insured service then there would be no incentive to improve to Level II or Level I care or to return to home care.

I think the former Minister recognized the problem as we are recognizing it today.

The former Minister also goes on giving something about overuse of hospitals but I won't go into that, I will leave that for somebody else. But he does indicate the Saskatchewan Hospital Association's report speaks at length about health needs and refers to financial problems and that is the point, completely ignores the emotional, social and cultural needs of the people. And that is what the Member for Saskatoon-Sutherland did this morning. Not completely, but almost completely ignored the emotional, social and cultural needs of people. Completely, almost completely ignored. The letter goes on to say (I know this hurts, but I didn't write this letter).

Some Hon. Members: — Hear, hear!

Mr. Rolfes: — The present Deputy Liberal Leader continued to write in his letter:

The report of the Saskatchewan Hospital Association on nursing home care in Saskatchewan, dated September 2, 1969 has been examined. The recommendation for the transfer of the responsibility for nursing homes to the

Department of Public Health is not substantiated by any evidence that such a transfer would improve the care of guests in special-care homes, effect economics of operation, or improve administrative efficiency.

Mr. Speaker, there are a few other things that I should really like to read to the House but I will leave those for another day. The former Minister ends his letter by saying:

The Department of Health and Welfare are already co-operating in many fields (as they are today). It is impossible at times to define hard and fast boundaries between the departments. Thus the two departments will continue to consider jointly the planning and delivery of care of those in need, taking into consideration social, cultural, economic, physical and emotional factors, and many other relevant factors, a comprehensive program administered in its sections by those best equipped to do so. Sincerely, Cy MacDonald.

Mr. Speaker, as I said before, I could spend considerable time on the letter written by the former Minister because I think he expresses well the state of mind that I hold today, which is that the emphasis should be in Levels I, II and III, especially I and II, on the community aspect. We must make absolutely certain that people have every incentive and every opportunity to remain in the community, the community in which they devoted most of their lives in bettering society and the community in which they want to spend the remainder of their lives, with their relatives, with their friends, and therefore, Mr. Speaker, with these few words, since I would like to continue this debate later on, I beg leave to adjourn the debate.

Some Hon. Members: — Hear, hear!

Debate adjourned.

ADJOURNED DEBATES

RESOLUTIONS

RESOLUTION NO. 2 - RAIL LINE ABANDONMENT - CROW'S NEST RATES

The Assembly resumed the adjourned debate on the proposed resolution by Mr. Skoberg (Moose Jaw North):

That this Assembly requests: — (1) that no railway lines be abandoned without full consideration of all economic and social costs involved; (2) that the federal government be required to maintain the statutory Crow's Nest rates for grain movements, in return for which the railways have been granted substantial concessions; and (3) that immediate steps be taken to compel the railway companies, either separately or through their joint efforts, to provide efficient rail service to Saskatchewan communities without unreasonable delays.

and the proposed amendment thereto moved by Mr. Cameron:

That the following be added to Resolution (No. 2): — "(4) that no elevators be permitted to be closed without full consideration of all social and economic costs involved."

Mr. D.G. Banda (Redberry): — Mr. Speaker, I am pleased to be able to take part in the debate on this important resolution. In my opinion this resolution deals with one of the most important concerns to rural Saskatchewan that has come up in many years. Its effects will be long-lasting on our province.

I want to point out, Mr. Speaker, in regard to this resolution that the Hon. Members for Morse (Mr. Wiebe) and for Rosetown (Mr. Bailey) who spoke on this amendment on December 9th indirectly spoke against the Saskatchewan Wheat Pool and the company's elevator consolidation system.

I checked the elevators that were supposedly abandoned and found that most of them belonged to the Sask Wheat Pool, and that these points had very low handlings of grain before any closure took place. Also, that they were within 13 miles or less of another point.

I want to remind the Members that consolidation of elevator points and consolidation of elevators are two different things. In many centres Sask Wheat Pool has four or five elevators. There is no reason that one good high capacity elevator could not do the job in this instance, consequently the company could abandon three or four elevators but the railroad would have to be kept in order to handle the grain at these points.

This grain company operates 696 stations at present and have 776 operating units with agents. The Pool's long range plan is for at least 400 elevator points. The reduction of elevators is to be phased in over the next ten years. No elevators are to be abandoned before suitable facilities are within reasonable distance, and that is no farther than 25 miles, and after consultation with members.

The Pool's efforts at consolidation have one characteristic which differentiates them from the large international grain handling companies. Mr. Speaker, the Pool is an organization that was established by farmers, is represented by farmers and is controlled by farmers. And this fact, Mr. Speaker, makes all the difference in the world. Whenever the Pool finds it necessary to consolidate, the decision is not made in some boardroom but in the affected community by the residents of that community. Only when a reasonable alternative has been established does the closure of a small elevator take place. And only when members of a community have a chance to voice their opinion does such an action take place.

Mr. Speaker, we are all aware that some change must occur in our grain handling system. As a farmer, I would rather this decision be made by a farmer controlled organization like the Pool than a large corporation that has but one interest in mind and that's the profit motive.

Some Hon. Members: — Hear, hear!

Mr. Banda: — I should like to spend a little time to cover some of the other areas of concern in this resolution.

When the railway originally built the tracks in Saskatchewan they received in excess of 15,000,000 acres of land to build 885 miles of track, plus the mineral rights. I need not

remind you of the significance of the mineral rights. Saskatchewan donated the largest amount of land. Land grants from Saskatchewan represented 47.8 per cent of the total, yet originally we received only 27.57 per cent of the track mileage. Land owned by the railways comprises some 23.35 per cent of the arable land in the province or 9.43 per cent of the total area. But they don't mention this. Instead it's their continuous claim of losing money and better efficiency, and I say, better efficiency for whom? The railways and international grain handling companies, like Continental and Cargill, but not the rural communities in Saskatchewan. They don't talk about all the subsidiary companies they have ventured in and their total resource empire that has flourished at the expense of the rail bed deterioration. I believe it is important to take a look at what Canadian Pacific has done in order to enable it to become one of the largest corporations in Canada.

It has been busy in the last 15 years at reducing its railway lines and passenger services. In 1961, the MacPherson Royal Commission made the following statement:

We do not recommend that assets and earnings of railway companies or businesses and investments other than railways be taken into account in setting freight rates.

Soon after that the MacPherson Commission reported, CP reorganized its structure and transferred all of its non-transportation assets to a new company, Canadian Pacific Investments Limited, of which CP retains substantial and controlling interest. The non-transportation interests of Canadian Pacific are carried on by CPI to various subsidiary companies. I should like to mention just a few of these to show how poor that railway company is. First of all, if we look at oil and gas, Pan Canadian Pacific Limited, CPI owns 87.1 per cent; if we look at mines and minerals - Cominco Limited, CPI owns 54 per cent; Fording Coal Limited, Can Pac Minerals, CPI owns 60 per cent, Cominco 40 per cent; forest products - Pacific Logging Company Limited, CPI owns 100 per cent; Great Lakes Paper Company, CPI owns 55.43 per cent; iron and steel - Algoma Steel Corporation Limited, CPI owns 50.56 per cent; then real estate - Marathon Realty Company, totally owned by the CP; hotel and food services, Canadian Pacific, totally owned again, 100 per cent; finance - Canadian Pacific Securities Limited, and Can Pac Leasing Limited, another 100 per cent; other Can Pac waste disposal systems, CPI 100 per cent.

In the CP annual report for the year ending 1974 CPI shows a net income of \$185.5 million, of which \$35.5 million was reported from CP Rail and \$114.2 million from Canadian Pacific Investments. The remainder comes from their trucks, telecommunications, air, ships and miscellaneous. They are not too poor after all.

The railways claim that their situation is complicated by the existence of the Crow's Nest rates and that rail transportation of grain at these historic rates results in heavy losses.

Mr. Speaker, if it is their desire to scrape the Crow's Nest rates, then they should be prepared to return the concessions granted to them that I have just mentioned, as well as the resource empire that has flourished because of these concessions, and not to try to put the costs on the primary producers

of food in this country. We've paid the shot already and are continuing to pay on freight rates on other commodities.

Western Canadian grain exports, almost half of which originate in this province have been an extremely important factor in Canada's overall economic position. They are one of Canada's major earners of foreign exchange. If railways were allowed freedom in setting rates farmers could be forced to abandon the use of the branch lines. American grain rates for movements over comparable distance illustrate that the level of rates could easily increase from four to six times the statutory level.

Increases of something like 90 per cent in livestock freight rates during the past year haven't resulted in improved rail services. If anything, it's worse than ever. Think what would happen if the freight rates for grain were set free in this country.

The proposals to replace our country elevator system with 40 to 50 inland terminals and suggestions of tampering with the Crow's Nest rates have all been subjects raised, not by producers, but by the Federal Liberals, with the co-operation and acceptance of those Members opposite, the open market people and large grain exporters who have been allowed and encouraged to come into the grain business on the prairies.

If the Crow's Nest rates are changed to allow railways to give cheaper rates at certain delivery points, how long will our farmers have any choice about where they haul their grain? Farmers will be forced to haul to the lowest cost delivery point, as the high cost delivery point becomes progressively more expensive, until there is finally no choice but for farmers to deliver to points more convenient for the railroads. This Government, along with the Wheat Pool, The Farmers Union, are unilaterally opposed to any tampering with Crow's Nest rates.

Mr. Speaker, there is no doubt the present rail system for handling grain requires improvement. The railway network was built in the day of undisciplined competition with little regard for duplication or efficiency. The most severe problem with the railways is that they have too few cars, lines are in a state of disrepair due to no fault but their own, and they are plagued by inefficient car loading service at the West Coast.

The railways blame their inefficiency on the high cost of maintaining their many branch lines. They ignore, however, the high economic and social costs to our smaller communities in abandoning those branch lines. I want to list a few impacts of rail line abandonment and the closure of elevators that would be felt in the rural communities in our province.

- (i) Loss of two or three jobs and the attendant families, anywhere from 6 to 10 people;
- (ii) The taxes now collected from railway rights-of-way and elevators probably comprise anywhere from 10 per cent to 35 per cent of the communities' revenue and this will be lost;
- (iii) There will be an undetermined loss of business because the purchases that have gone with or accompanies the grain truck will go to a new centre;

(iv) There would be a loss in post office revenues and in credit union or bank business due to the disappearance of the elevators, and some farm business will also be transferred from those institutions to a new centre as well;

(v) A serious blow to the morale of the community would result.

Nearly all our small communities have invested in improvements such as oiled streets, water and sewer systems. Many of these centres as well have important investments and facilities in churches, skating and curling rinks, recreation grounds and community halls. They are a vital part of the rural scene and the foundation of rural social life in the province.

It seems reasonable to suppose that in the case of many of them, especially those already struggling for existence, the above effects, plus the impact that the removal of the railways and elevators would have on general morale, could mean their early disappearance.

The cost to the Provincial Government and municipalities for upkeep and maintenance of the roads will be enormous. The damage that the large grain trucks carrying 800 to 900 bushels of grain can do to roads was demonstrated back in 1974 when elevators were emptied at Yellow Creek, Saskatchewan. In this movement approximately 90,000 bushels was moved in 109 truckloads over 13 miles of oil surfaced roads. The additional maintenance required on these 13 miles of road which was used by the trucks was \$27,231 or \$2,072 a mile. This cost would be much higher today because of the rapidly rising costs of road building and maintenance.

Mr. Speaker, no review of the grain handling and transportation system would be complete without including the Statutory Grain Rates.

For the farmer, branch line abandonment means longer hauls to delivery points, larger trucks and for the province it means higher road costs to accommodate the increasing traffic and heavy loads. For towns it will mean the loss of tax assessments as elevators are closed and higher taxes to make up the difference. The loss of elevators in many of these communities will mean their disappearance.

Mr. Speaker, in closing I want to say that some of the elevator companies and the Hon. Otto Lang are now offering incentives to farmers to haul to larger points. I speak of incentives in the way of better grades at certain points, less dockage and variable freight rates. This is creating a real hardship on the local elevator agents and causing confusion to farmers and mistrust in our Canadian Wheat Board and the orderly marketing system.

As long as this procedure is allowed to continue our smaller community elevators will soon disappear from the horizon.

Mr. Speaker, before we condemn the grain handling system that has never failed this country we need to upgrade the prairie rail network which has failed.

Some Hon. Members: — Hear, hear!

Mr. Banda: — Mr. Speaker, I think this is one of the most important resolutions that has come before the House and will certain be supporting the motion.

Mr. A.N. McMillan: — Mr. Speaker, I don't know how many times I have heard this speech in the past two years, and I may in fact be able to learn from it. I should like to review some of the points made by the Member who has just finished speaking and one of those points I should like to make, and before I make my remarks, I should like to preface them by saying that people on this side have said as many times perhaps as you have lashed out at the CPR, we have pointed out how at the same time we firmly support the Wheat Pool and the co-operative movement in principle. We need not say that any more, I don't feel. But let me tell you one thing, no organization be it co-operative in principle or private in principle is perfect. And if the Government opposite is developing its chain of information or command on a format set by the Wheat Pool in the past two years, believe me it is no wonder that you don't know what is going on in this province as far as potash is concerned.

The Wheat Pool system of delegates and general member information leaves a lot to be desired and I will use two specific examples.

One of them, the purchase of the Federal grain elevators. I should like to know how many delegates, or for that matter, members of the Wheat Pool knew that that purchase was taking place, a multimillion dollar deal. No consultation involved at all. As well, I should like to know how many pool members, in fact, delegates knew the 400 point map that was put out by the Wheat Pool before it was in fact printed and published and given to the delegates by the directors. Those decisions had been made without input from general Pool members and without input from delegates themselves.

As well, it is interesting to note that the Member ended his comments by saying that no study into grain handling and transportation would be complete without a review of the Crow's Nest rates and that is in effect exactly what you said. I find that an interesting change of position from the Members opposite a year or a year and a half ago, on the question of Crow's Nest rates when it first came up. They stood up and said, time and time again, we don't even want to look at it. Leave it the way it is. We don't want to review it, we don't want anybody to look at it. It is an interesting change of position.

The resolution itself for the most part deals with situations that are already being looked after. I refer to subsection (1) of the resolution:

. . . that no railway lines be abandoned without full consideration of all economic and social costs involved;

And if that doesn't in a nutshell explain why the Hall Commission was set up in the first place, I don't know what does. I suggest to you because of action taken on the federal level the implications of rail line abandonment, economic and social implications are being looked at and by a competent commission that is

carrying out its objectives in a competent manner.

Some Hon. Members: — Hear, hear!

Mr. McMillan: — The second subtitle says:

That the federal government be required to maintain the statutory Crow's Nest rates for grain movements, in return for which the railways have been granted substantial concessions.

I don't know how many times Members opposite have to be told that until farmers in this province want to see the Crow's Nest rates changed it will remain in force as it is today.

Some Hon. Members: — Hear, hear!

Mr. McMillan: — Now, subtitle No. 3 is a little more interesting. It states:

. . . that immediate steps be taken to compel the railway companies, either separately or through their joint efforts to provide efficient rail service to Saskatchewan communities without unreasonable delays.

And I don't say that Members on this side of the House disagree with that but keep in mind that that statement is based on an interesting principle, and that is that under some circumstances you are suggesting that an organization or a company be forced, despite the fact that it is losing money, to supply a service to people. I don't say necessarily that that is wrong but I want to draw you an analogy that is exactly the same in principle and if it applies to come corporate individual it can very well apply to individuals of any kind in Saskatchewan. This request is no different than if this Provincial Government went to a farmer who had a two-section farm, one-quarter section of that farm was poor land, hard to maintain and in fact we will suppose that that farmer took a loss on that quarter every year he seeded it and that is not an unusual situation. That is no different than this Government going to that farmer and saying, we are going to compel you to keep seeding that quarter section despite the fact that your average yield has only been eight bushels to the acre over the past 20 years and we realize you lose money on it. Hungry people in Saskatchewan need that food, they need that service and for that reason we are going to compel you to keep farming that. The farmer says, but I lose money on it. And you say, well that doesn't matter because you made money on the rest of your farm. Now that is the same principle involved that you are asking for here. There are some circumstances I am sure under which the shortcomings of a principle like that might be warranted. I would be hesitant to say that this situation would exist in the case of the railway companies and it certainly wouldn't exist in the case of a small farmer.

Now, you say the reason we can do this, you say, well they may be losing money, but the reason they should be compelled is because they have made money on other aspects of their operation, and because the land they got with their original grants of land, they got for nothing. Well, I would suggest to you that there are many farmers in this province who got their land at 62.5 cents an acre under the Homesteading Rights and there were incentives put in there to get people to come out here and develop the West, the same as there were incentives put in to have people come out

and provide transportation. Are you suggesting now that you are going to go back to these farmers and suggest to them that because they got their land for 60 cents an acre in the first place they should be compelled to farm it even if they have to farm it at a loss? The principle is the same.

Some Hon. Members: — Hear, hear!

Mr. McMillan: — Consider this in an objective light rather than in your subjective political interests. It is the same as getting up and saying that Members on this side of the House have tacitly condoned removal of the Crow's Nest rates which is in fact what you just said. And if you had been in this House, which I suggest you have been for a considerable length of time, and if you had been listening you would know that that is not the truth. And each time you continue to get up and make that statement you are a hypocrite.

Some Hon. Members: — Hear, hear!

Mr. McMillan: — I am sure Members on this side of the Legislature have more to say about this resolution and some of the implications called for in it and for that reason, Mr. Speaker, I should like to beg leave to adjourn debate.

Some Hon. Members: — Hear, hear!

Debate adjourned.

RESOLUTION NO. 7 - RE-EXAMINE THE DEPARTMENT OF NORTHERN SASKATCHEWAN

The Assembly resumed the adjourned debate on the proposed resolution by Mr. Anderson:

That this Assembly urges the Government of Saskatchewan to immediately re-examine the priorities, goals, methods and personnel of the Department of Northern Saskatchewan.

And the proposed amendment thereto by Mr. Thompson:

That all the words after the word "Assembly" be deleted and the following substituted therefore:

commends the Government of Saskatchewan for implementing a major development program in Northern Saskatchewan that has to date resulted in -

(1)(i) unprecedented growth and quality of housing for northern residents; (ii) the first officially elected Northern Municipal Council and Northern School Board; (iii) the first community based medical and dental clinics with increased services across the North; (iv) the first northern based child care program with northern community based care facilities; (v) the first northern magistrates, legal aid and community corrections program; (vi) the first northern based comprehensive alcohol rehabilitation program; (vii) the first comprehensive, northern based recreation program with locally elected recreation boards; (viii) unparalleled opportunities for northern employment; therefore reducing social

assistance recipients and payments 49 per cent and 42 per cent respectively (January 1973 - December 1974); (ix) extensive upgrading of northern educational facilities and services; (x) the establishment of a government department with operations and staff located in Northern Saskatchewan.

(2) This government regrets the continuing unwarranted attack by the Liberal and Conservative opposition against northern people, northern programs, and the personnel of the Department of Northern Saskatchewan.

Mr. R.E. Nelson (Assiniboia-Gravelbourg): — Mr. Speaker, I should like to rise in support of this resolution to re-examine the priorities, goals and methods of the Department of Northern Saskatchewan. Some time ago, Mr. Speaker, I introduced a resolution to examine the tourist fishing camps in the North and I might say when I was finished the Premier rose to the occasion and tried to shed some doubt on the facts I gave and he said he could do nothing about letting these people into our province and there was very little the Government could do.

I was pleased that the Attorney General gave me some co-operation and I was invited to meet with some people in the Attorney General's office. The facts I gave in my resolution proved out to be very truthful and have been confirmed by the RCMP. The total gross take . . .

Mr. Romanow: — On a Point of Order. Mr. Speaker, I don't mean it in any aggressive way, but I wonder if the Hon. Member is speaking to the right motion, because the next motion is the one that you are referring to specifically on the inquiries on the tourist camps. We are dealing now with the one that is on page 3, item No. 3, Resolution 7, this is the priorities of the DNS and the like.

Mr. Anderson: — I think that you will find that it says this Assembly asks to urge the priorities, goals and methods and personnel of DNS. Certainly this that Mr. Nelson is speaking on is part of the methods and actions of the whole Department.

Mr. Speaker: — The Member is speaking I take it on the amendment only on Resolution 7.

Mr. Nelson: — Mr. Speaker, I am speaking on the resolution and the amendment, Item No. 3 on the proposed amendment No. 7 moved by Mr. Anderson.

Mr. Speaker: — The Member is in order to speak on the resolution.

Some Hon. Members: — Hear, hear!

Mr. Nelson: — Thank you very much, Mr. Speaker, and I can understand why the Attorney General would like to quiet down

some of the nonsense that has happened in northern Saskatchewan and it is understandable why he would try to get me sidetracked and off this resolution because I am sure when it comes to the other resolution we will hear the Hon. Member say, stand.

But back to speaking on the resolution, the facts on the Arctic tour situation which I brought to this Assembly have been proven. The gross take that was taken by this company that left this province . . .

Mr. McNeill: — Mr. Speaker, the Hon. Member is speaking on No. 9, a resolution which I adjourned and I don't think he has any business taking it up and start condemning the people in the North and he is speaking directly to that resolution when he speaks of Arctic lodges and the tourist outfitters in the North. He has no business doing that.

Mr. Speaker: — Now that I have it straightened out I would ask the Member to confine his remarks to Resolution No. 7 or the amendments that have been offered hereto and not discuss Resolution No. 26 which is on the Order Paper and may be discussed at a later time by Members.

Mr. Malone: — Mr. Speaker, on a Point of Order. These resolutions are very close in substance and I think that the speaker has to keep his remarks to Resolution No. 7. I am sure that he is going to do so and connect up the remarks that he made earlier. I think that you will agree that the resolutions are very similar and that Resolution No. 7 opens the door to talk about some of the things also covered by the other resolution.

Mr. Speaker: — It would appear to me that Resolution No. 7 is asking the Assembly to urge the Government of Saskatchewan to re-examine the priorities, with regard to goals, methods and personnel of the Department of Northern Saskatchewan. Whereas Resolution No. 26 is asking for an independent commission to inquire into the policies and operations of tourist fishing camps in northern Saskatchewan by non-Canadian companies. I would call the Member out of order if he attempts to tie the two resolutions together, because he has the full option to discuss Resolution No. 26 when it arises, if he has not already done so. He must confine his remarks at this time to priorities, goals, methods of the Department of Northern Saskatchewan.

Mr. Nelson: — Mr. Speaker, I will connect them alright on to the Department of Northern Saskatchewan. I think Reindeer Lake and Dewdney Island are in northern Saskatchewan. I think the Hon. gentleman for Meadow Lake (Mr. McNeill) has a problem as I think he has been confined too long in caucus and I think he has come out with cabin fever and every now and then he wants to get out and make a blurt.

A few of the items that I was mentioning certainly have to do with the operation of northern Saskatchewan, as I said, this lake and this island and this particular operation is in northern Saskatchewan. The licensing of this particular company or any other companies in northern Saskatchewan is done through the Northern Saskatchewan Department. Mr. Speaker, some time

ago I asked the Minister of Northern Saskatchewan (Mr. Bowerman) a question on whether or not this particular lease was given for 1976 in northern Saskatchewan and I think that comes under the operations of northern Saskatchewan and the methods and the priorities in northern Saskatchewan. I wasn't given an answer at that time and the Minister said he would get me an answer fairly quickly. It hasn't come and I am just wondering, Mr. Speaker, is there a possibility that there is some type of cover-up from this entire crew?

Some Hon. Members: — Hear, hear!

Mr. Nelson: — I was wondering if maybe the priorities in northern Saskatchewan . . .

Mr. Allen: — Mr. Speaker, on a Point of Order. I think it is clear from the Member's remarks that he is alluding to another debate that is currently in progress in the House and he is clearly out of order. He has mentioned a conversation that he has had across the House with the Minister of Northern Saskatchewan and that came about in another debate. He is clearly out of order, Mr. Speaker, and I would appreciate it if you called him to order.

Mr. Cameron: — Mr. Speaker, if I just may speak to that Point of Order.

Mr. Speaker will notice there is a second part to the amendment:

This Government regrets the continuing unwarranted attack by the Liberals and Conservative opposition against northern people, northern programs, and the personnel of the Department of Northern Saskatchewan.

Mr. Speaker, that subsection (2) of that amendment is surely wide enough to permit the Member who is now speaking, to talk about some of the points that he was making in respect to the Department of Northern Saskatchewan, which Members opposite say are unwarranted attacks on the people in the Department of Northern Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Cameron: — That is the point that he is now making, and what he has been saying about the Department of Northern Saskatchewan has not been an unwarranted attack on the people of the North. That is clearly within this resolution.

Mr. Speaker: — Order, order! I think the Member for Regina South is making a debate, rather than a Point of Order. I would advise the Member for Assiniboia-Gravelbourg (Mr. Nelson) that for him to attempt to relate Resolution No. 7 and the discussion of fishing camps in Resolution No. 26 in this debate by saying that it is in northern Saskatchewan I think is irrelevant. A lot of these resolutions have to do with different parts of Saskatchewan. If that is the criterion for allowing overlapping debate in resolutions, then we will have all kinds of overlaps

in debate and all kinds of confusion.

Mr. Nelson: — Mr. Speaker, could I speak on the Point of Order. The Members opposite have said that there was debate on the issuing of licences, the questions I asked of the Minister of Northern Saskatchewan on licensing, this was done in oral questions a month ago. Surely, does that limit us never to talk about that again? Is that breaking the rules of this House?

Mr. Speaker: — No, the Member may not. The Member should recognize that there is an order of priority here. Oral questions is very low on the order of priority. Resolutions are higher. Resolution No. 26 alludes specifically to tourist fishing camps in northern Saskatchewan. It is on the Order Paper, therefore any debate with regard to that should be done under Resolution No. 26. Any oral questions that are asked in the House, really carry no weight with me or with the House with regard to the debate. If you had asked oral questions with regard to the Department of Northern Saskatchewan and could be directly related to Resolution No. 7, you may talk about them here and allude to them. Under Resolution No. 26 you may allude to oral questions that were asked in the House with regard to fishing camps in northern Saskatchewan, that is fine with the House.

Mr. Nelson: — On the Point of Order, Mr. Speaker, are you telling me that under Resolution No. 7, item 3 that I cannot allude to the licensing of anything in northern Saskatchewan? It is definitely stated here, it is the methods, and surely licensing is a method or the thing used in the Department of Northern Saskatchewan. I just don't get the connection in speaking on the licensing of any particular thing and the other resolution, whatever number it is. They are not connected, this licensing and the other resolution aren't connected, why can I not speak of that under item 3, Resolution No. 7? Certainly there are many, many other items in the amendment that do allude to this type of thing.

Mr. Speaker: — I would say to the Member that I am not in any way attempting to prevent him from discussing anything that is put forward in a substantive way. The licensing of tourist fishing camps in northern Saskatchewan has been put forward in a substantive way - as a matter of fact you put it forward - and you have an opportunity to discuss it there. You have taken that opportunity. Therefore, under Resolution No. 7 the Member must not discuss the operation of tourist fishing camps and an independent commission in northern Saskatchewan. I am not preventing you from discussing or debating anything. I am just saying you have to do it in the proper place.

Mr. Nelson: — Thank you, Mr. Speaker, I will certainly abide by your decision. I should like to say that the people in northern Saskatchewan are very disappointed in their representation from their Member for that area . . .

Some Hon. Members: — Hear, hear!

Mr. Nelson: — I will say, Mr. Speaker, that I have spoken to many of these people and the Member for Athabasca (Mr. McNeill) who proposed this amendment certainly was not representing many of the people in his area. He left and did nothing about many particular problems in that area. Some particular people in a particular area have been left on welfare because they have cheques that are NSF and could not be cashed. There are some \$40,000 worth of wages not paid in an area and there are people who have had to resort to welfare. They feel they have been discriminated against by their Member. I feel that the Members opposite have been covering up very much.

I think there is something in northern Saskatchewan in particular in the Reindeer Lake, Mr. Speaker, that smells. I think a lot of the smell has rubbed off on many of the Members opposite.

Some Hon. Members: — Hear, hear!

Mr. Nelson: — I have an idea that cabin fever McNeill may be up and have a few words to say. I will support the resolution, but not the amendment.

Mr. B. Allen (Regina Rosemont): — I did want to say a few words on the resolution, Mr. Speaker, and relate a couple of personal things that have happened to me over the last two or three years in connection with northern Saskatchewan and in connection with some of the people whom I have come to meet and to know in northern Saskatchewan.

I relate an instance to the Members opposite about two or three months before the June 11 election. I was in Buffalo Narrows with a number of people who were working on our candidate's campaign. There was a particular person whom I talked to and I was very interested in the remarks that he made. He was an older gentleman, he had supported the Liberal Party probably 30 or 40 years previous. He voted for Hal Coupland in 1971. If you voted for Hal Coupland in 1971 you really supported the Liberal Party. I spoke to this gentleman. He said in 1971 I voted for the Liberals and now I am working for Fred Thompson. I say, why are you doing that? He said, Mr. Speaker, "Well I looked at your program in 1971 in northern Saskatchewan and I thought you were lying to me. I didn't believe that you would actually do the things you said in your program." He said, "You did it, you made promises in 1971 and you kept those promises. You said that you would build houses in La Loche and you built houses in La Loche." He said, "There were two communities in northern Saskatchewan in particular, La Loche and Pine House, where the former government said not one more house will ever be built in those communities, those are dead communities, we'll do away with those communities. We'll take those people from northern Saskatchewan, from the community of La Loche, from the community of Pine House, we'll stick them in the centre of Regina, where they have no services, where they don't know how to relate." Many of the problems that we are experiencing today in the city of Regina fall on the heads of the Members opposite.

Some Hon. Members: — Hear, hear!

Mr. Allen: — Driving people away from their traditional way of life, Mr. Speaker, driving them out of the North. I was irked, Mr. Speaker, by the comments of the Member for Assiniboia-Gravelbourg (Mr. Nelson) when he said that people in northern Saskatchewan were disappointed in the representation they were getting. I recall earlier one Member over there mentioned a gerrymander in northern Saskatchewan. I tell the Members opposite that you couldn't cut the map in northern Saskatchewan to elect a Liberal Member. There is no possible way, not even the Member for Indian Head-Wolseley (Mr. MacDonald) and the Member for Prince Albert-Duck Lake (Mr. Steuart) could cut the map to elect a Liberal in the North.

Some Hon. Members: — Hear, hear!

Mr. Allen: — What are they suggesting when they say gerrymander? What they are suggesting is because there are two New Democrats elected in the North, we should do away with one of those northern seats, so that there is only one. I am sure the Member for Cumberland (Mr. MacAuley) and the Member for Athabasca (Mr. Thompson) will be relating to the people in the North the wishes of the Liberal Party to do away with half of their representation.

Some Hon. Members: — Hear, hear!

Mr. Allen: — Another thing that irked me a little bit, Mr. Speaker, was the personal remarks that he made about the Member for Athabasca. Many of us know that the Member for Athabasca is a bit of a combative fellow, fights for the things he believes in, fights for the people in the North. I spent time with the Member for Athabasca, Mr. Speaker, I can recall going through Pine House, talking to the people in Pine House, it was as if their long lost brother had arrived in Pine House. Besides, he was a brother. He was related to half the people in Pine House, I don't think his relatives have turned against him yet. I think the Member for Athabasca is doing an excellent job in the North representing those people.

Some Hon. Members: — Hear, hear!

Mr. Allen: — We have all heard him in the House bringing their concerns, concerns of the people in the North that I have never witnessed in my lifetime from any Member in the North, because in my lifetime all we have had is the Hon. Member who used to sit for Athabasca and he never talked about the North that I can recall. Never once. He was never up there from four years to four years. Mr. Speaker, in the last four years I spent more time in northern Saskatchewan than the Member who represented it.

Some Hon. Members: — Hear, hear!

Mr. Koskie: — You did a tremendous job.

Mr. Allen: — I did a tremendous job. I think that it would be an exaggeration for me to say that all the problems in the North have been solved, that all the houses have been built and there

is no problem, that the employment problems in the North have all been solved. I don't think they have. I think we have a long way to go. I think we have 100 years of history to try and make up. I don't in any way put the blame on the Liberal Party in particular, or put the blame on the old CCF in particular, I don't. I think that we have problems up there that need to be solved, and by people working together to try and find those solutions. The people of the North have clearly said, we know that the Department of Northern Saskatchewan, what this Government is trying to do in the North, we support that. That's what they said.

They will say we have a little problem here, we have a little problem there. I have talked to many people up there as I am sure Members opposite have. The biggest problem the Hon. Member for Biggar (Mr. Cowley) says, is the Hon. Member for Assiniboia (Mr. Nelson). That may be true. I won't say that, because I am a reasonable fellow. I am not partisan in that sense. I would say that you would be hard-pressed to find a person in northern Saskatchewan who would say, do away with this program.

Mr. Steuart: — They are living on it.

Mr. Allen: — Even the people who aren't living on it, that is the majority of people in the North so far. Are they living on it, Mr. Leader of the Opposition, because we provided employment there in the forest industry and the people are working building houses. The children were getting diphtheria in the communities of Buffalo Narrows and other places because they didn't have an assured water supply with water all over the place, that was clean. They are putting in a water system in that town. They are improving their communities. I beg leave to adjourn debate.

Debate adjourned.

RESOLUTION NO. 21 - TO AMEND THE AUTOMOBILE INSURANCE ACT

The Assembly resumed the adjourned debate on the proposed motion of Mr. S.J. Cameron (Regina South):

That this Assembly urges the Government of Saskatchewan to amend The Automobile Insurance Act to:

(a) end the present discriminatory practice of providing disability benefits for a maximum period of 104 weeks for all except housewives who are limited to 12 weeks; and to (b) provide weekly disability benefits at least the equivalent of the Saskatchewan minimum wage.

Hon. E.C. Whelan (Minister of Mineral Resources): — Mr. Speaker, the Hon. Member for Regina South moved an amendment regarding The Automobile Insurance Act and his resolution that he presented, I quote:

(a) end the present discriminatory practice of providing disability benefits for a maximum period of 104 weeks for all except housewives who are limited to 12 weeks; and to (b) provide weekly disability benefits at least the equivalent of the Saskatchewan minimum

wage.

Mr. Speaker, I have a comment to make on this resolution that should serve to enlighten the Members opposite. Not too many Members are left of that Liberal Party of the old days, when they sat on that side of the House, only two if my memory serves me correctly, so it might be enlightening to the Members, the newcomers on the opposite side of the House to remind them that during their tenure as the Government in this House no improvements to The Automobile Accident Insurance Act were made.

When this Government regained power in 1971 we discovered, Mr. Speaker, the area of automobile accident insurance was in an awful state of neglect. Nothing positive had been done during the Liberal term of office. The Liberals deliberately ignored the need for improvements, have refused to listen to well-placed and well-planned suggestions. Mr. Speaker, they had swept The Automobile Accident Insurance Act under the carpet for seven years, hoping to leave it in such a state that it would be impossible to catch up with the times and trends of the day.

Mr. Speaker, let me outline their sins of omission. First of all they initiated a freeze on the employees - a freeze that lasted for more than a year. Second, they took another blow at the Crown corporation's morale by dismissing a number of senior officials in the SGIO organization for alleged political activity, a charge that was quite unjustified, and an action that created a serious atmosphere of uneasiness as everyone wondered who might be next. Mr. Speaker, people were afraid every time they answered their telephone because they thought it might be one of their hatchet men calling.

Suddenly it was considered a crime, Mr. Speaker, to have held a membership in a political party, or to have subscribed to a party newspaper other than that of the Liberal Government. They took another axe to the staff newsletter and the Agent's Bulletin. The Liberals said they were saving money, and this cut was made for the sake of economizing. But, Mr. Speaker, we have to agree I am sure that the essential part of any business is maintaining good communication between management, staff and the sales agents. The chief objective of the Liberals in killing the staff newsletter was to knock staff morale even lower.

And, then, for quite a time, Mr. Speaker, the people at SGIO felt they were on tenterhooks. The staff and management were aware that the Premier of the day was trying to make arrangements with the private firms to sell SGIO off, and if not for the strenuous objections of the Opposition he would have done so, Mr. Speaker. He would have completely demolished something that the people in this province had worked so very hard to build.

Mr. Speaker, while SGIO was on the block, so to speak, the whole period was one of intense uneasiness for the whole staff. Their security was in jeopardy, their years of service subject to an abrupt conclusion.

During the seven years the Liberals held a reign of terror over SGIO, they raised automobile insurance premiums

three times. Three times they raised the rates, but failed to adjust the benefits accordingly. During the seven bad Liberal years very few changes were made in the insurance policies to keep up with changes that other competitors in the insurance field made to their own policies. Mr. Speaker, the Liberals put a freeze on progress. Instead of continuing new ideas, instead of continuing the kind of ideas that attracted customers to SGIO, they just ignored progress completely.

Mr. Speaker, we managed to salvage Government insurance in this province. This Government acted with improvements that raised the standards of AAIA and kept it healthy and vigorous for the people of Saskatchewan. And since we've taken power, since 1971, we have been constantly vigilant for the kinds of changes that have been needed. We have not ignored the needs of the people of Saskatchewan as the Liberals had done. They made no changes whatsoever. Mr. Speaker, I will show how this Government, instead, did make improvements to AAIA since 1972.

This might not have been necessary if the mover and seconder of Resolution 21 had done their homework, but since they have not I will outline the improvements that were made to The Automobile Accident Insurance Act in 1972 and again in 1973, and I shall speak of the kinds of improvements that are yet to come. Mr. Speaker, the improvements that the Liberals would never dream of making because this would jeopardize their so-called free enterprise philosophy.

Just to set this record straight, the Hon. Member for Regina South (Mr. Cameron) may not be aware that in 1972 the Act was changed to significantly broaden the definition of "housewife". It used to be that a housewife meant only a married woman, or a widow who managed, maintained and controlled an independent domestic establishment, and who did not either engage in a regular occupation for wages or profit, or who did not report regularly to a place of employment apart from her residence. Mr. Speaker, that is no longer the case. As it stands now any woman, whether she is presently married, whether she is a widow, whether she is a single woman, may qualify as a housewife. The definition of "housewife", therefore, is no longer as restrictive in its application as it once was. And this area is now under study, as indeed are all other areas of the Act.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — It occurs to me, as I listen to the Members' opposite pretence to concern for the status of women that perhaps they could have done something during their "reign of power" to correct what they now call "discriminatory". And why is it that they didn't espouse the rights of women at that particular time? Mr. Speaker, they had seven years to do something about it, seven long terrible years and they did nothing about it.

Mr. Speaker, this Government is concerned about the manner in which women have been treated in our society, about how they have been ignored in the past, their problems glossed over, their opinions unrequested, and when given anyway, belittled and laughed at. We have placed two women, Mr. Speaker, very able women on the Board of Directors of SGIO. One of

them a Regina homemaker, the other one a rural homemaker, both of whom have highly competent leadership qualifications. These two women were named to the Board of Directors in September of 1975 and, Mr. Speaker, this is an historical date because before that date no other women ever served on the Board of Directors of SGIO.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — One might ask, why? If the Liberals were so concerned about the status of women, why did they not see fit to appoint a woman to the board? Are they genuinely concerned, or is it just pretence? Mr. Speaker, just what have they done to prove their words are more than just verbalizing? What visible evidence have we of their so-called concern? What action introduced during their days of power and glory, what actions of theirs ever did a thing to promote the cause of women?

Point (b) of Resolution 21 indicates that the Opposition feels that AAIA has fallen behind in the payable amount of weekly disability benefits. Well, Mr. Speaker, if there is a lapse, it is not near the lapse that occurred while the Liberals were in power. Just give me a chance to tell you, it's a disgraceful performance, unbelievably bad. It's so bad that I hate to think that I had to sit in the Opposition while it was happening. They didn't do a thing to see that the benefits kept up with the needs of the people.

We did, Mr. Speaker, this Government stepped in in 1972 and set about trying to repair the damage caused by the Liberal neglect. It's taken time, in fact, that set-back, the set-back of the Liberal administration is still being correct. But, Mr. Speaker, let me point out to the Members opposite, let me remind them what this Government has done so far.

The payment for total permanent disability was increased from \$4,000 to \$10,000. A miserable \$4,000 during the time that they were in power. Mr. Speaker, that action more than doubled the permanent disability payment that used to be in existence. And that action was proof that this Government recognized the serious inadequacy, \$4,000 was just not enough. We didn't stop there, Mr. Speaker. Amounts payable for other various kinds of partial disability also increased.

This Government also realized that \$25 a week (the Liberal rate) in indemnity payments was inadequate. A substantial increase was desirable, and as a result, weekly indemnity payments were boosted from \$25 a week for total disability to \$60 a week. Over 140 per cent increase. These people who were going at \$25 a week, now come here with their resolution; they had seven long years to correct their inadequacy and they completely ignored the plight of these people.

Mr. Speaker, we didn't stop there. We also removed the 104 week limitation. It used to be that the longest a person could receive indemnity payments was for 104 weeks. Experience showed this Government that 104 weeks was too restrictive and that in all fairness, if there was permanent incapacity, we had to provide considerable more latitude to provide the kind of coverage that was needed.

Mr. Speaker, we also doubled supplemental allowances, and we increased payments to dependents in cases where the insured died as a result of an accident. The payment to a primary dependent was raised from \$5,000 to \$7,500. Payment to a secondary dependent was raised by 50 per cent to \$1,500. And aggregate limits were raised from \$10,000 to \$15,000. Once again, this Government, along with SGIO, realized that the benefit limits had to be raised. Mr. Speaker, we acted in accordance with the needs of the people of Saskatchewan in 1972, needs that had been ignored during the Liberal seven years. Imagine, people come here and tell us when they ignored the plight of these people for seven years during their regime.

Mr. Speaker, we didn't stop making improvements. And we won't stop making improvements. This Government will keep in step with the needs of the people of this province. In fact, we will devote our efforts to being leaders in the field of insurance. Mr. Speaker, a reputation that SGIO already has. I realize that we must continue to make improvements, make recommendations, to act positively. And in that direction we are studying the possibility of introducing a comprehensive, no-fault compensation insurance plan that will benefit all Saskatchewan citizens.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — We're not alone in our consideration of no-fault insurance. Several other insurance companies have already made these changes. Others are strongly recommending no-fault insurance. Why? Because a new consciousness is developing one that treats the individual more fairly than ever before.

Mr. Mostoway: — The Liberals didn't qualify because they are always at fault.

Mr. Whelan: — That's always evident, the Hon. Member is right. That's always evident.

Mr. Speaker, the fault system . . . (inaudible) . . . I just want to make sure that you get this information, you have it on the record, and it's there for your perusal, and that you won't be making foolish resolutions again, over and over and over in the House.

The fault system of insurance lacks fairness because the underlying philosophy of this system is that whenever misfortune strikes and losses occur, the person responsible, the person whose fault it was, should pay for it. But with the introduction of liability insurance the fault system could no longer be upheld. There are weaknesses, injustices, delay and these weakness, injustices and delays and inefficiency are evident. It is something that people have talked about for many years, and nothing has been done about it. Because most actions had to be settled through the bargaining process and often through the courts, the claimant couldn't

even predict the results. What's more, often factors, Mr. Speaker, other than the question of negligence played a big role in the final outcome of the matter. Hardly a way for anyone to be treated, especially someone who has suffered losses or disability.

What's more, Mr. Speaker, because of the procedures involved in the fault system, it is cumbersome, inefficient to operate and excessively costly. Think of legal costs, both on the part of the claimant and the person who is reputedly at fault. And think of the cost of putting insurance cases through the courts, of fighting these cases through the courts and the time which could be more valuably spent in other areas. The courts are over-burdened and we the citizens of this province are paying for it.

The fault system can be very unfair. As the system now stands, a person has to find someone to blame, has to be lucky enough to put the blame on someone before he can be compensated for his losses or his injuries. This means that only a tiny group of people receive proper compensation, the rest receive inadequate or no compensation.

Think about that for a moment and you'll think that it's just not right, just not logical, just not humane, that we have to blame someone before our losses can be covered.

Of course, there are other inadequacies in the present system. For example, in recent years, "pain and suffering" awards have been proportionately much higher for less serious injuries than it has been for the seriously injured victim. As it stands, the fault system over-compensates the slightly injured and under-compensates the seriously injured.

Mr. Speaker, I think it can be safely said that the fault system has not stopped people from driving unsafely and that the fault system is not conducive to good, effective rehabilitation of the victims of accidents.

The time for change is near, Mr. Speaker, and I suggest that these changes will have the Opposition shivering in its boots for two reasons - because it strengthens the philosophy of government insurance, and secondly, out of their disappointment, because they can stand there being critical when they did nothing during their term of office.

Mr. Speaker, in 1946 we made the initial move away from fault liability and Saskatchewan was the first jurisdiction to move into the area of limited, no-fault compensation in the automobile accident field in that year.

Mr. Merchant: — On a Point of Order, Mr. Speaker, none of these things are relevant to the question that is before the House. The question that is before the House is a very simple amendment and what the Minister is doing, as usual, as is the habit of that Minister, is to create a smoke screen. There is no argument about the fault system.

Mr. Speaker: — Order! I think that the Member who is debating the issue now has to relate to disability benefits for housewives. I expect he is going to be tying whatever he is saying into that.

Mr. Whelan: — The people who are probably most opposed to no-fault insurance are the legal fraternity and I am not surprised that the Hon. Member for Wascana is on his feet. But the no-fault insurance will bring disability benefits to women on an equal basis and that is the point I intend to make and he is well aware of the fact that I am going to make that point, that is why he is on his feet making such a racket.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — Mr. Speaker, when he talks about people who make long speeches, he can't ask a question without spending three days at it and getting away off the mark. He has been doing that since the day he arrived in the House. Everyone knows this.

Today in 1976 we are considering as a group that Saskatchewan should adopt exclusive no-fault compensation which would certainly benefit the women in this society and entirely do away with the fault principle so that persons receiving injuries and physical damage in motor vehicle accidents in Saskatchewan will not have to find someone whom they can blame. No-fault insurance will provide a more harmonious way of dealing with any claimant regardless of one's sex in dealing with misfortune than the adversary tactics of the fault system. It will also end the embarrassing position an insurance adjuster may find himself in - having first of all to look after the needs of his client, and at the same time - because of the adversary tactics of the fault system - having to work against his client, as an administrator of that system.

Mr. Speaker, it's obvious that this Government has done more in the area of insurance, more for the people of Saskatchewan and more for the concerns of women than the Liberals have ever done.

We are not going to stop there; we are going to propose even better changes in the coming months in The Automobile Accident Insurance Act. Changes that the Liberals wouldn't have the courage to make because they might offend their friends in the private insurance industry. They would be like their friend has done in British Columbia, repay their insurance friends for support in the election campaign and repay the people who voted for him by increasing the premiums for automobile insurance by 150 per cent.

Mr. Speaker, do you know what Bennett and his buddies told the people of British Columbia after they raised the rates by an exorbitant 150 per cent? You know this Minister is really a warmed-over Liberals, they mocked them and said if the people couldn't afford the insurance they should sell their cars, Mr. Speaker. Just like that, that's gratitude for you. That's the kind of gratitude they have for the people who voted for them. It's been said, Mr. Speaker, that the new government of British Columbia is the only government in Canada that is made up of more used car dealers than university graduates. Well, are they ever going to get a thriving business now, as the people of British Columbia are forced to sell their cars.

Mr. Speaker, this Government will not let that happen in Saskatchewan. Our Government is going to preserve and improve

upon insurance that has been serving the needs of the people of this province for over 30 years. Therefore, I propose an amendment to Resolution 21, seconded by the Hon. Mr. Bowerman.

That the Motion be amended by striking out all the words after the word 'Assembly' and substituting therefore: commends the Government of Saskatchewan for amending The Automobile Accident Insurance Act to make major improvements in the Act in 1972 and 1973 including such features as: (1) Any woman, whether she is presently married, a widow or a single woman, may qualify as a housewife. (2) A payment of \$10,000 will be paid to a total permanent disability instead of \$4,000. (3) Weekly indemnity payments were boosted from \$25 a week for a total disability to \$60 a week. (4) The maximum period of 104 consecutive weeks for which weekly indemnity may be paid was changed so that this limitation was removed if there is permanent incapacity. (5) The upper limit of \$2,000 applicable to supplementary allowance for special care payments was increased to \$4,000. (6) Payments to primary and secondary dependents when an insured dies as a result of an accident were increased (a) from \$5,000 to \$7,500 to a primary dependent; (b) from \$1,000 to \$1,500 to a secondary dependent and (c) from \$10,000 to \$15,000 aggregate limits. And further commends the Saskatchewan Government Insurance Office for initiating a study into a comprehensive no-fault compensation insurance plan to benefit Saskatchewan citizens.

Mr. Merchant: — Mr. Speaker, I wonder if it might be possible to read the amendment again. I don't, in my own mind, think that it is in order and before Your Honour makes a decision in that regard, I wonder if I might address myself as to whether the amendment is in order. It might be possible to read the amendment again before I address you on it.

Mr. Speaker: — I will read the amendment as offered by the Member for Regina North West (Mr. Whelan) to Resolution No. 21, and then ask the Member for Wascana to then state his Point of Order on it.

Mr. E.F.A. Merchant (Regina Wascana): — Mr. Speaker, first let me deal with what I consider to be with all due respect almost an irrefutable argument. The reference to the no-fault plan. I suggest to you, Mr. Speaker, we couldn't have a situation where we were discussing social welfare, for instance, let's move to that department. Suppose we were discussing Level III care under the Department of Social Services, there is such a resolution before you and it came up on Friday, and the Minister had got up and said I move we amend that by deleting everything that has to do with Level III care and instead congratulate the Government on increasing the supplementary benefits to deserted wives recipients? Now that is really what this no-fault reference does. On the no-fault reference what it means is that you have taken a very different area out of the same Act and out of the same operation of the Government Insurance Office but you can't ignore a specific area and cover it with another.

The weaker argument but similar is that what has happened here is the Minister hasn't addressed himself to this resolution, you could negate the resolution, you could for instance address yourself to that area that is raised by my colleague from Regina South (Mr. Cameron) and then say they are wrong or, for instance, say The Automobile Accident Insurance Act does look after women properly or something to that effect. But you can't just go off into left field and recite all the things that you allege women have received from SGIO at one time or another under some provision. It just doesn't address itself in either one of the two sections to the question that is before the House.

Mr. Whelan: — If all Members of the House will refer back to Resolution No. 7 to which a very similar amendment was accepted by the House. And also if you look very carefully at Resolution No. 21 and begin by reading what the resolution is asking for:

That this Assembly urges the Government of Saskatchewan to amend The Automobile Accident Insurance Act.

And, Mr. Speaker, that is precisely what I was talking about all during my discussion, not only in amending it but the studies that would lead eventually to an amendment. It was entirely, completely, absolutely in order and I suggest that my argument is irrefutable. It is absolutely and completely in order.

Mr. Speaker: — It appears to me that the amendment that has been offered by the Member for Regina North West covers the subject matter that is contained in the Resolution 21 and in fact broadens the application by the suggestion that the AAIA be amended, making it broader than had originally been anticipated when the Member for Regina South moved it. From that point of view I would say that it does contain the subject matter of the original mover and in fact expands it and offers more to the Assembly. The broadening of it is bound to mention some items that are not necessarily covered in the original motion and that is not unusual for an amendment that has been offered to be broader than the original resolution. I would, therefore, declare that the amendment to Resolution 21 is in order and debate proceeds concurrently.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — I don't think I want to reopen or enter into the newer than new argument, but I must say that as a new Member I find it amazing that Minister after Minister gets up when a positive suggestion is made and doesn't say that he doesn't accept the suggest or that there is something wrong with the suggestion, but instead they say you rotten Liberals were worse when you were in power. And that seems to be the answer, and that is the answer of the Minister. The answer of the Minister was to say two wrongs make a right. Whether he is right that there was a wrong before or not, that's what he said over and over and over again, looking back more than ten years to a different time and a different approach and different approach to housewives and a different approach to homemakers, women and the way that they should be treated by our law. He then, Mr. Speaker, went on at great length to talk about things like no-fault insurance and other matters that they believe are of consequence and indeed over an issue like no-fault insurance, I agree. I happen to be

one of the believers in the no-fault concept although there are a number of problems in dealing with no-fault as the Minister and the Cabinet well knows.

I must say I find it boring, not very instructive and with all due respect, somewhat stupid to constantly say to the House, two wrongs make a right. We don't have to answer for what we do, we can point the finger at a government that is long gone with Members gone out of this House, from a different time, from a different Cabinet. It is an amazing demonstration, it is their defensive mechanism and it is always the same defensive mechanism.

What are some of the matters that were raised by my colleague from Regina South? First, that inflation has eroded the weekly benefits. The Minister has nothing to say about that. What they are really saying is, we covered the problem when we got into power, a developing problem. We say that the Liberals were wrong for those seven years and we saw their wrongness. That's their story, and then when they got into power they covered for that wrongness. It is almost as though a labour negotiator after five or six or seven years when he's faced with inflation says, but three years ago I gave you a massive increase. And then you say, but what about the last three years and their answer is, well, we are better than your last employer or we are doing a better job of negotiating than your last union. The benefits that are paid now when you talk about inflation are lower than the benefits paid by Manitoba and lower than the benefits which would have been paid by British Columbia. I suppose it's hard to know whether or what will happen now but I can tell you that I am informed by one of the vice-presidents of the Insurance Corporation of British Columbia that as of the first of March of 1976 they were going to increase their weekly benefits to \$75 from \$50. We are higher now. In the province of Manitoba they are already at \$75.

I say to the Minister and to the Cabinet that on the question of inflation it's no answer to say that they increased it from \$25 when they came into power, because what that really says is "we solved the problem that had developed in the last few years of the Liberal reign, and we are not prepared to cure the problems that we are creating during our reign".

Some Hon. Members: — Hear, hear!

Mr. Merchant: — Mr. Speaker, it's really a part of the approach of that Cabinet as I look over at them, at an aging Cabinet, a Cabinet I suggest that are devoid of ideas, a Cabinet that may well have had some fervour when they came into power but it's gone, a Cabinet that continues to think in terms of the past, and perhaps as I get older I'll look back a little more myself. You're not exactly spring chickens, but a Cabinet that always says, if we've done something wrong we are not as bad as the Liberals were. I don't accept the argument that you present repeatedly because there were different philosophies at work. But beyond any doubt to say we're not as bad as they are, is no answer when you're criticized and no answer when you know you are wrong.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — The Minister indeed said

if we are wrong about this we are not as bad as the Liberals were. Amazing kind of an admission. The implication was that he knows in his heart of hearts, if there is one in there somewhere, that they are wrong in this area.

Now that's the first thing that was suggested - inflation. When you look at other provinces that have no-fault and other provinces that have something comparable to our Part (2) benefits, the inflation argument that's presented is meaningless. And that's true as well when you talk about the \$35,000 the maximum coverage.

There's another area besides the \$35,000 maximum coverage and those larger orders that are frequent, and that's under Part (4), not Part (2).

People don't know that they have no gratuitous passenger insurance. I am going to tell you a little story, Mr. Speaker. I thought it was somewhat frightening. I acted for a woman who was picked up by a married man in a bar and they went for a little ride. He had been drinking quite a bit, drove down Albert Street, drove through the wig wags, drove through the flashing lights, drove at about 40 miles per hour, failed to pay much attention to the bell on the train that was coming, failed to pay much attention to the light that you can see from a mile and a half away, failed to pay very much attention to the fact that the train is all lighted up and failed to pay very much attention to the bell.

Miss Clifford: — What was he thinking about?

Mr. Merchant: — The results weren't very good. She was very badly hurt, some years ago, four or five years ago and the quantum of damages awarded were \$18,000. The man was absolutely shocked to find that he didn't have SGIO coverage with his licence plate and I dare say that if you ask Members of this House most of them would think that they have automatic coverage for a gratuitous passenger when they have a passenger, a friend, travelling in the car. They have no insurance under the licence plate. It went through a trial before a Queen's Bench judge and the Queen's Bench judge, after the hearing, asked me why there was such a big fight. I said, well there was such a big fight because the man didn't have any insurance. He said he is covered by SGIO! I said, no he's not, gratuitous insurance doesn't cover him, a gratuitous passenger isn't covered. He had no insurance. The QB judge was shocked and it went to the Court of Appeal.

An Hon. Member: — What's a gratuitous passenger?

Mr. Merchant: — It means a friend or someone or something travelling in a car. Somebody who is travelling who isn't paying someone, just a passenger, a friend with you in the car. It went to the Court of Appeal. I was talking to one of the judges of the Court of Appeal afterwards about a month later and he asked the same question. Why was that being fought so hotly, why is it being contested, it's an open and shut case of pretty clear negligence, wilful and wanton. I said, well the man doesn't have any insurance, and he said sure he has, he has his licence plates - \$35,000. I said no, it doesn't cover a gratuitous passenger. He said, I didn't know that. It went to the Supreme Court of

Canada. I'm not kidding, it went to the Supreme Court of Canada and Mr. Justice Judson looked down and said, surely this person has SGIO coverage.

Mr. Faris: — What was the legal fee?

Mr. Merchant: — Not enough. Not enough in relation to that battle. I got emotionally involved in getting the money for her.

Now, Mr. Speaker, that's an area and it's an area that I have been meaning to speak to the Government about for a long time and it ties very well and neatly with the ridiculously low \$35,000. If the Government isn't going to make a meaningful change in the maximum licence plate coverage and if the Government isn't going to include gratuitous passengers in the insurance, then they've got to set out, I suggest on some kind of an advertising campaign which basically says, do you know that SGIO doesn't give you very much coverage, and you really have to go and buy coverage on your own. It's fine that we've got this compulsory system, and I believe in the compulsory system. I might have tinkered with it a little, but I basically believe in it, but if you are going to do that then you've got to tell people that it doesn't really give them very much coverage, and that's tied to the inflation problem.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — You know, Mr. Speaker, the last thing that was raised by my friend, the Member for Regina South (Mr. Cameron) addressed itself specifically to housewives. First of all, I pray and I hope that the press is kind enough to the Minister to quote that he is proud of all the good changes he has made for housewives. You know, that's not a very good word, Mr. Minister. Housewives is not the 'in' word any longer and you might ask your daughter or granddaughter and they probably would tell you that that's a very demeaning phrase for a woman, that you don't classify women in that way. Some of them might accept a homemaker as a title for their job position, but you can't be too quick to run around the women's organizations and tell them all the good things you have done for housewives because their ears, like mine, would twig every time you said it. Every time you say that word, as the Member for Saskatoon has pointed out to me, any woman will twig and say, this guy just isn't very hep to what's going on if he hasn't even learned of kind speech writers and get somebody beneath 50.

Mrs. Edwards: — You don't marry a house you know!

Mr. Merchant: — You don't marry a house, Mr. Minister, you marry a homemaker perhaps, you marry a woman and she takes her role, and I wouldn't be too quick to congratulate myself on that nomenclature, and you know the difference is the difference between you and me and the difference in this way I would come down with the Member immediately behind you, the Minister of Consumer and Corporate Affairs (Mr. Shillington). You know when he got up and he was talking about a rentalsman, he knew that there was something wrong in the name and he said so. And he said it twiggged badly. Now I'm not making a big thing of it, but the fact is that it is just part of the piece of the lack

of perception of your Cabinet, because you're an old Cabinet, a cobweb Cabinet, like the word.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — Now, Mr. Deputy Speaker, what about the question of how much money is paid to women in the home? Now first of all Manitoba is enlightened enough not to draw any distinction at all. Manitoba says that if a woman stays, if she keeps the home, if she looks after the children, if she does the things that some of us are enlightened enough to realize is pretty important in today's society, then she will be treated just like any other working member of this society. And in Manitoba if the person, not the man or the woman, if the person is totally disabled one will get \$75 a week. Now there is a distinction in Manitoba on fair or partial disability and the distinction there is not much different from ours. In Manitoba a woman gets a smaller, a woman in the house gets a lesser period of compensation - 12 weeks, as opposed to 104 on partial disability. But that's not nearly as important as the \$75 full disability which is available equally to men and women and available to women whether they go out and type for a living or change diapers for a living.

Now, Mr. Speaker, what about the province of British Columbia? It's a classic story. When this province brings in no-fault insurance and that Government lets their no-fault insurance fall behind two other provinces that adopted the idea from here. In British Columbia, to be fair, they do draw a distinction, but the distinction is not as severe a distinction.

Mr. Whelan: — Give us one Liberal province!

Mr. Merchant: — Well if you are saying that other Liberal provinces haven't brought the concept of no-fault, that's true, that's true. If you are saying to me, or to the House, to these Members, do we accept no-fault I tell you categorically we do. If you are saying to me and to these Members do we believe that SGIO is doing a reasonable good job, it could be doing a better job, I again say, yes we do. We think SGIO does a reasonably good job. But don't come to me and ask me to . . .

Mr. Whelan: — Why compare with Manitoba? Why don't you give us a Liberal province?

Mr. Merchant: — What about Manitoba? I have told you what Manitoba does. In British Columbia they draw a distinction but the distinction is not as severe as the distinction drawn here, and again, they pay more money. They pay \$70 a week.

Now I suppose now the purpose of this amendment, and it should be obvious to the press; if it's not I'll make it obvious, the purpose of this amendment is simple. What an embarrassing amendment. The Government is faced with an amendment where they know they are wrong. The Government is actually faced with an amendment and I've seen the Hon. Attorney General put on some act here, some whistling in the dark routines that really impressed me. He seems to be able to get up and bluff

his way through almost anything regardless of what he believes, but he was downright embarrassed when he spoke to this motion. He was embarrassed because he knows that the Government is wrong and he knows that they should make this change.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — Indeed, as my colleague points out he actually said there was merit in it. Now, we haven't heard from the Minister an answer that might say we can't afford it now and we'll do it in a year, or why we can't afford it. We haven't heard from the Minister, we're concerned about cheating, we're concerned that it's hard to tell whether a person is fully disabled and what they are doing is the dishes and taking children to wherever you take children. We haven't heard that kind of an address, we haven't heard . . . family man right down to the core . . . we haven't heard any address to the merits of this position. Instead, what we hear first is a smokescreen and then for the purposes of what will be passed in this House they move an amendment which is a congratulatory amendment because they would be afraid to defeat this motion. They would be afraid to have the press say, this Government negated that motion, this Government will not treat homemakers as they treat other women, and won't treat women the way they treat men in SGIO and the way our economy works.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — Now what I hope the press does, is they read through a pretty transparent change and that they report specifically and categorically that the Government, after the Hon. Attorney General said there is merit to the proposition, the Government decided they would slide this one under the table. They would move an amendment, they would get the thing right under the rug. And then hopefully the Government wouldn't suffer the little embarrassment, an embarrassment with women, an embarrassment with a constituency that has traditionally been the NDP constituency. To be in a constituency, I believe, that aware women have been largely supporters of your Government over the years. I think that is changing, and I think in part that's changing because, as my friend has said, you're a government with cobwebs on the brain and you are refusing to see, you are refusing indeed when you are faced with a simple, positive amendment. Even then, this Government can't accept.

Some Hon. Members: — Hear, hear!

Mr. Merchant: — In the classic old view of old governments that try and just hold on and do the same thing over again. I see the Member behind the Hon. Attorney General nodding his old head. I beg leave to adjourn debate, Mr. Speaker.

Debate adjourned.

RESOLUTION NO. 22 - REPEAL OF BILL 42 - OIL INDUSTRY

The Assembly resumed the adjourned debate on the proposed resolution by Mr. A. McMillan (Kindersley):

That this Assembly urges the Government of Saskatchewan to repeal Bill 42 thereby ensuring incentive in the oil industry, in order that exploration can be carried out and the province may develop some degree of self-sufficiency in petroleum products in the years to come.

Mr. E.C. Whelan (Minister of Mineral Resources): — Mr. Speaker, after listening to the young Member for Kindersley, it's very obvious that some of these Members have never been in the House before and didn't enjoy the long tirades of the previous government. You had 20 years to do what you were supposed to do.

An Hon. Member: — Seven!

Mr. Whelan: — They had seven. Now when you put the shoe back and fit it on, it doesn't fit you.

I think that in this speech, Mr. Speaker, I shall attempt to talk about the province of Saskatchewan and what has been happening and I will not compare what we are doing with other provinces. I will tell you exactly what we are going to do.

Some Hon. Members: — Hear, hear!

Mr. Whelan: — I shall attempt to put the record of the Liberal government when it was in power clearly before the people so that they will not make the foolish mistake of being led into a trap. And then after seven years the people had to throw them out headlong. I think it is absolutely essential that the public know the record of the people that are advocating so vociferously for reforms, reforms which they ignored when they were the government. I think it is absolutely essential that we warn the people of this province. I don't think there is any doubt that we have to do that, or the people might be fooled again.

First, I want to speak against this motion and at the end I hope to introduce an amendment, Mr. Speaker. But first I want to address some words of advice to the Hon. Member for Kindersley (Mr. McMillan) and I am sorry that he is not in his seat because I think he should get some attention and I think I would like to say something to him, Mr. Speaker.

When the Hon. Member spoke on the motion he said that, if I recall properly, he said that I had announced that I had a flood of drilling rigs coming into Saskatchewan. He repeated this a minute later and again within the next minute. Let me quote from his speech. He was quoting me and I quote:

That's exactly what he said, a flood of drilling rigs will be coming into the province.

Mr. Speaker, the Member for Kindersley made reference to this

phrase a few minutes later, and again, he used somewhat of an elaboration. Let me quote:

This was stated some two weeks after your announcement that we would be expecting a flood, a peak in drilling, historical peak in drilling.

Before he finally ended his speech he made reference to a flood of drilling, twice more, for a total of eight times. Eight times the Member for Kindersley imputed to me words that I did not say.

Mr. Speaker, one way for a young new Member to discredit himself completely as a Member, is to misquote and to build a case on the basis of something that was not said. It's a reflection of cheap politics to begin with, and it's bad business and it creates a reputation of unreliability on the part of the speaker. Of course, the Hon. Member for Kindersley can scarcely be blamed because his associates on that side of the House have been using this sort of misrepresentation for years. He can be hardly faulted when he learns from such skilled teachers of misrepresentation. So, Mr. Speaker, I have a suggestion to make to the Hon. Member for Kindersley that I think should be a great help to him. When a Member wants to obtain actual quotes of what has been said or what was spoken in the House, he should look in the Hansard. If he does not know how to look up the Hansard, perhaps he can ask the Hansard office to show him how. And if the Member for Kindersley finds the Hansard people busy, I will offer him a copy of what I said, because it was a prepared statement that I read into the records. Mr. Speaker, perhaps the next time the young Member for Kindersley speaks he will quote with greater accuracy. If he does he will be a better Member for it, Mr. Speaker.

Mr. Allen: — You can't quote if you can't read.

Mr. Whelan: — I hope he can read. I know him a bit and I think he can read. He can also throw a baseball pretty fast. Let us all hope he does because it is a sad commentary on political reliability when even a new Member engages in the kind of tactics that left the Liberal Party a shattered remnant of a government that was in power in this province a few short years ago.

Mr. Speaker, I also have a few words I should like to direct to the Hon. Member for Lakeview (Mr. Malone) who made a comment in this debate regarding the new well in the Estevan area. He indicated that the well was the result of a longstanding commitment by Dome Petroleum and suggested that the change in royalties had nothing to do with the drilling of that well, Mr. Speaker.

I sat on that side of the House for a long time, seven years is quite a long time, and I know that the Hon. Member for Lakeview couldn't possibly know what goes on in the Department of Mineral Resources in detail. He may think that he does and he may speculate and he may voice a great deal of wishful thinking, Mr. Speaker, but because of the nature of the department's work, many of the negotiations that go on are very confidential and kept very confidential on behalf of the people we are negotiating with, and they certainly aren't handed out to the Opposition. They never were when we were on that side

of the House and I think that's the way it should be. I don't think that there is a petroleum company anywhere that wouldn't agree with us that that is just the way that negotiations should be handled. If they were handled that way when we were in the Opposition and I think that is the way that they are handled today.

Mr. Speaker, negotiations began with Dome in July. They made proposal after proposal to us and regardless of what the Member for Lakeview says, Dome began drilling after the negotiations were at a certain stage.

Mr. Malone: — What commitment did they have before drilling?

Mr. Whelan: — Oh, I don't care what commitment they had, I know when they began to drill and I know why they began to drill. Mr. Speaker, I said the Hon. Member for Lakeview is a very wise and very learned man but he doesn't know what goes on in every aspect and every part of the Department of Mineral Resources. He is a tremendous person, but he is just not that wise. Of course, Mr. Speaker, the Member opposite would like to discredit the work of this Government. He likely even hopes we don't find oil and he probably stays up all night praying that we won't find oil. But the facts are such that the oil companies do have plans, Mr. Speaker, and they have provided us with the information that tells us when and how and where and under what circumstances they will build and that information we intend to keep confidential. Mr. Speaker, I predict that we will make further announcements in this regard and I hope the Hon. Member for Lakeview is not overly dismayed when these announcements are made, when this happens.

I will now present some facts that will make it very evident why this resolution isn't deserving of a vote in its favor. I will show the kinds of concessions that the oil industry has received and is receiving from this Government. I shall present figures that show the dramatic increase in the net income of oil companies. I will outline what we have done and what we propose to do, and prove to the Members opposite that we are giving far more exploration incentives to the oil companies now than the Liberals ever did during their stay in office.

Let me go back and outline the benefits extended to oil companies before the May, 1974 Federal Budget. I am sure the Hon. Member for Lakeview hasn't been in the House very long and he doesn't remember the old Liberal regime but he is going to learn a lot about it over a period of time if he just keeps listening.

(1) Royalties were excluded from taxable income.

(2) Oil companies could deduct from their taxable income an automatic depletion allowance of 33 1/3 per cent of their production profits.

(3) Any exploration and development costs were 100 per cent deductible - an enormous concession considering that if there happened to be any excess, they could carry this forward to the next year.

(4) And they received a capital cost allowance of 30 per cent of their depreciable equipment.

All of these were accompanied by a federal tax rate of 38 per cent. I appreciate that the Hon. Member for Lakeview objected and took exception to the export tax because I think that we all should, but I think he should also direct some of his criticism in the general direction of the Federal Government. Thirty-eight per cent, not much higher than the rate an average lawyer might pay in Saskatchewan. The provincial tax rate was only 12 per cent.

Then in May 1974, the Federal Government really did it, they included royalties as taxable income, a step that worked to the detriment of the oil industry and seriously affected it in Saskatchewan. By this change in the income tax structure, the Federal Government unfairly took from the province revenue from resources given to the provinces in 1930 and placed all the provinces in the West in a serious dilemma. Suddenly the oil companies were being doubly taxed. Although we protested and protested vigorously, the Federal Government had no intention of changing its mind. We in Saskatchewan faced the prospect of either losing our hard-hit oil industry, or of being forced to back down ourselves. That was the choice that we had.

Then to make all this appear generous to the oil industry, the Federal Government in their May 1974 budget dropped the federal rate of taxation from 38 per cent to 30 per cent. The provincial rate remained at 12 per cent. We made every effort to convince the Federal Government to reconsider its position. But when it brought in the June 1975 budget, royalties were still non-deductible, and oil companies were still feeling the pinch of double taxation in spite of token concessions given to them by the Federal Government.

Mr. Speaker, just when Saskatchewan was on the point of cashing in on its resources - resources that were given to us - just when Saskatchewan could have enjoyed a higher standard of living because of the wealth of natural resources in the ground, the Federal Government decided it was going to get it back one way or another. By making up legislation taking away control by the provinces. By taxing it back every way that they could. And why? Because control over our resources could have given us the financial clout to have some say in Ottawa, some effective voice for the West and they didn't want that. They want to keep the West as some sort of a colony, Mr. Speaker. They are asking us to feed them with our wheat, heat them with our oil, shelter them with our lumber and for all this in gratitude for our providing domestic prices way lower than world prices for our commodities, undercutting our prices to the East - they discriminate against us with unfair freight rates. And they demand that we buy their manufactured commodities at world prices.

Meanwhile, Mr. Speaker, our oil goes to them at a cut rate price. We cut our prices on our goods for them. They sell to us at world prices. Mr. Speaker, is this fair? Should we not receive equal treatment in return? Could the East not extend to the West the same favors and privileges that they enjoy? Mr. Speaker, they'll never listen to the voice of the West if it is divided. Why do they always line up with the oil companies and the eastern business interests?

The Federal Government milks our resource - our oil - three ways. First of all, they receive about \$1.75 a barrel in income tax. If the oil is exported the minute it crosses the border, the Federal Government slaps on an additional export tax of \$4 to \$4.50 per barrel. Thirdly, the Federal Government slaps on an extra 10 cents per gallon on this oil whenever the consumer fills his car with gasoline. An average barrel of crude returns about 34 gallons of gasoline. If you buy that gasoline at the pump and you pay 10 cents a gallon for it, that is \$3.40. In many instances the Federal Government gets more out of a barrel of crude through the excise tax than we do and we own the crude, the people of this province own the crude. Fair deal, isn't it? Three taxes, income tax, export tax, and excise tax. It doesn't leave us very much and it doesn't leave much for the oil producer either.

Let me continue. Right now, our crude can bring about \$12.50 a barrel at world prices. Yet domestically, the West has been bullied into settling for something like \$8 a barrel. Why, Mr. Speaker? Ottawa has it all figured out. The East needs to import crude from Libya and Venezuela in amounts that are growing larger and larger and they have to pay the world price, the going rate of \$12.50 a barrel. It isn't hard to figure out that if they kept this up for long, the taxpayers would be out of pocket so they slap on an export tax of \$4.50 per barrel on our oil to help them get out of their predicament. And that means one thing, that the West is, in effect, subsidizing the rest of Canada.

Where does that leave Saskatchewan? Under the present royalty system, the province collects a total of \$4.20 per barrel in royalties and taxes and of this amount, 42 cents per barrel or more is refunded if equivalent expenditures by the oil producers are made in the province. And what does it leave to the producer, Mr. Speaker? After the Federal Government has finished taxing the oil three times, and producer is left with \$1.55 per barrel. Or maybe as high as \$2.23 per barrel if he qualifies for the royalty rebate and any operating costs are paid out of this share.

Mr. Speaker, we've had to make changes. We have had to act to keep the oil industry alive in Saskatchewan. We've proposed a new royalty system. With this system, provincial royalties and income tax will bring to the province revenue in the amount of \$3.60 or \$3.70 or \$3.80 or less per barrel. And of this amount the province will refund 60 cents a barrel if the producer carries on exploration and development work in the province. Mr. Speaker, we are having to take out of our own revenues, funds that are rightfully ours, to replace those that were unfairly expropriated by the Federal Government. By this action we are improving the lot of the oil producers. In our new proposal oil policy, the producer should receive \$1.95 per barrel. Or if he qualifies for the royalty rebate \$3.04 per barrel. And any operating costs are deductible.

That isn't all we propose to do, or have done, Mr. Speaker. I announced recently that wellhead prices of medium and heavy crudes were being reduced by 20 cents and 30 cents respectively in order to maintain markets in the U.S. Northern Tier Refineries, following the Federal Government's decision to further cut back exports of oil.

Mr. Speaker, the Federal Government really must have felt generous when they offered to drop the export tax by 30 cents a barrel on heavy crude and 20 cents a barrel on medium crude. And they must have guts of iron, they really must have had a lot of guts when they recommended that we cut the wellhead prices by an equivalent amount. Because, Mr. Speaker, they broke up an agreement that was made to us in good faith and I will enlarge on that.

Implicit in the federal-provincial pricing agreement that we entered, the very one that fixed the price of domestic oil, implicit in this agreement was the understanding that should price reductions be necessary in order to move the heavy and medium grades of crude, the price reductions would be achieved by reductions in the export tax. Now, Mr. Speaker, could the Federal Government have forgotten this agreement so quickly?

Mr. Speaker, we had no option but to reduce wellhead prices, but we made it very clear that before that pipeline to Montreal starts flowing, carrying heavy crude we'll have those prices right back up again. Because, Mr. Speaker, we are not going to subsidize the people on the other end of the pipeline any further. We have given them, I believe, and I think the people of Saskatchewan believe, a good enough deal. If the eastern refiners think they are going to get an even better price for our crude, I think they are badly mistaken!

Mr. Speaker, we are quite prepared to work with the oil companies and in the past months we have had frank, constructive discussions. Although there may have been differences, Mr. Speaker, we have always been able, in my estimation, to communicate with them. Our concern is that the oil industry in Saskatchewan should be a thriving one, because this ultimately will be for the benefit of the people of Saskatchewan. But we're not going to give anything away. We still believe the people of Saskatchewan should receive something for a resource that belongs to them.

The oil companies aren't really suffering because of taxes anyway, Mr. Speaker. Let me just give you some figures from the Financial Post Survey on Oils. These figures will show you the kind of income the oil companies have been receiving in recent years.

Imperial Oil, for instance, made \$94 million in net income in 1969. In 1974 their net income was \$290 million; Shell Oil rose from a net income of \$45.6 million in 1967 to a net income of \$142 million in 1974. Gulf Oil Canada Limited rose from \$39.2 million net income in 1970 to \$161 million in 1974.

Mr. Speaker, I could go on and on, but these figures should be sufficient to show that the oil companies haven't been suffering. If you or I, or anyone else in Saskatchewan could claim to have increased their net incomes in the same proportions as the oil companies have, I don't think any of us would utter a word of complaint. We'd be overjoyed.

Why then, have they been reluctant to do more exploration, Mr. Speaker? In the period from 1947 to 1974, the Canadian Petroleum Association statistical yearbooks show that the net cash expenditures for the petroleum industry in Saskatchewan was \$2,609 million. The value of producers sales in the same period of time was \$3,480 million. Mr. Speaker, that gave the petroleum industry in Saskatchewan a net take of \$870.8 million.

How can they honestly say that they can't afford to do exploration in Saskatchewan? They have had incentives too. Bill 42 provided for these incentives, a \$1.33 credit for every dollar spent. The oil companies stood to actually gain on every dollar that they spent.

So for the Members opposite to suggest that increasing the net back to the oil companies will increase activities, the evidence isn't there. They've had all kinds of opportunities. They've just been taking the wrong sort of attitude, Mr. Speaker.

What do we use for a measure? If they earn more, will they spend more? Look at the record? It proves conclusively that when oil companies' total profit went up, they placed less into exploration. The more money they made, the less they put into exploration.

I have here figures from the Canadian Petroleum Association Statistical yearbook and the Department of Mineral Resources annual reports. In 1969 the value of all the oil sold in Saskatchewan equalled \$195,453,000. The petroleum industry spent \$31.9 million in exploration. The next year, 1970, the value of all oil sold equalled \$200 million and, Mr. Speaker, they spent even less on exploration that year, they spent on \$21 million in 1970.

In 1971, the value of all oil sold equalled \$218 million. They spent even less that year on exploration. They spent only \$19.2 million. I could continue, the trend is the same. The more they made the less we saw of it in exploration. Now just because the oil companies receive a good return doesn't mean necessarily that they'll spend their exploration dollars here, exploration dollars in the province, unless we insist on this. Otherwise, we have no assurances whatsoever that they will spend their money in Saskatchewan.

Mr. Speaker, even the incentives that the Liberal Government offered the oil companies didn't work. Of course, there were no cash payments or grants for oil exploration under the Liberal administration, but there were some incentives introduced into the Land Disposition Rules. For example, a company could earn 100 per cent of the acreage in a permit if a gas discovery was made. And there was a royalty free period for a deep test oil discovery. Mr. Speaker, this program was introduced by the other government in October, 1964 and allowed to lapse in December of 1970. Why, Mr. Speaker? This program was not extended because the results were almost negligible. Mr. Speaker, even Liberal incentives failed to bait the oil companies into doing more exploration in Saskatchewan.

Mr. Speaker, during the Liberal administration, for the period June 1964 to June 1971, Saskatchewan received in royalty revenue a grand total, and they must have thought it was grand, a total of \$119,486,000. In seven years of administration just over \$119 million revenue in oil royalties, gas royalties, road allowance levies, royalty surcharges, mineral income tax.

By comparison, Mr. Speaker, royalty revenue to Saskatchewan since the New Democratic Party came into power in 1971, and these figures also include oil royalties, gas royalties,

road allowance levies, royalty surcharges, mineral income taxes, royalty revenues totally from July 1971 to November 1975 a figure in the amount of \$386.5 million. \$386.5 million, Mr. Speaker.

Now can any member opposite tell me where they would get that kind of revenue for the people of the province of Saskatchewan? I think that's a question to discuss when we are talking about what we are going to do with the money received from oil. That's a question Opposition Members must answer.

All you have to do is look at the record, Mr. Speaker, to see how the Members opposite raised revenue when they didn't get it from the oil companies. It has been said that the Liberals promised 80,000 jobs and fewer taxes but delivered fewer jobs and 80,000 taxes.

Mr. Speaker, instead of obtaining revenue from the wealth of our resources, from the oil companies, they taxed the people. They taxed the people of Saskatchewan to a total of 1,477 taxes that were introduced or increased during the Liberal administration. I know it's sinful to remind the Hon. Member for Wascana (Mr. Merchant) of these horrible things. He doesn't want to hear about them. He's just a new boy who arrived and he doesn't know anything about it and he doesn't realize that this is the way Liberals act when they are in power and in government. But I think he should know, he really should know.

Miss Clifford: — Thanks for telling us.

Mr. Whelan: — Oh yes, and the Hon. Member for Wilkie too. You'll learn the hard way. I think you should get all the facts and make sure that you know both sides of the story. The provincial taxation per capita while they were in power rose from \$129 in 1964-64 to a per capita tax of \$238 in 1969-70. The average family found itself facing taxes in 1970 that were more than double the figure before the Liberals took power. Mr. Speaker, this doubling did not include such items as the increases in automobile licenses, which were upped 60 per cent, or deterrent fees, or service fees, or licence fees, Mr. Speaker.

Mr. Speaker, if you can't get money from oil companies, you've got to get money from some place and they went on a tax binge. They taxed everything that moved, Mr. Speaker. They taxed the sick, the old, the poor, the weak. Sales taxes were raised to five per cent and expanded to include hotel rooms, meals over \$2, communications. Deterrent fees were wrenched from the hands of the sick and those who were unfortunate enough at that time to require a doctor's attention or hospitalization had to pay a \$1 fee. Now they come and plead on behalf of the oil companies, Mr. Speaker. Gasoline tax went up and was applied to purple gas. Driver's licences doubled. School bus licences went up 50 per cent. Farm truck licences doubled. Tobacco tax was raised. And an insurance premium was imposed, tax was imposed on the AAIA. And they talk about how we tax the oil companies, Mr. Speaker.

About the only thing, as a matter of fact, that the Liberals didn't tax, Mr. Speaker, were the oil companies, the potash companies and turkey saddles. Oh, they gave special

concessions for royalties on oil and potash and hard rock minerals, in fact, two municipalities were pressed into giving unwarranted tax concessions to multimillion dollar firms.

But, Mr. Speaker, then you can't forget that they exempted turkey saddles. Not children's clothing or shoes, but they exempted turkey saddles. They taxed a woman every time she washed clothes. They taxed soaps and detergents, but they left the oil companies alone. They gave them a real break, Mr. Speaker.

Mr. Speaker, there you have them, there are two of them left and they sit in the front benches, I call them the turkey saddle twins, the Hon. Member for Indian Head-Wolseley (Mr. MacDonald) and the Member for Prince Albert-Duck Lake (Mr. Steuart). The only remnants of that Liberal administration. Now, I'm not supposed to talk about the past. The former Premier of theirs used to say, you had 20 years, over and over and over again. But I enjoy the turkey saddle story. It's the best one of them all I think.

On March 2, 1971, the Provincial Treasurer of the day, the Hon. Davey Steuart of that date, in this House, actually took pride in - we are talking about whom he should tax at that time, including the oil companies - took pride in the awful mess the Liberals had left. I quote him, and I quote what he said. He said:

We made this country what it is today.

Hansard has it recorded that an Hon. Member quickly replied:

You're not kidding. The voters will remember that.

It's in the record, Mr. Speaker.

Mr. Speaker, the voters did remember. I hate to remind them of what happened to all of them but the turkey saddle twins.

Mr. Speaker, I repeat that since this Government has taken power in 1971, Saskatchewan has picked up \$386.5 million in royalties and other charges, regarding the petroleum industry. Just where would the Liberals get the money? By taxing the sick? By taxing purple gas and diesel fuel? By taxing meals and hotel rooms?

Mr. Speaker, with a record like theirs, the Members opposite should hang their heads in shame. They taxed the little people and they taxed them over and over again. Those that could leave the province in droves. And those that couldn't leave had to cover the deficit that the Liberals created by the great resource giveaway.

Mr. Speaker, this Government will never do that. We are not going to give away what belongs to the people of Saskatchewan without making sure they receive adequate and fair compensation. We are not going to tax the little people to line the pockets of the big, all-powerful corporations.

Mr. Speaker, I showed the concessions and I outlined the concessions that the oil companies have received. I presented figures that showed the dramatic increases in the net income of oil companies. I have outlined what this Government has done,

what we propose to do and I have proven that the Liberal record was one of atrocious taxation of the citizens by comparison.

With evidence like that, it would be impossible to vote in favour of this resolution. Therefore, I now propose to move an amendment to Resolution No. 22 as follows:

That the motion be amended by striking out all the words after the word "Assembly" and substituting the following:

Commends the Government of Saskatchewan for its initiatives in ensuring that the benefits of recent dramatic oil price increases accrued to the people of Saskatchewan for its further initiatives in ensuring security of oil supplies by making adjustments in royalties to compensate for discriminatory federal actions and by encouraging the development of Saskoil.

I so move, seconded by the Hon. Mr. Bowerman.

Some Hon. Members: — Hear, hear!

Debate continues concurrently on the amendment and the motion.

Mr. R.A. Larter (Estevan): — Mr. Speaker, Members to our right have asked in this motion to repeal 42. In our election platform on Bill 42 we had stated that one of our beliefs on Bill 42, that it should be amended. We believe firmly that the people of Saskatchewan as in the potash, own the oil as well. But we feel very strongly that this Government, in trying to negotiate with anyone, believes more in confrontation instead of negotiation.

Some Hon. Members: — Hear, hear!

Mr. Larter: — And firmly believe that you negotiate and cannot negotiate with anyone. Proof of that is how you have changed the drilling atmosphere in Saskatchewan, as even your own company is drilling in Alberta, Kywan Petroleum. They've even discovered that the climate isn't any good in Saskatchewan.

This Government is now spending money drilling for oil in Alberta and they could be spending this money here at home.

Mr. Speaker, whether this Government believes there is going to be more drilling by the companies here with the incentives that are offered right now, or not, the companies I am sure have told them in no uncertain terms there wouldn't be any more drilling until they had sat down and negotiated a better return and we're not saying a better return without negotiating better returns with Ottawa as well. But again, we feel this Government has let the people of this province down by not being good negotiators in both the potash industry and in the oil industry.

We believe that there could be decent prices in this negotiation and that drilling could indeed become a part of our oil program again, along with other industries. We're running into the same problem now in uranium and this is going to come to confrontation and not negotiation.

One thing we feel, instead of hiring politicians or retired politicians or retired candidates, why aren't you hiring people that know these industries. I can't understand why in the potash industry you haven't got many top people as potash people, or in the oil industry, why you haven't got oil people. I suppose one reason is they don't want to work for this Government, but I still think that the effort should be made to bring people like this in and they can become a part of your negotiating team. The people you have presently employed are a confrontation team.

I wonder, this Government is crying unfair to the Federal Government on oil and I wonder how long it's going to be before they start crying unfair to Uncle Sam and the United States on potash.

In their confrontations with Ottawa, Mr. Speaker, this Government attempts to use a hammer hitting a fly instead of sitting down like business people and set up such an atmosphere, so that I don't believe there is anyone who wants to meet them in any of their negotiations.

If you will introduce fairness, I believe that you will bring a thriving province, the same as Alberta and all their industries. We were over to Alberta and met with the Alberta Cabinet just before we sat in the House and I mentioned before that it's unbelievable the different atmosphere in Alberta with regard to resources. The only answer we could come up with was that the difference was the management, just the management. We have as much resources, our potash partly offsets the oil and all we can come up with was the difference in management. That was the difference between the two provinces. That does create a very different atmosphere.

I cannot support the motion because it says repeal and we believe that the people do own the resources and we wouldn't want to go back to pre Bill 42 days where we can't negotiate a better price. But we also would not want to support the amendment. It just doesn't do justice to it.

Some Hon. Members: — Hear, hear!

Mr. E.F.A. Merchant (Regina Wascana): — Mr. Speaker, I only wanted briefly to address the House on this motion. And indeed not to address the House in relation particularly to the substance of the amendment, although I don't agree with the direction of the amendment. I only wanted to say and not to this Minister particularly, because I don't imply any impropriety in the moving of this amendment nor do I imply any impropriety in the moving of the previous amendment as far as that Minister is concerned. In short, I am not saying I disapprove of the practice and I have a few remarks to say about why I disapprove which really amplify the comments that I made a few moments ago when the last amendment was made.

What I am saying by way of preamble, Mr. Speaker, is I am not particularly critical of this Minister for having moved the amendments. I am, however, critical of the Government in general for the direction that they take and the way they handle resolutions that come before this House. What it is and it has to be seen as such by the press, and I feel sometimes they miss the point and certainly seen as much by the province of

Saskatchewan, is just a shallow, cheap political manoeuvre. I again say that I am not saying to the Minister that I make any personal suggestions because I don't. It is an established shallow, cheap political manoeuvre, and that Minister is no worse than any other. It is a transparent attempt to block from the press and the eyes of the people in general, the fact that the Government from time to time faces resolutions that they don't like. It is a part of a piece with the way the Government deals with resolutions and the way the Government deals with questions.

When you write to the Government and the House isn't in session you very promptly ordinarily get an answer. Write to the Government with an embarrassing question when the House isn't in session and either they ignore it as they do with some of my questions, or they write back and say this would be a better question for you to put on the Order Paper. Then, when you come into the House and ask a question, if it is a simple question and they don't find it embarrassing they answer the question. If they are embarrassed by the question they never answer it. Or they may get a motion debatable and then they discuss it and they allow it to fall off the Order Paper.

The move particularly of the Minister of Industry and Commerce (Mr. Messer) is that if you ask him any questions that he doesn't like, he says, Crown corporations. As far as the Minister of Industry and Commerce is concerned that's a better way to shelve things because he has got that extra little shield, if you like, to hide what the Government is doing from the people of the province.

Again we have seen an amendment of a resolution which I suggest is an embarrassing resolution for the Government. Of course the Minister says in this matter he is not going to draw any comparisons with the rest of the country. Because in the rest of the country, as the Minister well knows, drilling is improving. In this province, drilling both in oil and gas is down dramatically and down because of the activities of this Government and down because of the terrible investment climate that this Government has created, not just for oil and gas and not just for potash, but for all investment in this province. The investment that we get now is investment that if I may put it in that term is tied to the province, re-investment, expansion of business. Things where it is not possible to move elsewhere. But we are not getting initiative. We are not getting new investment. We are not getting new manufacturing or new oil and gas exploration. Indeed we are getting very little new hard rock mining exploration.

As I said, I rise not to speak to the motion but to speak to the manoeuvring of the Government. It has to be seen as nothing more than that. And if they march in their 38 and pass the amendment, surely this House and the press and the people of the province through the press have to continue to see that what that means is the Government is defeating an amendment. What that means is the Government is afraid to have the people of the province know that this motion or the motion that preceded it or others that are from time to time amended, the Government is afraid to defeat those motions, is afraid to have the press report that a particular motion has been defeated. So they use this manoeuvre as a manoeuvre to put the defeat of the motion one step removed. It is a transparent, meaningless, cheap political trick. Those are the only comments that I have

to make, Mr. Speaker.

Mr. Speaker: — Good. Because I was going to bring you to order since you are obligated to speak to the amendment that is before the House. It is very obvious that you are not speaking to that but you in fact speaking to a manoeuver. I think the Member is obligated to speak to the item that is before the House.

Mr. D.G. Stuart (Leader of the Opposition): — Mr. Speaker, I will speak to the motion and amendment. I wonder if I can refer to something the Minister brought up, the famous tax we took off turkey saddles. Some of the newer very humanitarian ‘turketarian’ move that it was. I will explain a little bit. Maybe some of you Members from the city don’t realize like us country boys do, exactly what a turkey saddle is. It is a little device to make the love-making between a male turkey and a female turkey slightly easier for the female turkey. We took the tax off turkey saddles three years before women’s year was proclaimed, I think we should get full credit for that.

Some Hon. Members: — Hear, hear!

Mr. Stuart: — It rather bothers me to hear the chauvinistic Member for Regina Northwest (Mr. Whelan) using that as an example. There were other examples of taxes that may not have been quite as enlightened as that one was.

Mr. Speaker, when the Member for Regina Northwest was speaking to the resolution which calls for the repeal of Bill 42, he whined and complained about the Federal Government putting an export tax on Saskatchewan oil and taking that export tax, the revenue from it and levelling out the price of oil across Canada. Which in effect subsidizes the people in the Maritimes and in Eastern Canada.

He was complaining to us, it appeared to me, maybe he wasn’t, but he should have been complaining to the Premier, because it was Premier Blakeney who made the deal. It was such a rotten deal, I said at the time that he got taken, it was such a rotten deal, why did he make it? I can understand somebody getting taken once. I was there when he did. He went to lunch that time, we had a pretty good deal when he went into lunch with the Prime Minister and some of those slickers from Eastern Canada. When he came back from lunch it turned out to be the most expensive lunch in the history of Saskatchewan. Because we had really been taken. I said it then and I repeat it. I am inclined to agree with the MLA for Regina Northwest, the Minister of Mineral Resources that this was a bad deal. Not only made a bad deal, but he agreed to it at least once or twice more when the agreement on oil, the pricing of oil came up. The last time he agreed we didn’t get anything. At least the first time we got some little tradeoffs by way of help for the steel industry, and one or two other things. But the last time as far as I am able to gather, he gave away a great deal of revenue that rightfully belongs to Saskatchewan and he

never got anything for it.

As usual, when Members opposite whine and cry about the deal we got out of Confederation, they forget very conveniently to mention the \$90 million they will get this year in equalization grants and the \$140 million or \$150 million that they got last year and the \$333 million in total that they get in transfer of payments from the Federal Government. Money that is raised by and large in other provinces of Canada. Money that is raised in Quebec and Ontario, Alberta and British Columbia paid to Saskatchewan. They conveniently forget anything we take out of Confederation, they forget the millions of dollars in boxcars and the other advantages we have had in being Canadians. In fact, every time they rise to their feet, they make a mockery of any form of national unity, they do national unity a great disservice.

There is nothing wrong and there is a great deal right about a government in Western Canada or in any province in this nation standing up for what is rightfully coming to the people of that province. Nothing wrong and a great deal right about a government standing up and fighting a federal government for what's unfair. And there are a great many things that are unfair in regard to the deal we get in Confederation. But it is sickening and does us no service at all, the people of this province, nor does it do any service to Canadians, when they continually whine, day in and day out, backbite, misrepresent, in fact come back here from any conference they go to in regard to federal-provincial relations and misrepresent almost entirely everything that took place.

They forget to mention for example that for many years, thanks to the Federal Government, and it was kept in by Conservatives and Liberals, both, there was a line drawn in the Ottawa Valley. Everything west of that line was forced by federal law to use Canadian oil, Canadian gas. That was a great help to Saskatchewan and a great help to Manitoba for many years when the people of Eastern Ontario and Central Ontario could have purchased their oil from the Arab countries and from Venezuela a great deal cheaper than they could have from Alberta and Saskatchewan. That is conveniently forgotten now. I suppose that is all one can expect from the Members opposite.

I want to come back to the resolution. It calls for the repeal of Bill 42. As the Member for Regina Wascana pointed out the first thing the Minister said is, I don't want to compare with any other province. And of course you can't blame him because that is the final test, that is the final proof of the weakness of Bill 42. If in fact it had been the actions of the Federal Government in disallowing provincial royalties no matter how unfair they are, disallowing them as tax expense against federal income tax. That in fact and the export tax had been the cause of the downturn in exploration and oil well drilling and gas well drilling in Saskatchewan, then it would have held equally true for the province of Alberta and the province of British Columbia, but it didn't. Well drilling and exploration have gone up in Alberta, it has gone up in British Columbia. It has gone up in the Northwest Territories, but it has gone down in Saskatchewan. The reason is obvious. Saskatchewan is the only province in Canada that has anything remotely resembling Bill 42.

You know, when you add to that the fact that Saskatchewan

is probably not only the only province in Canada where oil exploration and drilling for oil is down, but in spite of the highest prices for oil in the history of the world, the greatest demand for oil and oil products in the history of the world, Saskatchewan is the only place, at least in the free world, and I would imagine in the entire world, where in the last two years oil exploration or oil drilling has actually gone down. Again, the reason is the short-sighted greed of the NDP. The same attitude they take to potash, the same attitude they have if we needed any other proof, it was obvious a few weeks ago when the Government of Saskatchewan went hat in hand to the large oil companies they professed to hate, the large oil companies that they drove out two years ago and begged them to come back in, offering them some incentives. Again, they proved too little and too late.

As the Member for Estevan (Mr. Larter) pointed out very rightly, they cannot deal with businessmen and they cannot deal with other governments because they deal from a position of mistrust. They deal from a position of ignorance and they deal when they talk to businessmen from a position of hatred. That's a fact, it permeates everything they do.

Some Hon. Members: — Hear, hear!

Mr. Steuart: — It is part of their basic social political philosophy.

You know, Mr. Speaker, if any proof was needed of the attitude that the NDP have to the oil industry of their basic distrust, mistrust and hatred of the oil industry of the harassment that took place before Bill 42 and then Bill 42 wasn't proof enough making the present Member for Regina Northwest, the Minister in charge of the oil industry, that should have been the final proof of the hatred they had for the oil industry. That was the unkindest part of all.

Mr. Speaker, we have asked something very simply, that is the Government consider the repeal of Bill 42. And then have this ludicrous amendment — how the Member could stand up bare faced, unashamed and make an amendment congratulating the Government of Saskatchewan for the action they have taken in developing the oil industry in this province in the last two or three years. It is unbelievable. Because you just have to look at the facts.

What this Government opposite has done, has blown, has mishandled, has thrown away the greatest single opportunity for oil and gas development ever presented to the people of Saskatchewan. We should have millions of dollars in new development in the heavy oil up in Lloydminster for example., At long last at the world price of oil the heavy oil in the Lloydminster area became a viable, economic proposition. And instead of encouraging people to go in there and find new ways to remove a larger percentage of that oil from the ground, finally delineate the amount of oil we have here because I think there are millions and millions of barrels of oil potential that have yet to be discovered, this Government in their short-sighted greed have actually driven those people out of Saskatchewan 10 miles west into Alberta.

They should hang their heads in shame over the failure of

their oil policy. Not only have they disproven their belief and their stated objective that the resources belong to the people and should be developed for the benefit of the people, they have brought Saskatchewan measurably closer to the day when we will fail to be self-sufficient in oil. They have brought the farmers of this province years closer to the time when they will be dependent for the oil they need, the fuel for their machinery, closer to the day when they will be dependent on outside sources. They will be a sorry day for the people of Saskatchewan. And it did not need to happen for at least 10 or 15 or 20 years. Under this Government, under a short-sighted policy it will be happening within the next five or six years.

Their policies are short-sighted and they are a disgrace. Their amendment should be defeated and all thinking Members should support the resolution forcing the Government to repeal 42 and sit down with the oil industry and find out what will really get them back into this province. Do what needs to be done and develop our resources to give us jobs and revenue in the years ahead.

Mr. L. Larson (Pelly): — Mr. Speaker, again we have the Opposition repeating the same old time worn record that he has been playing for the last number of years. Repeating over and over and over and over again, the same old argument, the same old story, in the same fashion I should add. I suppose we will never see in this House when either the Leader of the Opposition or the Liberal Party will cease coming to the defence and protection of their corporate friends. It seems as if the Liberal Party can't stand, can't tolerate, they can't live with the people of the province benefiting from and owning their own resources and making use of them for their own benefits. This has gone on now for some 39 to 40 days, 40 days to be exact we have listened to this rhetoric, the same repeat. It gets a little tiresome. I should like to take about an hour to totally reply, phrase by phrase, to some of the wild, hair-raising statements that you continue to make. I don't think it would be worthwhile, I don't think it would accomplish any useful purpose. I would rather talk to people out in the country where you at least get a reasonable and an understanding audience.

So I will probably have more to say about it and at this time I beg leave to adjourn debate.

Debate adjourned.

RESOLUTION NO. 23 — RESCIND ORDER IN COUNCIL AND AMEND CERTAIN NORTHERN ACTS

The Assembly resumed the adjourned debate on the proposed resolution by Mr. E. Anderson (Shaunavon):

That this Assembly urges the Government of Saskatchewan to rescind Order in Council No. 1505/75 of October 21, 1975 and further, amend The Department of Northern Saskatchewan Act and The Northern Administration Act, enabling unconditional grants to be made to the municipal corporation of Uranium City, the village of La Ronge and the town of Creighton.

Hon. G.R. Bowerman (Minister of Northern Saskatchewan): — Mr. Speaker, I don't propose to make any lengthy remarks or comments with regard to this resolution but I do want to comment on it and then later adjourn the debate.

If one takes a look at this resolution I think, at least in my mind, it seems to do two things. 1. It seeks to annul, or it seeks to rescind the present authority to make grants to the northern communities, those three northern communities granted by an order of the Lieutenant-Governor-in-Council. 2. It seeks to restore that authority to make those same grants through a change in the Act of the Department of Northern Saskatchewan. It doesn't say that it disagrees with the grants. It doesn't say that those grants shouldn't be made to the northern communities, in fact it proposes that they should. It doesn't even disagree that the Department of Northern Saskatchewan should make those grants, regardless of what the comments or the debate has been from Members opposite.

I wish to read that resolution:

That this Assembly urges the Government of Saskatchewan to rescind Order in Council No. 1505/75 of October 21, 1975 and further amend The Department of Northern Saskatchewan Act and The Northern Administration Act, enabling unconditional grants to be made to the municipal corporation of Uranium City, the village of La Ronge and the town of Creighton.

Really, what is the object? What is the object of the resolution in the first place? Is the object of the resolution to grab at political expediency, to grab onto a proposal which they thought would be a politically hot issue? Was it an attempt to bolster their sagging credibility among northern people and thus seize on what they thought was a politically red hot issue to gain some brownie points in the North? Because the resolution really doesn't say that it is wrong for DNS to give — in fact it proposes that DNS, under The Department of Northern Saskatchewan Act — should provide those grants.

Mr. Penner: — Unconditional grants.

Mr. Bowerman: — Oh yes, unconditional grants. He bases his case on unconditional. For whatever reason, Mr. Speaker, in their haste to draft something that would get them through the gate and would get them a headline in the press, they fell victim to the typical Liberal trap and that is come down on both sides of the fence at the same time. Because that is actually what you did.

In their proposal to grasp for some credibility they framed the resolution which, I don't think, really does any more or any less than what is being done now.

Mr. Speaker, for the record and for those who may not know the development in northern Saskatchewan, I want to advise that the northern administration district, which is bounded on the south by a lateral boundary running from Manitoba to Alberta, was established long, long ago. Not when we set up the Department of Northern Saskatchewan, but the northern administration

district, the legislation for establishing that district, was set up in the late 1940s or the early 1950s. That principle has never changed. And so the northern administration district has been there for some time. It was administered by the old Department of Natural Resources during both the Douglas and the Thatcher Governments. It was never changed in 1964 to 1971. If the Thatcher Government didn't like that arrangement then certainly there was opportunity then to make the change. The Government in those years from 1964 to 1971 established what they called a Northern Development Task Force to sort out how they wanted to administer the North and basically the recommendations of that task force was complementary to the way that the Department of the North is now being administered, under the single agency.

Therefore, the principle of the northern administration district remained intact. And when we established the Department of Northern Saskatchewan we really didn't change that principle at all.

Mr. Penner: — Just mucked it up.

Mr. Bowerman: — But you go up to the North and talk to the people in the northern administrative district and find out whether we mucked it up or not. The evidence now sits in this House as to whether we mucked up the legislation or not.

Included in the principle of the northern administrative district were the established communities of La Ronge, Creighton and Uranium City and they were excluded from that northern administration district although they were resident in the area referred to as the NAD. They were excluded because of their already approved application as urban municipal organizations and assurance, Mr. Speaker, was given to those councils or to the councils of those communities, in 1972, that their status relative to their independence of the northern administration district, would remain unless they specifically requested by resolution of their councils that that situation should change. That was relevant to the administration of those communities and their councils under the authority or responsibility of the Department of Northern Saskatchewan, rather than the Department of Municipal Affairs.

Mr. Speaker, the situation which has followed the original understanding, since our northern development program under the Department of Northern Saskatchewan has gotten under way, is that these three communities now see the benefits. They now see the benefits that are accruing to other communities within the area of the northern administration district or under the administration and management of the Department of Northern Saskatchewan. All of these three northern communities have requested and they have expressed their satisfaction with the grant programs that are administered by the Department of Northern Saskatchewan, that those programs which are new and being developed by the Department both in the areas of education and in the areas of health, in recreation and the sewer and water programs, should apply to them. Because they were desirable programs.

Just as an example of what we are able to do in the community of La Ronge, as a prime reason why these communities support the relationship with the Department of Northern

Saskatchewan, is under the program which has been jointly financed by the federal and provincial Northland's Agreement, La Ronge received an approximate \$2 million sewer and water program. Under their established arrangement outside of the northern administration district, they would have been required to pay 40 per cent of that, and levy it upon the residents of the community of La Ronge. Under the program of the Department of Northern Saskatchewan, as I said, jointly sponsored or jointly agreed to by the federal and provincial governments, La Ronge was able to receive 100 per cent of the funding. In order to accommodate that provision it was necessary to provide for an authority. That was so because those communities were outside the northern administration district that had been established some time ago. Because they desired the program and because the programs were of benefit to them, they chose to seek the benefit of those programs and we were required to establish an authority for the development of them.

Mr. Speaker, providing that this resolution offered some alternative to what is now being done, we could look seriously at being directed by it. But I suggest that the resolution before us does not seriously consider being anything other than, in the words of the Member for Regina Wascana (Mr. Merchant) who spoke only a few moments ago in another debate, as being a cheap political manoeuvre.

Mr. Speaker, because I believe that it is important for us to deal with this matter in more detail, to discuss the further development of such a proposal by the councils and the communities that have been referred in order to get the benefit of their judgment and their wisdom and their conclusion with regard to it, I wish now to adjourn the debate.

Debate adjourned.

RESOLUTION NO. 19 – INCLUDE HOMEMAKERS IN CANADA PENSION PLAN

The Assembly resumed the adjourned debate on the proposed resolution by Mr. P. Mostoway (Saskatchewan Centre):

That this Assembly recognize the important contribution to the social fabric of Canada that is made by homemakers, urges the Federal Government to include such persons in the Canada Pension Plan.

and the proposed amendment thereto moved by Mr. Merchant:

That the following words be added to Resolution No. 19:

“and that this Assembly urges the Government of Saskatchewan to end all discriminatory practices and enactments against housewives and home makers.”

Mr. B. Allen (Regina Rosemont): — Mr. Speaker, when I adjourned this debate several weeks ago I pointed out at the time that I thought the motion as moved by the Hon. Member for Saskatoon Centre (Mr. Mostoway) was a reasonable one, one that all Members of the House could support without any equivocation. I pointed out that I was surprised that the Hon. Member for Regina Wascana (Mr. Merchant) had moved an amendment to it.

Mr. Speaker, you will recall in moving the motion the Hon. Member for Saskatoon Centre pointed out that the motion came as a result of a crying need in Saskatchewan, indeed in Canada, and he used to back up his case the Royal Commission on the Status of Women. I want to quote just one section that deals with this in the Royal Commission on the Status of Women. I note that the women who brought this report about weren't reticent at all about using the term "housewife" and I am sorry that the Member for Regina Wascana is not in the House. They said:

The housewife who remains at home is just as much a producer of goods and services as the paid worker. And in our view she should also have the opportunity to provide for a more financially secured future. Canada has given some of its workers an opportunity to do this through the Canada and the Quebec Pension Plan. The neglect to do the same for some three and one-half million other workers in the home is to ignore the essential nature of their work.

Mr. Speaker, I think that the resolution says that we recognize the importance that housewives, homemakers or however you want to put it, we recognize the contribution that these people make to our country and it should be recognized that they should be able to participate in the Canada Pension Plan.

Mr. Speaker, what did the Hon. Member who followed have to say? I was a little bit amused by what he had to say. The Hon. Member for Wascana said, and I quote:

There is no doubt about the position this caucus takes. We join, indeed I dare say, 95 per cent of all right-thinking people in this country who would suggest that some accommodations have to be made, some recognition has to be made, of the contribution of homemakers. But with all due respect to the Hon. Member to suggest that it is as simple as passing this motion is indeed somewhat ludicrous.

I was interested in that, Mr. Speaker, 95 per cent of all right-thinking Canadians support this. Indeed somewhat ludicrous to suggest that by passing this motion we would automatically have housewives included in the pension plan. It is too bad, Mr. Speaker, that in that 95 per cent are not included the Liberal Party of Canada and the Liberal Government of Canada. This report came down on the 28th day of September, 1970, six full years to do something about it and nothing was done.

The Hon. Member for Saskatoon Centre did not berate the Liberal Government in Ottawa, did not as the Member for Regina Wascana had done, berate our Government, he simply said that he thought it was a good idea that the status of women's report thought it was a good idea; that all right-thinking Canadians think it is a good idea, so why shouldn't we do it. I ask that question, Mr. Speaker, why shouldn't we do it?

In bringing out the amendment, a ludicrous amendment I might add, brought to the tactics of the Liberal Party in this province.

Mr. Cowley: — Ludicrous tactics . . .

Mr. Allen: — Ludicrous tactics as well, says the Member for Biggar and I would agree.

Here are a couple of examples to make my point. In the last election campaign about three days before the election, a circular went out around my riding put out by the Liberal Party and what did that circular say? It said:

Those rotten socialists have changed the name of the Grey Nuns Hospital to the Pasqua Hospital. Those rotten socialists – the Grey Nuns have been here for 55 years, the name has always been the Grey Nuns Hospital and they are anti-Catholic, anti-Christian, anti-everything else they changed the name and did away with the Grey Nuns Hospital and made it the Pasqua Hospital.

The Liberal Party knew that when the Grey Nuns sold the hospital to the Government of Saskatchewan that one of the conditions was that they did not sell their name, that when we bought the hospital we would have to change the name. The Liberals did that three days before the election knowing that we wouldn't be able to refute that argument; did it deliberately, a ludicrous attempt to cast some aspersions on myself, being a Roman Catholic.

Some Hon. Members: — Hear, hear!

Mr. Penner: — Mr. Speaker, I have sat here all day and listened to a lot that really had very little to do with the debate. I wonder if you would rule in what manner discussing the Grey Nuns Hospital or the Pasqua Hospital has any relationship at all with the resolution that is before us?

Mr. Speaker: — The alacrity with which Members get back to the subject nowadays is much improved over what it was a week or so ago. I would assume that the Member is going to tie this in immediately to the subject at hand.

Mr. Allen: — Thank you, Mr. Speaker. When I began that little tirade you will recall I said that I wanted to use a couple of examples to point out the kind of things that the Liberal Party does in making the argument.

Another thing that I think I should point out, Mr. Speaker, just along that line and tying it in with the resolution. You will recall that very Member, one week or so ago in this House, bringing up the question of the hospitals in this city, not asking people what their religion is as a matter of course. And all heck broke loose all over this city. What the Liberals were doing, Mr. Speaker, was once again bringing up something that was totally false, knowing it was totally false, saying that the Government of Saskatchewan, through the Human Rights Commission, had in some way said that they could no longer ask their religion affiliation in the hospitals. It was immediately denied the next day by the doctors and the people who run those hospitals. I won't bore the Members of the House by reading the article as I am sure they have all read the article.

My point is that when he asked the question he knew that he was wrong, he knew that he was perpetrating some kind of falsehood – and I can say falsehood – he knew he was doing that and he did it deliberately. What kind of tactics are these?

Now, Mr. Speaker, we have an amendment to the resolution and what does the amendment say?

That this Assembly urge the Government of Saskatchewan to end all discriminatory practices and enactments against housewives . . .

I note housewives with humour and interest.

. . . and homemakers.

Well, Mr. Speaker, I studied carefully the transcript of the remarks that the Hon. Member made in moving this amendment. Not one sentence to substantiate that charge, not one jot or tittle anywhere that suggested that these are the facts. Not one single instance mentioned in introducing this cheap amendment.

I ask the Hon. Member what kind of a method, what kind of methods do the Liberal Party use in advancing their particular political bent? All I can say is that they are extremely bent, Mr. Speaker, extremely bent.

I do want to say, Mr. Speaker, just in conclusion on this resolution, Hon. Members will recall that we had in our election program a promise to bring about a universal contributory pension plan in Saskatchewan. I think that this particular resolution and other resolutions should be thought of in terms of a total package in Saskatchewan. I was amazed to learn, Mr. Speaker, that the majority of people in Saskatchewan have no pensions whatsoever over and above Canada Pension Plan.

You will know that the Canada Pension Plan, in some cases, is not too bad, but in many, many cases the Canada Pension Plan does simply not keep up with inflation, simply does not allow people to live at the level that they should be living in in Saskatchewan. I would encourage the Government, when they bring in this universal pension plan, which I am sure they will because New Democrats always keep their promises, that they consider in some way a method by which homemakers or housewives, whatever you like, some way in which they might be able to get into the plan; some way that they might contribute to the plan similar to what we are suggesting here for the Canada Pension Plan.

Once again, Mr. Speaker, I think this is an excellent resolution. I support it wholeheartedly. I think the amendment to the resolution is ridiculous and therefore I shall support the resolution and hopefully defeat the amendment.

Miss L.B. Clifford (Wilkie): — Mr. Speaker, I have listened with enjoyment to the speakers previous to myself talking about various notions and resolutions. I find it hard to realize, especially with the Member for Shellbrook (Mr. Bowerman) and the Member for Regina North West (Mr. Whelan) as they speak of different situations past about the Liberals and in particular, I think it was Resolution No. 21, and they were asking whether or not the

Liberals really meant what they said relating to what has happened 10 or 20 years ago. Did they really mean what they say, what they asked?

I would suggest that speaking of political expediency this resolution is exactly the same type of thing, it is a resolution that is put in in an opportune moment because you know, as you have said, that the Federal Government has spent years and have done very active and very positive plans in this very area. And you must know by this time if you have read any of the reports on the status of women in the advisory council that this type of legislation will not take long in coming into effect. So what better ways to be on both sides of the fence, as you were saying at one time, than to put a motion like this on the order paper. Not only that but I find it rather incredible that on one hand you can sit and can condemn the Federal Government, but yet you would sit and you would put in a motion like this, that they have been working on for the last five years.

Mr. Allen: — We are fair-minded people.

Miss Clifford: — Sure you are fair-minded people when it serves your purpose and then the next minute you jump on the band wagon and you put a resolution like this on. You know sitting here all day, I find it rather incredible that you could stand up and say absolutely nothing on the motion at all. You question the amendment and why the amendment was put in.

The amendment states for your information:

and that this Assembly urge the Government of Saskatchewan to end all discriminatory practices and enactments against housewives and homemakers.

Why should that be put in? The very reason why it should be put in is because we must ask ourselves “where should you start”. The Federal Government has definitely indicated it will put the legislation into effect. They are going to pass this legislation I wouldn’t doubt within the next year. So why don’t you start at home? You are sitting and blaming or condemning the Federal Government for inactivity and yet why not start at home? You have the opportunity to vote on a resolution that would put this kind of discrimination out of Saskatchewan and start with positive steps, and you laugh. You were chuckling about nuns being women and about domestic engineers and debating about this type of thing. I would suggest that perhaps your sincerity and your concern isn’t really as truthful as you started out to make us believe.

Mr. Speaker, I will be supporting this motion and as well I will be supporting the amendment. It has been a long needed contribution. Much discussion has been going on and there have been reasons why such a motion has not been put into effect before this. I would say that the main reason is that in the past, within the law system, that the father and the husband, particularly before, used to control the land assets and under the English law after a woman got married, the couple became one and that one person, unfortunately or fortunately became the husband rather than the wife and the husband together.

So this is where the history part of it has begun. As

the Member for Regina Wascana (Mr. Merchant) tried to point out to you before, after giving the history of many things that you have been doing this afternoon, he said that at different times there are different attitudes and different approaches. I would suggest that one of the main reasons why nothing has been done previous to this is that the public knowledge and awareness was not made known until this time. So you cannot accuse anybody of 20 years ago not having this legislation put into effect because attitudes and social awareness was not there. And why were the attitudes and the social awareness not there? I should like to read briefly from an article that was taken from the Women's Bureau in 1969. I had felt previous to this point, this afternoon, that maybe I wouldn't read from this as extensively as I am going to, but I have been informed of being a new Member about many things that have happened in the past, today, and I listened with great interest. I am sure you will do the same justice to me as I try to inform you of what has been happening in the past, according to this resolution.

The article is entitled "Housework Services that Orphan an Economic Reckoning" and it states:

That ever since the early days of measuring the value of all goods and services in the terms of money, the value of the domestic services rendered by housewives had for this purpose been considered by economists and statisticians to be nil. What this means in fact is that while a paid housekeeper's services are given a dollar value, which is reflected in a national dividend, precisely the same service when performed without a wage by a housewife ceases to be reflected in a national product.

This paradoxical state of affairs was a subject of a famous example by a British man, who for many years was a professor of political economy at Cambridge. His example is frequently quoted by other economists as a classic to illustrate the predicament.

If a number of bachelors who were employing housekeepers in the customary manner of exchanging services for money decided to marry these housekeepers then the national dividend would be diminished. Obviously a housekeeper when assuming the role of a wife, regardless of any additional services assumed by virtue of her marriage, continues to perform those services which, she as a housekeeper had been performing previously. In other words, the services continued, but the value disappeared.

I am suggesting that this is what has happened in the past and one of the things that we have to compensate for. He goes on to say:

This problem of including the national product of value of unpaid domestic service has been studied for many years.

He gives an example:

Following the First World War that the exclusion of the value of the unpaid housework as a service once more became a matter of consideration. The reasons for this

was that during the war women had been providing paid domestic services, moved out of domestic services and into ammunition factories. The domestic former housework services were then taken over by housewives, who until then had not performed these particular services in their homes. Insofar as the national dividend was concerned this shift did not have a significant effect except, perhaps, through rates of earnings. After the war, however, the former domestic who had been employed in an ammunition factory went to her own home where she performed the type of housework services she had performed for money.

And this is where the discrepancy came in, once wives or women went out of their homes and then had to go back in it again and do the same services for little or no money or a monetary value, they felt that they were missing something and this is where the whole essence of the Canada Pension Plan originated.

It says:

For 1929 an estimate of input value for the domestic work of housewives was made to the United States by another noted person. Assuming a rough dollar equivalent for these services he placed the value at \$23 billion or somewhat more than one-quarter of the whole national income of the United States in that year.

Quite recently it was estimated that the value of unpaid household services in industrial societies amounted to 44 per cent of the national product on the basis of production for the market. If this estimate is valid then the value of these services in this country, in 1968, when the gross national product reached \$67.4 billion, might have been in the neighbourhood of the \$27 billion.

So you can see that the value definitely is not of an insignificant amount. He concludes by saying:

Within the last few years a number of people have expressed the similar views, the following being an example:

It is clearly arbitrary to include in the national product only those services performed in a home by hired employees, but not the same services when performed by family members. Not to recognize the value of these productive services is a source of serious bias in the national product. Housewives have increasingly entered the labour market as employees receiving a monetary income. Failure to include the value of services rendered in the household by family members thus not only understates the national product income and second, gives a false impression of the proportion of the total output originating in business, but also these bias seriously all measures of the long period trend in the national product.

The reasons underlying the exclusion of unpaid domestic services deserve consideration in view of the admitted problems and difficulties that must be overcome in order to make a meaningful conclusion in the calculation of value of all services.

I suggest that this is where our problem has originated, that it has taken time for members on advisory committees to decide how we could best add these people to the Canada Pension Plan.

There are difficulties in relating to the conditions under which services are carried out as well as the recognition of the factors that affect the amount of income represented by them. Nevertheless, it has been noted that to ignore such unpaid services would distort the significance of the level of living insofar as it might be interpreted by the reference to real wages. The precise extent of unpaid domestic services in Canada is not known. However, while calculations have been devised they have indicated that the value of unpaid domestic services was made on the basis of production for the market and represents a substantial percentage of national income.

I refer to the fact that it would be about \$27 billion in 1968.

It is likely that if such an estimate were to be made on the basis of a purely arbitrary figure, lower than that of comparable market value would also represent a significant percentage of the national income.

It is interesting to note that most people who study this problem, who themselves devised estimates relating to the value of unpaid domestic services favoured the exclusion of these services by reason of practical obstacles.

I suggest that this is what we have been doing. We have been excluding such legislation because of the obstacles or the problems that we have in getting it under way.

Yet, it is difficult to understand why in this day and age when statistical tools hitherto unknown are available, it has not been found possible to overcome the admitted problems inherent in finding a solution.

Now, you suggested that the Federal Government has not done any meaningful legislation regarding this problem. As usual the onus has been put on the Federal Government when the Provincial Government is not doing very much to remedy the situation. I should like to read to you from a discussion paper on "Housewives on the Canada Pension Plan" about the proposals that have been made and as I have stated, likely to become legislation in the next year or year and one-half.

These proposals were made or begun and went under way at the Edmonton Conference in February 1974, where the Ministers of Welfare discussed, briefly, the policy issues relating to making alternative provisions under the Canada Pension Plan, for spouses who work at home. Spouses, I would indicate, could be either male or female.

All governments recognized that there were complex difficulties associated with these issues, but agreed that the alternative approaches should be studied. The conference also agreed to refer this matter to the Canada Pension Plan Advisory Committee and to the Advisory Committee on the Status of Women. The reports of both groups were received in recent months and were distributed at the conference.

The summary of the proposals, very briefly, were that the Canada Pension Plan Advisory Committee and Advisory Council on the Status of Women are both of the view that spouses working at home should be brought into the Canada Pension Plan as this resolution states and as we, on this side of the House, and I am sure most of you on that side of the House, if not all of you, would agree upon.

The CPP Advisory Committee recommends that this be accomplished by either (a) dividing CPP pension credits evenly between marriage partners for the purpose of applying benefits and other provisions of the Canada Pension Plan, or (b) by applying the Canada Pension Plan as at present but provision for even division of CPP pension credits in the event of marriage breakdown with respect to the years in which the marriage was intact.

It goes on to say:

The Advisory Council on the Status of Women recommends that both of the alternatives advanced by the CPP Advisory Committee be accepted and implemented in the following manner:

- (a) future pension credits be equally divided between marriage partners for the purpose of applying benefits and other provisions of the Canada Pension Plan.
- (b) past pension credits be evenly divided between marriage partners in the event of marriage breakdown with respect to the period in which marriages are intact.

I stated before the reason why I was doing this and I would think that maybe you should have a little background before you present a resolution like this one, because you have done nothing in the province. So, therefore, I am stating to you what has been done under the Federal Government.

The major difference, for your information, Mr. Member for Shellbrook (Mr. Bowerman), between the two proposals, is that the proposal would split the pension credits as they are earned and would affect all married individuals and would apply to credits earned after a future date.

On the other hand, the proposal to split credits on the marriage breakdown would only affect individuals who have experienced a marriage breakdown and could theoretically apply to credits earned all the way back to January 1, 1966. That in itself is a problem because many other groups that have been studying this do not agree on that fact.

Briefly, the objectives of providing CPP coverage for spouses at home were twofold: (a) to give recognition to people to work in the home as regular employment and (b) to provide some measure of financial independence or security from spouses.

They go on to look at a number of other areas which I won't go into but I am sure that if each one of you want to find them you could read this report yourself. It is "The Implications for the CPP Retirement Pensions Concerning a One-Wage Earner Family and Two-Wage Earner Family."

They also discuss the implications for CPP survivors over 65. I suggest that this is important because if you are going to present a resolution like this, you should also be willing to do your share in the provincial level. These are some of the things that you have to look at, such as: (i) implications for CPP survivors under 65 and (ii) disability benefits, disability benefits I would suggest have been discussed in other resolutions here.

Now the thing that you would really be interested in, I am sure, possibly one of the reasons why you haven't done anything provincially in this regard is the cost implications. It goes on to say that the cost implications on the preliminary estimates of the costs to the CPP fund in introducing a provision for the splitting of pension credits either during marriage or upon a marriage breakdown, suggest that neither the fund nor the contribution rates should be significantly affected, as that is no reason why you could not propose such legislation provincially is it, Mr. Member for Shellbrook? No.

This suggests that on the average the increase in benefits payable to the non-wage earner due to the splitting of pension credits would be offset by the decrease in benefits payable to the wage earner. The cost implications give you no problem why they shouldn't be set up provincially.

The administrative implications. There could be a problem with administration implications. Maybe this is why nothing has been done provincially. One basic administrative concern to be considered if the proposal to split pension credits as they are earned were to be implemented, relates to the definition of what constitutes the formation and dissolution of the marriage, thus the following questions must be asked: What should be considered as a marriage, what date should be assigned as the start of the marriage, what should be considered as the breakdown of such a marriage and what date should be assigned at the end of marriage?

You can see that there are many problems and many considerations that must be looked at in order to implement a plan like this. And possibly this is why it has taken a number of years, as you have stated for the Federal Government to get onto enacting this legislation.

There are a number of other groups and I quoted from two groups. One was the advisory committee on this subject and the other one was the Advisory Committee for the Status of Women. There is the Saskatchewan Advisory Council on the Status of Women. And it suggests that all family homemakers be included in the Canada Pension Plan as this resolution suggests. And that the Canada Pension Plan be amended to provide for compulsory participation by everyone in Canada over the age of 18. Compulsory pensionable earnings at an annually calculated maximum not based on taxable income. And a purchase of maximum pensionable earnings for legally recognized partnerships, and those individuals with or without earned income based on total income plus government supplement.

There are many groups that have given suggestions to the Federal Government, all of which are taken into consideration and all of which are not being looked at before the legislation is enacted.

In summary, I should like to note some important points that have been causing problems. One is the deferred sharing problem. But I say first that the government has to recognize that there is a partnership in marriage and this is not a one man show, so to speak. That there is an opportunity at this time for you to get together with the Federal Government, not put the onus totally on the Federal Government, but indeed there is the provincial responsibility to work together to enable such a legislation to become enacted.

I should like to give you a few facts about Saskatchewan that perhaps you didn't realize. Twenty-two per cent of the welfare cases are single parents, which goes to show that perhaps a Canada pension could be valuable. Of the one parent family, 75 per cent of them are women. In the one parent family the average income of a male is \$15,000 whereas the average income of the female is between \$5,000 and \$6,000.

The minute that a woman quits working, the government and society consider her a non-person or that the family unit must be retained as more important rather than trying to get this type of attitude across. She is not only emotional but she is an economic dependent. I think this type of illusion has to be eliminated.

I should like to conclude by reading a letter that was written to a newspaper in regard to this motion, and it was in full support of the motion by the way, but I think it has some valuable points too for you to listen to. It was written by Margaret Harris, who is the Chairwoman for the Advisory Council on the Status of Women for Saskatchewan. It was entitled "Welcome News", you'll be glad to know. It says:

On December 5 the edition carried welcome news. The presentation of a Notice of Motion in the Legislature by Paul Mostoway, MLA, with regard to inclusion of the homemakers in the Canada Pension Plan.

I believe Mr. Mostoway when he says this proposal has the support of almost all Government MLAs, and I anticipate, as does Mr. Mostoway, that it will have the support of the majority of Opposition Members.

Which I agree with fully.

The Hon. Marc LaLonde is reported in your December 6 edition as having indicated to the Saskatchewan Liberal Association at its annual meeting in Saskatoon that depending on co-operation received from provincial governments he may present legislation next year to establish a pension program for housewives.

And this is where we come back to the fact that nothing can be done at one level. We have to work together with the Federal Government, and I'm suggesting to you that it is time that you started co-operating.

In addition, in attendance at conferences, workshops and public meetings in Saskatchewan as well as in many private discussions with women and men there has been a very positive response to proposals calling for participation by the family home manager in the Canada Pension

Plan as a contributor and a benefactor in his or her own right.

Since changes in the Canada Pension Plan come under authority of Federal and Provincial Governments, Mr. LaLonde has told the provincial status of women advisory councils it is very important they convince their respective provincial governments of the need for this proposed legislation.

The Saskatchewan Advisory Council on the Status of Women has presented recommendations to the Government of Saskatchewan and the Government of Canada. Mr. Mostoway, as a private Member, has presented his Notice of Motion. Now it is the responsibility of all citizens who recognize the essential services performed by the family home manager and who care about financial security for all persons to flood the Legislature and the House of Commons with letters of support for this proposal.

Let us keep in mind that this issue cuts across all party lines.

And I would stress that fact.

It is five years since the World Commission on the Status of Women tabled its report into the House of Commons. The commission recommended participation in the Canada Pension Plan of the spouse who remained in the home. Let us have no more delay in implementing this recommendation.

And on this note I would suggest to you that we should have no more delay, that the amendment that you have just scoffed at would have been one of the ways to help in this discrimination against women in the province, and I would suggest that if you had been sincere and concerned you would not have scoffed at it. You would perhaps have commended yourself, which you have become prone to do, and then add that the Government is always concerned about the persons in Saskatchewan and would consider examining the problems and solutions in The Automobile Accident Insurance Act regarding disability benefits. That would have been one way in which discrimination against women in Saskatchewan could have been alleviated.

Some Hon. Members: — Hear, hear!

Miss Clifford: — I commend the Federal Government and it is nice to officially say that I commend something as you are prone to do, but I commend the Federal Government for their concern and the willingness to listen to the concerns of people in the home and suggest that it is time that we do the same in the province.

Mr. Speaker, I will be supporting the motion and the amendment.

The amendment negatived.

The debate continued on the motion.

Mr. P.P. Mostoway (Saskatoon Centre): — Mr. Speaker, I just have a

few words that I would like to say in wrapping up debate on this resolution. It is about six points.

I want to say that in regard to the speaker for Saskatoon-Sutherland (Mrs. Edwards), I thought she made a reasonable presentation, and I certainly give her credit for that, although I thought the amendment that she tried to introduce was a little out of order and which you immediately clarified.

The Member for Regina Wascana (Mr. Merchant), and I am sorry that he is not in the House right now – oh, he is. Stand up – oh, there he is. I couldn't see you. I must admit in all sincerity that I wasn't surprised that he would get up and start frothing at the mouth, as usual, in order to try and get in a few political punches. I might add to the Hon. Member – oh, well I was going to make some comments in regard to the leadership race, but I think I had better not say that at this time.

I do want to refer to a statement that the Hon. Member made in regard to some statements that a particular woman in Canada made in regard to the pension plan. He calls her a Liberal lady. Well, I don't know, Mr. Speaker, whether she is Liberal or not. I know that we, on this side of the House, don't usually give the political saliva test like some Members opposite are prone to do very often.

I should like to mention that the Saskatchewan Federation of Agriculture recently passed a resolution, unanimously, I believe, saying that they too, the organization, believe that women, homemakers, should be included in the Canada Pension Plan. As for the last speaker, it was the Member for Wilkie (Miss Clifford) on the other side, I really don't have too much to say because there was no substance to what she said.

Mr. Lane: — You weren't in the House anyway.

Mr. Mostoway: — Well, I think you will appreciate the fact that I like a little break once in a while too. I thought it was a very appropriate time to take a break because there was really nothing of substance being said. It seemed to me that she, too, was trying to inject politics into this debate, and it can certainly be said in all truth that Members on this side, plus the Member for Saskatoon-Sutherland (Mrs. Edwards) did not try to inject politics into it. And I say that it is a crying shame that on a resolution like this, one that you agree with, that you should have to show your political bias once more.

Mr. Speaker, I believe Opposition Members have already indicated they think this is a wonderful resolution and I urge all members to support this resolution.

Some Hon. Members: — Hear, hear!

Motion agreed to.

RESOLUTION NO. 29 – SEVEN CENTS FUEL REBATE

The Assembly resumed the adjourned debate on the proposed motion by Mr. J. Wiebe (Morse):

That this Assembly urges the Government of Saskatchewan

to reconsider its policy of discrimination and allow the Saskatchewan farmer to receive the full benefits of the seven cents fuel rebate that is now being given to the non-farm sector; and further

That this Assembly urges the Government to apply the rebate at the dealer level, thereby allowing farmers to obtain an immediate rebate and relieve them from having to make individual application for the reduction.

Hon. E. Kaeding (Minister of Agriculture): — Mr. Speaker, I don't intent to have a long discussion on this resolution, I am sure that all Members agree that the substance of the resolution and the program which is under discussion is a very good program and should be continued.

However, in entering the debate I should like to make some comments with regard to the comments made the other day by the Member for Morse (Mr. Wiebe) and examine a few of his arguments. In fact, after close examination of his speech, I was almost tempted to ask my officials in my department to re-examine the rebate the Member got last year for his fuel, because he infers in this speech that the rebate that he received included that for farm heating fuel. I think he should know and we all know that the heating fuel never was, nor is it this year, included under the program. One would not like to believe that the Member for Morse would have made an application for fuel which he was not entitled to.

He also made a great production out of the long hours and the complicated bookkeeping that was required to assemble the figures to make out his application. I don't know what kind of bookkeeping system the Member opposite has, but I believe he is a law abiding citizen and pays his income tax and his unemployment insurance for his hired help and Canada Pension Plan and therefore he would have an extremely good bookkeeping system as most farmers have, that would allow him to make up his report in just a very few moments. I do not profess to be an accountant myself, but when I was home on a recent weekend, I was able to put together the figures that I needed for our farm operation in less than half an hour. I am sure it was less time than it took the Member opposite to think up this resolution.

Some days ago the Member for Thunder Creek (Mr. Thatcher) asked a question on this topic and in his long introductory address he tried to leave the impression that 80 per cent of the farmers would be denied part of the rebate because of the limitation of \$200. I should like to correct his attempt at misinforming the public. To date applications which have been received in the office and which have been processed show that about 80 per cent of the farmers making application are eligible for the maximum grant of \$200. The average payment to date being somewhere in the neighbourhood of \$150. This means, Mr. Speaker, that at least 80 per cent of the farmers in Saskatchewan are not limited by the \$200 ceiling. These are the bulk of our small and average size family farms who need the greatest assistance. Of those farmers whose consumption would entitle them to more than the ceiling, in the majority of cases, these would be large and pretty well self-sufficient farms.

In recognition of the value of family farm units, multiple operators are entitled to a maximum of \$200 per partner, in the operation. So a farmer and his sons included in a partnership or a co-operative or a family farm corporation would be able to get full benefits under the program. I can refer to my own family operation where I work with my two boys, and I am sure that even with the size of operation we have, it is a reasonable sized farm, that we will come well within the \$200 limit and the program will not restrict the amount of rebate we are entitled to.

It is rather interesting, Mr. Speaker, that Members opposite who are always urging this Government to do some cost cutting to reduce spending and yet when an attempt is made to reduce spending, in a way which does not affect small and average-sized farmers at all, it only affects large-sized units on that amount in excess of \$200, they criticize that kind of a program. It wouldn't matter, Mr. Speaker, where we try to reduce spending. It would be wrong. But they would still demand reductions.

The Member made a big production out of the fact that private care owners get the full benefit of the seven cent tax reduction at the gas pump. He forgets to mention that farmers are also major consumers of taxable fuel and also get the advantage of this reduction. So that taken in total the loss of revenue to the large farm operator would be small indeed and it would be more than offset by the advantage of economics of scale.

I am sure, Mr. Speaker, that a farm of this size with total operating costs and revenues of probably \$50,000 or more would hardly be seriously hampered by the loss of a few dollars in rebate.

The resolution calls for the Government to apply the rebate at the dealer level to relieve the farmer of the once in a year chore of making an application. Well, first of all he must know that not all taxable fuels are included under the rebate program. Heater fuels for farm home heating is easily exchangeable for diesel fuel and tractor fuel but it is not eligible under the program. Propane can be used for both heating and farm fuel. And also in this regard the Member should recognize that a large segment of non-taxable fuels, gasoline and diesel both, are used in the construction industry, and for industrial purposes, and there is no way of really defining when gas is sold from retail outlets as to whether it is going to farming enterprises or to some industrial use. There is a considerable volume of gas that is being used in this sector and the only way we can really make certain that the reductions are given to the farm population is to ask them to apply for a refund, not, Mr. Speaker, that there may not be some hardship in the construction and industrial industry and they might think that they need a rebate, but they at least are able to pass on their additional costs through higher bids on their contracts, which are passed along to the public, and something which farmers unfortunately are not able to do.

Would the Hon. Member opposite prefer rather to have to sign a declaration each time that he got a delivery of fuel, or would he want to ask the dealer, the local bulk dealer to handle all the paper work which would be required to identify

each delivery? It seems to me, Mr. Speaker, that it sounds a little bit like a war on business.

I think it would be very well, Mr. Speaker, to think back to the reasons for the introduction of the farm fuel rebate program a couple of years ago. At that time the Federal Government, together with the provinces, agreed to an increase in the price of domestic crude oil on the Canadian market to a price of \$6.50 a barrel. Because the world price around that time was about \$11.70, this left an amount of about \$5.20 per barrel or approximately \$321,000,000 of revenue which should have gone to the province under ordinary circumstances, which actually was creamed off by the Federal Government. This increase in price of crude oil was passed on to the consumer by the refineries and resulted in an increase of nine cents a gallon on all fuels. To shelter the use of Saskatchewan consumers for some time from these increases the decision was made to reduce the tax on all taxable gasoline and diesel fuel used in this province. Because farmers did not receive this benefit on their non-taxable farm fuels, the farm fuel reduction program was introduced to allow farmers to receive the benefit of this reduction. Should an adjustment be made in the future in the taxes paid by users of taxable fuel, it can be assumed that equal adjustments would be made in the rebates paid on farm fuels. Criticism is directed in this resolution because we have not extended the benefits of the fuel reduction to the very large farms in Saskatchewan.

Mr. Speaker, I believe there is a great deal of sentiment in this country and indeed in the United States and other countries around the world, that there should be some kinds of disincentives built into programs to remove some of the advantages of scale being enjoyed by very large farm units in order to slow down the concentration of the ownership of farm lands into the hands of fewer and fewer farmers.

The decision to limit the amount of money to be paid under this year's program being limited to approximately \$10,000,000 takes into account the desire of this Government to reduce overall expenditures of the Government in response to pressures put onto it by many people in this province, including, I believe, many of the Members opposite, to reduce Government spending.

This year's program is therefore designed to be of maximum benefit to those farmers in the greatest need of assistance, namely, the small and medium-sized family farm, 80 per cent of all the farms which are in the province of Saskatchewan.

I should like, therefore, Mr. Speaker, seconded by the Member for Regina Centre (Mr. Shillington) to move an amendment to this resolution:

That all of the words after the word "Assembly" in the first line be deleted and the following substituted therefor:

commends the Government of Saskatchewan for introducing the Farm Cost Reduction Program in May 1974, and for improving the program for 1975 by placing emphasis on assistance to the family farm.

INTRODUCTION OF PROGRESSIVE CONSERVATIVE LEADERSHIP CANDIDATE

Mr. R.A. Larter (Estevan): — On a Point of Privilege. I should like to introduce to you and through you to the House a Member of Parliament who is a leadership candidate in the Progressive Conservative leadership race, J. Patrick Nolan, Member of Parliament for Annapolis Valley, and Mr. Nolan comes from the riding that the Premier comes from, and I know you will want to wish him a very western welcome.

Hon. Members: — Hear, hear!

The debate continued on Resolution 29.

Mr. R.E. Nelson (Assiniboia-Gravelbourg): — Well, Mr. Speaker, why there were any limits put on the farmers on the farm fuel rebate was difficult to understand and after listening to the Minister of Agriculture (Mr. Kaeding) speaking on this resolution it is much more difficult to understand.

Some Hon. Members: — Hear, hear!

Mr. Nelson: — Mr. Speaker, what the Minister of Agriculture did in limiting farmers in Saskatchewan to \$200 with regard to the seven cents a gallon farm fuel is gross discrimination.

Some Hon. Members: — Hear, hear!

Mr. Nelson: — It is discrimination against south Saskatchewan where the farms are larger and where the farmers must summer fallow 50 per cent of their acreage each year to conserve moisture.

The Minister said he was well within the \$200 limit and I can say truthfully by being a farmer all my life that either he has a garden patch or he doesn't farm his farm properly.

When farmers use this fuel to summer fallow there is no return brought in from the land and yet they have to pay that extra seven cents. Over 90 per cent of the farmers in my area do qualify for more than the \$200 limit and many well over that \$200. Mr. Speaker, if there are to be limits treat all Saskatchewan citizens in the same way. Why should big companies, trucking companies or taxi companies or companies with travellers on the road enjoy the benefits of the discount at the pumps and the farmers be limited? There is absolutely no logical answer for this limit and the Minister should immediately correct his error. Why should there be any rebate at all? Why not cancel the tax? Why should you have the agents collect this? By cancelling the tax you could save the agents the problem of collecting it, you could save the farmers the problem of filling in the forms, the problem of sending in all their bills to Regina to be checked and I can assure the Minister that he has a very small farm if he checked over his bills and filled in all his forms in less than half an hour.

You could close out the office that is used to calculate

all the farmers' refunds. The offices that are used to write the cheques could be closed. You could save the cost of printing the forms and the cost of printing the cheques. You could save all the advertising you do in the papers to tell the farmers that you are giving them back their money that you shouldn't have taken from them in the first place. Yes, you could cancel the tax and you could stop some more of your discrimination against the Saskatchewan farmers.

Some Hon. Members: — Hear, hear!

Mr. J. Wiebe (Morse): — Just to comment briefly on the amendment as proposed by the Minister of Agriculture, I think it is unfortunate that in this resolution as well, the Government has taken upon itself to commend itself for implementing and being directly involved in the direct taxation to the farmers of Saskatchewan, and then in turn only giving part of it back to them.

He tried to justify this commendation by saying that farmers too would derive some benefit from driving their personal automobiles in the fact that they receive the seven cents rebate at the time that they purchase their gasoline at the pumps, and he is quite correct. But what about the taxi cab driver in the city of Regina? Whether he buys a thousand gallons a year or 10,000 gallons a year, if he buys 10,000 a year to operate his taxi he will receive a direct rebate of \$700. And you can rest assured that the farmer is contributing just as much to society as that taxi driver is.

How about CNR and CPR who operate their trucks across Canada trucking goods? You can rest assured that they are buying much more than 2,900 gallons of fuel. And each and every gallon that they buy they are receiving the seven cent rebate and are getting it in cash at the time that they purchase it.

Mr. Smishek: — Taxi drivers!

Mr. Wiebe: — Taxi drivers do, yes they do, and the Minister of Finance says that they don't. Doesn't the Minister of Finance (Mr. Smishek) realize that every time a taxi driver purchases a gallon of gasoline that he is receiving that rebate of seven cents immediately? Doesn't he remember that last year when they and the Federal Government combined together to increase the price of gasoline in Saskatchewan that the person buying that gasoline received a direct seven cents rebate on tax from this provincial Government?

Mr. Bowerman: — The farmers get it!

Mr. Wiebe: — But the farmers didn't get it. And the farmers, Mr. Speaker, are the ones who contribute more to the provincial economy than any other segment in Saskatchewan.

Some Hon. Members: — Hear, hear!

Mr. Wiebe: — And yet as the farmers in Saskatchewan just because

they happen to farm a little bit more than five quarters of land are the ones that are being discriminated against, and as the Member for Assiniboia-Gravelbourg (Mr. Nelson) mentioned that this is more discrimination against the farmers in the southern part of Saskatchewan than those in the central and northern part of Saskatchewan, mainly because to farm efficiently in the South you must farm your summer fallow 50 per cent. And the Members for some reason don't agree with that and it could be quite true because you look on that side of the House and you see very few Members from the South, the majority of the Members are from the northern part of the province. Of course, they wouldn't know or understand or realize the difficulty that farmers in the southern part of the province encounter.

Some Hon. Members: — Hear, hear!

Mr. Wiebe: — It's rather discouraging for me again tonight to see the ignorance of the Members opposite displayed in their disrespect for the farmers in the southern part of the province and I think it is about time that this ended. This disregard as well for farmers in the southern part of the province who produce the majority of our livestock. Again, the southern part of the province contributes more to that than the other areas of the province and I am glad to see that the Member from the Department of Northern Saskatchewan is letting his ignorance show again in this particular debate.

As I was saying, the Minister has decided on congratulating himself again for showing some discrimination against the farmer in this province, when he has said that the average rebate is going to be around \$170. Now that's not much when you think of it. And yet how much money is the provincial Government receiving from that increase in farm fuels? I dare say it is receiving much more than the \$10 million which they have allocated to pay out this year.

Mr. Cowley: — Probably nothing!

Mr. Wiebe: — Probably nothing says the Minister of Mineral Resources (or whatever it is). I would say, Mr. Speaker, if you go back to Hansard of 1973 and check on the remarks made by the then Minister of Agriculture, check on the remarks made by the Premier of this province when he announced that seven cent reduction program that you will find out exactly how much the cost is and exactly what they feel will be the cost to the people of Saskatchewan.

That rebate, in effect, going by the former Minister of Agriculture's statements, will give to the non-farm sector in this province a total of close to \$28 million a year in seven cent rebates, and if he doubts what I say I ask that he check the records back in 1973.

As well, if he could check the records of the speech which I gave when introducing this resolution he will find that I quoted from the letter which the Minister of Agriculture sent out to the farmers at that time and also part of the speech which he made in this House regarding that seven cent rebate. And you won't have to go back as far as 1973, you can look at some of the records of Hansard from 1976. And if the Minister

of Agriculture, the present Minister of Agriculture (Mr. Kaeding) when he said that he had the opportunity of reading my speech, I think he will certainly vouch for me as well if he did do a good job of reading that particular speech.

Let me point out as well that in his comments he mentioned that there was no rebate on heating fuel, and yet I would hope that he would check with the Minister of Finance, because that happens to be the department where this program is handled and that for heating fuel for hog barns, dairy barns and intensified farm operations there is a seven cent rebate.

What about the fellow who does have a diversified farm operation, the one who not only uses that fuel to till the soil, but also uses the fuel to run his livestock operation? Here again, because he is contributing to the economy of this province he is being asked to contribute more in terms of taxation than any other segment of Saskatchewan. Not only does he have to pay the seven cents on the fuel that he uses to operate his tractor, he must pay the seven cents on the fuel that he uses in his hog barn, in his dairy barn to operate that particular function.

What about the farmer who doesn't happen to have sons who are over the age of 18? These sons happen to be 16 and 17 and yet are still working together with that particular father on that family farm. They in turn are being discriminated against as well as the farmer who may have three daughters or more and not have any sons. He is being discriminated against as well because he is not allowed the pleasures and the advantages that the present Minister of Agriculture has in his farm operations. And he said that combined with himself and his sons he is able to receive more than the \$200 limit, and this is quite right because he does have, I understand, some sons working together with him on his farm.

So here again let me say that with this resolution, there is no way that I can support the amendment, and I urge Members opposite to show their concern for the farming sector of Saskatchewan and vote against the amendment and vote in favour of the resolution.

Some Hon. Members: — Hear, hear!

Amended motion agreed to on the following recorded division.

YEAS – 28

Blakeney	Mostoway	Cowley
Pepper	Larson	Tchorzewski
Bowerman	Kaeding	Matsalla
Smishek	Dyck	Skoberg
Romanow	McNeill	Vickar
Snyder	MacAuley	Allen
Byers	Feschuk	Koskie
Lange	Shillington	Johnson
Kowalchuk	Rolfes	Banda
MacMurchy		

NAYS – 15

Steuart	Cameron	Merchant
Lane	Edwards	Larter
Wiebe	Nelson (Assiniboia-	Bailey
Malone	Gravelbourg)	Berntson
Penner	Clifford	Ham
	Anderson	

RESOLUTION NO. 34 – SPECIAL COMMISSION TO STUDY NURSING HOMES IN THE PROVINCE

The Assembly resumed the adjourned debate on the proposed resolution by Miss L. Clifford (Wilkie):

That this Assembly urges the Government of Saskatchewan to set up a special commission to study nursing homes in the province and their rental fee structures in order to determine whether the problem of unreasonable rent hikes which take place in some nursing homes can be alleviated.

Hon. H.H. Rolfes (Minister of Social Services): — Mr. Speaker, just a few words on the resolution. As I said the other day I basically agree with the resolution and the intent of the resolution, however, I do have a few reservations and I had pointed out that I was concerned about using the word ‘unreasonable’. Unreasonable, to me, assumes that there is something sinister or wrong in the escalating rates and that one could impute from this that maybe some of the administrators or operators were incompetent or simply weren’t being fair with their guests. I said that I wanted to make clear that I did not agree with that.

Secondly . . .

Mr. Steuart: — Apologize!

Mr. Rolfes: — I did already. I don’t mind apologizing when I am wrong, but the only problem with the Leader of the Opposition is that he would do nothing but apologize.

Some Hon. Members: — Hear, hear!

Mr. Rolfes: — But I said I was going to be nice, so I won’t say any more.

But, Mr. Speaker, the second reservation that I have about the resolution . . .

Mr. Nelson: — Use the mike.

Mr. Rolfes: — I don’t need the mike. A reservation that I have is the use of the word ‘nursing’ rather than special care homes. I think this does indicate that possibly some Members opposite

when they drafted the resolution may have been thinking of putting more emphasis on health care than I should like to see placed on it. I should like to see the emphasis placed rather on community services, rather than health care.

Therefore, Mr. Speaker, with these few words I should like to move an amendment moved by myself and seconded by the Member for Biggar (Mr. Cowley):

That all the words after the word "Assembly" be deleted and the following substituted therefor:

This Assembly commends the Government of Saskatchewan for its recent announcement that a committee will be set up to study Special Care Homes with respect to escalating construction and operating costs, and alternatives to Special Care Homes.

Some Hon. Members: — Hear, hear!

Mrs. E.G. Edwards (Saskatoon-Sutherland): — Mr. Speaker, I rise to speak in this debate with some trepidation and hesitation because it came through loud and clear to me this morning that we have a new Minister of Social Services who considers himself, although his training and background is education, he considers himself an instant expert on all aspects of the care of the elderly. It is surprising to me that such a wise Minister, who, judging by the speech he gave this morning, has all the answers, and it is surprising to me that such a Minister who has turned off his hearing aid and put his blinders on and made up his mind even before he has his feet wet, it is surprising to me that such a Minister has agreed to set up a committee to study anything.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — I just wonder after the committee reports if he will give them the same kind of performance as he gave this House this morning, when in fact he gave a performance which indicated "we've done it a certain way and we always will and we are not listening to any new ideas."

Now I must be very careful in this debate tonight to use the correct terminology. I'll not speak of "nursing homes" because that word is taboo with the new Minister. We must now say "special care homes", so I shall be very careful. I wouldn't want him to get mixed up with what I am speaking about. You can call it what you like and you can slice it however you like but it all comes out the same anyway.

It was with interest that I learned that the new Minister of Social Services has agreed to set up this, (I notice tonight that he calls it a) committee. I didn't know whether it was a board, or a commission or a committee, and I welcomed this announcement, although I could find nothing in tonight's newspaper about it, but I did hear that such an announcement had been made on television.

I welcome such an announcement because I believe that it

will give special care homes an opportunity to tell their side of the story. Many, in fact most of the homes in this province are doing a commendable job with the multitude of problems they face. One of the major problems is, how to keep up the level of service in the face of uncontrollable costs for goods, services and labour, and the increased demands for more and better services.

Special care homes face similar financial problems as do hospitals.

Mr. Speaker, I would hope the terms of reference of such a committee would also take into consideration a study of the quality of care being given. Now I know that the Minister of Social Services doesn't want me to speak about 'care'. That's another bad word. It's taboo in his books, and I mustn't speak about health care. But whether the Minister of Social Services realizes it or not, or even admits it, you can call it again what you like. It's care. The very words "special care" themselves say 'care' and he can measure it any way he likes, in seconds, minutes or hours and it comes out care. Now the new concept of health care these days (and I'm sorry the Minister of Health isn't here) . . .

Mr. Rolfes: — I'll take notes for him.

Mrs. Edwards: — Will you?

The new concept encompasses all types of care from preventive medicine on up.

Mr. Cameron: — Say it slow – he can't write.

Mrs. Edwards: — Now I'm sure the Minister of Health will agree with such a statement, unless he too is living in the blissful state a new Minister seems to be able to of closing his mind to all new thinking and new ideas.

Mr. Penner: — Did you get that, Herman?

Mr. Rolfes: — What! It wasn't worthwhile, she was getting personal.

Mrs. Edwards: — I'm not getting personal. I'm talking about the Minister of Health and the new ideas about health care. I know that I'm not supposed to speak about that because we don't talk about health care on this debate. But I should like to say that preventive health measures, like good nutrition, well supervised drug therapy, physiotherapy, whirlpool baths, basic supervisory care with personal bathing and grooming, nurse consultation with guests and basic bedside nursing, these are all types of health care being provided in special care homes. Now you can say what you like but that's what is going on.

Mr. Rolfes: — 14 minutes, 20 minutes, 45 minutes.

Mrs. Edwards: — You can measure it how you like, in seconds, minutes or hours, I don't care how you measure it. You can go

to the Public Health Department and get an immunization shot and it can take half a second and now you can call that social services if you like. I don't care what you call it, but that's under the Public Health Department.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — It doesn't matter how long it takes. You can pick up a book and read it on good nutrition and it can be the health education program, and you can put that in the school and you can put it under the Department of Education if you like.

I advocate an evaluation of the quality of such care which I know would be welcomed by well-managed special care homes, because it would give them an opportunity to show why they have difficulty with rising costs in these days, because of the quality of care they are trying to provide, and the demands for their services. I suppose when I talk about the quality of care the Minister of Social Services will once again accuse me of believing that everyone over 65 is automatically sick. Now that's a ridiculous statement. It's just about as ridiculous as if I accuse him of believing that no one over 65 is sick. They are ridiculous statements.

I'll tell you I have learned something today, and I've learned as recently as today. Well I'll tell you what it is, and you all can take note of this, that senility can occur at a very early age in some people.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — I didn't mean the Premier. I'm speaking about certain people who have spoken in this debate. It came from the other side of the House and I wouldn't like to name anybody in particular. I apologize if the Premier took that to heart.

The terms of reference in my opinion should include a study of the quality of care, even though the Minister believes there is little or no care being given. It makes one wonder how often he has visited, if ever, in special care homes. With such a closed mind it may take until he is a guest in one of these homes before he realizes how vital and important the health care component is.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — And if I should ever live that like I should like to be the nurse.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — We'll measure it out, drop by drop.

Mr. Rolfes: — Evelyn, they used to say 'dirty old man'.

Mrs. Edwards: — That's what you will be I tell you, there'll be no bathing or anything else.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — And I hope every Member here will come and visit and see you and judge the quality of care.

The committee set up should also have terms of reference that would give them the power to study the quantity of care that is available, and they should study the needs at the present time and what the projected needs of the future will be.

The learned Minister this morning accused the former Liberal Government of controlling health costs by closing beds, and charging a fee. Now I have heard that so often since I have come here, and I say that the Government is closing beds by squeezing the budgets and they just won't admit it.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — As far as nursing home care beds they don't even have enough so there is no question of closing them, they don't even open them.

Mr. Rolfes: — We have beds!

Mrs. Edwards: — There's not enough.

Mr. Rolfes: — More than anywhere in Canada.

Mrs. Edwards: — Somebody told me once we have more than they've got in Glasgow and I said I could care less what they've got in Glasgow, what I'm concerned about is the people who are here. It should meet the needs. That's all I say.

Mr. Deputy Speaker: — Order, order! The Member for Sutherland has the floor, I think we should have a bit more decorum in the House.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — I say that such accusations about a former government and their problems with the health care field is getting this Minister of Social Services out on a limb because the number of special care homes are not meeting the needs today. With all due respect, I suggest that the new Minister has no idea how many people are in need of care in this province either in institutions, in their own homes or in private homes giving care and I suggest that this Government does not know how many private homes are giving care to how many people.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — And if we are not to have a fiasco like they had in an inquiry in Quebec where they found that there were many private homes that were meeting no standards and no quality of care, I think we had better get on it and solve some of the problems. I will be interested in learning about the makeup

of this committee and who will be on it, what people. I should like to know the terms of reference of such a committee. And I know that you will gloss it over and it will be painted up white, too, no matter how it comes out. I suggest that this study should study all of the financial aspects and bring us the problems that special care homes are facing because they are facing some pretty real problems and I think they are doing a commendable job, in spite of their problems. I think the committee should study also alternative services, we are all interested in giving the best care possible to our elderly but that doesn't mean neglecting the institutions we have got. I suggest that we should study the quality of care that is being given and the quantity of care.

In closing again, I would commend the good care that is being given by so many dedicated people in this field and with a little help and little co-operation from the Government opposite I think that we should improve things.

Some Hon. Members: — Hear, hear!

Mrs. Edwards: — In closing I would emphasize once again that such a committee would give the special care homes the chance to tell their side of the story and present their problems and present some recommendations that we could take some action on and improve things for the elderly in this province who after all are the most important in this debate. I beg leave to adjourn debate.

Debate adjourned.

RESOLUTION NO. 1 – NATIONAL STABILIZATION PROGRAMS TO GUARANTEE REALISTIC PRICES FOR AGRICULTURAL PRODUCTS

The Assembly resumed the adjourned debate on the proposed resolution by Mr. Banda:

That this Assembly requests the Federal Government to recognize the inadequacy of its present stabilization programs and move to amend Bill C-50 in order to develop long-term national stabilization programs based on Federal-Provincial producer co-operation, that guarantee realistic prices based on full costs of production for all agricultural products, with first priority being given to programs for key commodities such as hogs and calves, and that the amendments also prevent proliferation of provincial programs that distort natural production advantages.

Hon. E. Kaeding (Minister of Agriculture): — Mr. Speaker, before I speak on this resolution I should like to make just a short comment on the statement made by the Member for Assiniboia-Gravelbourg (Mr. Nelson) I believe it was with regard to myself farming on a garden patch and being a pretty incompetent farmer. I should like to advise him that my family and myself happened to win the Family Farm Award in 1969 and I don't think that qualifies me as a poor farmer.

Some Hon. Members: — Hear, hear!

Mr. Kaeding: — And I suggest that if he checks he will find that I am not farming on a garden patch.

Mr. Speaker, in speaking to this resolution I am reminded that only nine months ago we debated a resolution calling for long-term national stabilization plans. At that time the matter was urgent. I suggest to you now that the situation has reached critical proportions. Saskatchewan's livestock producers who have contributed immeasurably to the provincial economy, are now facing one of the most difficult periods since the great depression.

Livestock producers are facing production costs that have escalated sharply over the last three years, and returns that have fluctuated very mildly over the last couple of years.

Farm cash receipts from the sale of hogs averaged \$44 million during the period 1967-72. These receipts more than doubled to \$96 million in 1973 and then fell back 13 per cent to \$85 million in 1974. For the first six months of 1975 farm cash receipts from the sale of hogs were \$37 million. In 1971 we had a record 1.1 million hogs on farms. By July 1975 this figure had dropped to one-half million. Hog price fluctuations and increasing costs have resulted in an unprofitable situation and production cutbacks.

During the period 1967-71 receipts from cattle sales averaged \$135 million. Receipts increased 36 per cent, 28 per cent and 7 per cent to \$250 million by 1974. By the end of July 1975 receipts had dropped to \$173 million.

The situation for calf producers, which I remind you is an indicator of the future cattle industry, is one of grave concern. Average farm cash receipts for the period 1967-72 were \$31 million, remained at \$35 million for the next two years and now for the first six months of 1975 farm cash receipts from the sale of calves have been only \$8 million. Calves on farms have increased 41 per cent since 1969 so that on July 1, 1975 we had almost 1.1 million head. Over the same period total cattle numbers have increased 44 per cent. We now have a total of 3.2 million head. While I am pleased with the growth of the cattle industry, I have serious reservations as to whether we can retain that kind of cattle numbers.

Let's look at cattle prices. Prices have not increased as rapidly as costs. Our producers are once again caught in the cost-price squeeze. Feedlot operations have adjusted to the increased costs by reducing their bids for feeder cattle. Thus feeder cattle producers who are the very backbone of the Saskatchewan industry are presently most affected. They were hard hit by low prices in 1974 and again this year. Analysis of the records of a small number of Saskatchewan beef farms with investments under \$200,000 reveals a labour return of minus \$8,442 in 1974 and beef farms with investments over \$200,000 returned minus \$9,083 for labour.

The farm input price index compiled by Statistics Canada, for western Canada shows a 42 per cent increase since 1972. The feed index, the largest single input into the livestock industry, has increased 116 per cent since 1972. This Western Feed Index, prior to the new Federal Feed Grain Policy, averaged 7 index points less than the Eastern Feed Index.

However, the western index exceeded the eastern by 11.8 points in 1974 and 17 points so far this year. It is becoming very obvious, Mr. Speaker, whom the new Feed Grain Policy was intended to benefit.

In the past our producers have been able to live with the fluctuations in their returns. Many of them were mixed farmers, in the true sense of the word, and shifted resources from one operation to another to satisfy their immediate cash needs. With increasing specialization, technological improvements, large investments and increasing costs it is becoming more difficult to adjust to the fluctuations. It is true that there are still many producers who can get in and out of livestock production in response to cycles, but these producers tend to accentuate the cycles rather than to reduce them. These 'inners' and 'outers' expand production when prices are high, but by the time their output is realized the price has fallen. In response to their cutback production, the prices inevitably rise and so the cycle continues.

In addition to accentuating these cycles producer overreaction results in misallocation of resources. Producers are forced to abandon new production enterprises just as they have become established. Expensive hog barns and beef feedlots are empty while the producers wonder how they can meet their commitments. While the days of chicken-coop hog farms are gone, long-term planning required by modern livestock production is disrupted by attempts to meet short-term needs. Not only are these cycles harder to live with but they adversely affect the whole provincial economy. Farms are abandoned and rural depopulation accelerates while our young people give up on their hope of establishing livestock operations.

Unless price cycles are controlled, the outlook for livestock production in the province is poor. Not only must product prices and net farm returns be stabilized but this stabilization must be at such a level that guarantees returns to cover the increasing costs of production and provides fair and reasonable returns to labour and investment for our farmers. To accomplish this we must have a national, long-term stabilization plan based on current and realistic costs of production.

Only long-term plans can facilitate long-term planning. Short-term plans can only add further disruptions and instability to an already unstable situation. These long-term plans must be based on current costs of production. Saskatchewan implemented a hog price stabilization plan based on current and expected future costs. Other provinces have done the same for both cattle and hogs. No national stabilization plan can be effective, however, if it bases support levels on past prices and past costs.

The long-term cost of production-based stabilization plans must be national. Provincial plans can only result in a distortion of natural production advantages. When a rich province provides a long-term stabilization plan it will eventually shift production to that province even if there was no natural production advantage. The ultimate result, of course, will be higher costs to consumers. Stabilization plans are costly for a province like Saskatchewan. Ontario has a cow-calf insurance program, which if implemented in Saskatchewan could cost the provincial Treasury \$100 million annually. British Columbia, likewise, has a program which if implemented in

Saskatchewan would probably cost more than \$100 million. Some other provinces can draw upon their non-agricultural industries and large population bases to provide funds for agricultural stabilization programs. We cannot in Saskatchewan. The Canadian Economic Review for 1973 shows that agriculture contributed over 50 per cent of the total net value of commodity production.

The costs of a provincial stabilization plan to Saskatchewan consumers would far outweigh the benefits, since we are a net exporter of all livestock. Half of our calves are moved out of the province for feeding. Half of those that are exported are finished outside of the province. A provincial plan would subsidize producers and consumers outside Saskatchewan at levels which we cannot afford.

A national stabilization plan that stabilized farm income would provide stable and predictable supplies of food at reasonable costs, benefiting both producers and consumers. As long as producers are forced to react to periods of low prices by making short-term adjustments they cannot maintain production patterns which fit long-term market trends and consumer needs. Low prices for producers are followed by shortages and consumer price increases. I have heard that the president of the Canadian Cattlemen's Association is suggesting beef prices might go to \$1 a pound. Well, I don't know whether you think that is a good exercise, an increase of that magnitude may be required if the price cycles in beef continue unchecked and I suspect that consumers would not tolerate such an increase.

I cannot stress enough that meaningful stabilization plans will not destroy the means by which supply relates to demand. Supply can be adjusted if the need arises through supply control and marketing boards, incentive programs or quotas. While these mechanisms may not be perfect resource allocators the present market system certainly is no better.

Mr. Speaker, as a cattleman myself, I am well aware of the apprehensions that some producers feel toward a national stabilization plan. At times I have shared some of these apprehensions about the long-term impact on the cattle industry. Certainly it would mean that we would be moving a long way toward production controls. But this is hardly a radical or unprecedented step. Every other segment of society has accepted some form of production control to protect their financial interest. Do members of the labour force cut each others' throats to get a job at any price? Certainly not. If they did, then with eight per cent unemployment, we would have labour unions out there offering the services of their members to anyone who wanted work at \$8 or \$7 or \$6 or \$5 or maybe even at minimum wage, hoping that everyone would be employed. If General Motors and Ford and Chrysler are oversupplied with cars, as they were last year, will they cut their prices from \$6,000 to \$5,000 to \$4,000 or \$3,000 until somebody buys their product? Certainly not. They will reduce production but they will maintain the price.

When doctors and lawyers or engineers or teachers foresee the possibility of too many people practising their profession, a variety of methods are utilized to limit the number of university graduates in that discipline or restrict the number licensed to practise that profession. In this way they are able to eliminate prospective competition within the profession

and safeguard their future earning potential. We have taxis and truck drivers. If you want to get a taxi in a small town you have to go to the town council and ask them if they will allow another taxi in the town because if they can only afford one that is all they will allow. You have trucking franchises they will only allow you to truck in certain areas.

We may not always like the methods used by other segments of society to maintain their income, but they are all doing it. Only the primary producer has been naïve enough to believe that somehow he could maintain his independence and remain aloof from some income stabilization mechanism. It is unfortunate, Mr. Speaker, that although farmers from all areas of the province are urging the Government to press for an adequate national stabilization plan for beef, the Saskatchewan Stock Growers Association and the Canadian Cattlemen's Association, both well represented by Members of both parties on the opposite side of this House but with very little support in the country, stridently oppose any move to bring real stability to the livestock industry. They say they want no Government involvement in the cattle industry. They talk about some mythical freedom to make their own decisions. Freedom from whom, Mr. Speaker? Freedom for the young farmer who until two years ago had confidence in the beef industry and invested in a basic herd and some livestock equipment only to find himself unable to meet his financial commitments. Is it freedom for the small mixed farmer who still comprises a large segment of rural Saskatchewan who attempted to ensure some security due to diversification and now finds himself losing more on his livestock operation than he can possibly recover through grain sales. A hollow freedom indeed for these young farmers who are the future of our agricultural industry. These are the people who bear the brunt of the cruel axe of the law of supply and demand and yet it is the policy of the Members opposite.

The proponents of the free market system suggest that eventually high prices will offset low prices for those producers who remain in production. However, we must remember consumers are getting better organized and have a number of various local spokesmen. I wonder if any of you have ever heard of Beryl Plumptre? I seriously question whether or not Mrs. Plumptre will allow cattle producers to make the \$100 per steer or more that their cost of production requires to bring them back to a break-even point.

Another factor that will also serve to reduce the catch-up allowed during the high side of the cycle. That is the increased popularity of meat substitutes. Until now beef has enjoyed a very favourable place on the market. Consumers' tastes require beef and they are prepared to pay a premium for it. Lately, however, various substitutes have developed which can offer an attractive alternative. If beef prices rise again wary customers may switch to these substitutes, dampening price increases. Furthermore, there is a danger that once weaned of beef they won't return even if the price is moderate.

Mr. Speaker, we have in Canada a vehicle by which national long-term cost of production plans could be implemented. It is the recently passed Bill C-50, amending The Agricultural Stabilization Act. While Bill C-50 is certainly an improvement over the original Act, there are still a number of serious shortcomings in the Federal legislation which require amendment.

The basic minimum level of stabilization is 90 per cent of a five-year average price adjusted for increasing costs of production. This is stop-loss legislation which provides for no guaranteed return to labour. To provide a return to labour, the Federal Government argues, is to encourage over-production. I have indicated previously that over-production will not result from a well managed plan. This legislation must be amended to provide a fair return to labour.

The use of historical prices and costs may result in the prescribed price being less than actual costs. This is not an acceptable mechanism for relating stabilization prices to current costs of production. I would ask that Bill C-50 be amended with a more realistic method of calculating the stabilization price a formula which takes into account the current costs of production. The Federal Government has a beef stabilization plan in effect that guarantees a return of \$43.94 a hundred weight on A-1 and A-2 steers and heifers. This plan assumes as a cost the price paid for the feeder. There is consideration given to the cost of raising the feeder or the welfare of the cow-calf producer. The cost of producing a feeder calf to the weight of 450 pounds is variously calculated depending on what factors are taken into consideration and the area in which it is produced as being somewhere between 45 and 60 cents per pound.

The input price used in calculating the stabilization price of \$43.94 for feeder steers was open market price for feeder calves in the immediately preceding period, which was extremely low, probably in the area of 25 to 30 cents per pound. Obviously, feedlot operators who purchase calves at that ridiculously low price might well be able to break even at a market price of \$43.94 as established under Bill 50 but it does not in any way relate to the cost to the cow-calf producer who is, after all, the first important link in the beef production chain.

Some mechanism must be found, Mr. Speaker, to bring the benefits of a stabilization plan to the original producer, the cow-calf man. Bill C-50 states that the basic price for named commodities will be calculated each year and that the Federal Government will then determine if the stabilization plan is necessary. This suggests that any plan implemented under Bill C-50 will be short-term and at the discretion of the Federal Cabinet. Short-term plans can only cause further instability in the industry because of their inability to facilitate long-term planning. The legislation must be amended to provide for long-term plans.

The stabilization price is calculated ignoring regional differences in returns and costs. The calculation of payments has no regard to the specific price received by individual producers in individual regions. The Federal Government had a beef stabilization plan which guaranteed producers a \$45.52 price for A-1 and A-2 steers and heifers, marketed during the period August 12, 1974 to August 11, 1975. The average payout to producers was about half a cent a pound regardless of whether the producer sold a steer in Toronto in September at \$51.91 or whether he sold that steer in Saskatoon in March at \$35.77. It also does not take into account the very serious spread in the prices of steers between eastern and western Canada which in this year has gone as high as eight cents per pound spread.

This same method of calculating the Federal hog stabilization price for 1974-75 was used and resulted in no payout. Saskatchewan recognized the shortcomings that existed in the plan, implemented the supplementary plan and paid out approximately \$8 million for hogs marketed during the period April 16, 1974 to March 31, 1975. The current federal beef stabilization plan which guarantees a price of \$43.92 is based on Toronto, Winnipeg and Calgary markets. This method of calculation means that the effective price in Saskatchewan is probably only about \$40 per hundredweight. Calculating the stabilization level for a 12-month period and making payouts at the end of the period does not take into account the rapid changes in costs and prices that can occur within one year. This method also ignores the farmer's cash flow requirement. Bill C-50 should be amended to ensure that the wealthy provincial governments are not allowed to implement their own stabilization plans. As stated previously, this can only result in production pattern distortions.

The resolution put forward asks that immediate attention be given to cow-calf operators and hog producers. In the hog sector, we have just experienced a period of \$80 hogs and we are now seeing the price fall. Action must be taken now to protect hog producers from the swing of price declines and rising production costs. We cannot wait until we are in a crisis situation. It was such a crisis that forced the Provincial Government to implement the hog price stabilization program in 1973.

The cow-calf sector is already in a crisis situation. It is unfortunate that the Federal Government did not attempt to assist these producers when the signs of crisis were pointed out by this Government. The Federal Government has still not responded except through two ill-conceived beef stabilization plans which ignore the plight of the cow-calf producer.

At the recent Outlook conference, the provincial Ministers of Agriculture met with the Hon. Eugene Whelan in Ottawa for further discussions on the operations of the Federal Stabilization Program under Bill C-50. Almost without exception the provincial Ministers indicated their support for adequate national stabilization programs as opposed to unilateral, costly provincial programs. I stress the word 'adequate', Mr. Speaker, because to date many of the support levels have been very far from adequate.

Proposals were put forward at that meeting for a more realistic support mechanism for cow-calf producers, which would reflect an adequate price for calves produced on farms. There are at least two acceptable methods under which this could be accomplished under the existing Bill C-50.

Method No. 1, would plug into the Bill C-50 formula a cost price for feeders which would reflect a reasonable cost of production to bring that feeder to market rather than using the actual market prices established in daily trading. This cost of production price would result in a substantially higher price under the Bill C-50 formula for market cattle. The assumption under this method would be that a higher price for market cattle would trigger an equally higher price for feeder calves and the benefit would get down to the cow-calf producer in that way. This is an assumption which would not always be realized, and this method is deficient in that respect.

Method No. 2, would provide a second level of support for cow-calf operators under Bill C-50, separate from the market cattle price. Support prices would be established which would be based on the cost of production to bring spring calves to market in the fall. Payments would . . .

Mr. Lane: — Have you got the right page?

Mr. Kaeding: — Never worry. Payments would be made to farmers on the number of cows in the herd, whether these calves were marketed or retained on the farm for further feeding. This would eliminate the need for a producer to sell his calf as a feeder in order to qualify for a support price.

This formula would allow the market price for calves to continue to be based on demand at the individual markets, but would shelter calf producers against disastrously low prices.

Further detailed discussions are taking place to refine the most satisfactory method. I have some confidence that such a program could be in place for 1976 production. The unanimous support of all Members of this Assembly to the proposed resolution will further strengthen the position of the provincial Ministers in their attempts to get a satisfactory stabilization program at the producer level.

Some eight weeks ago I had the privilege of attending the United Nations Food and Agriculture Conference in Rome as a member of the Canadian delegation. At that conference, attended by delegates from 135 nations, one of the major concerns of all delegates was securing an adequate food supply for the burgeoning world population.

Nation after nation expressed the urgent need to stabilize the world food supply to prevent major food deficiencies and starvation in underdeveloped countries. At the same time many nations which were exporters of surplus food production raised the equally serious problems which confront them in times of so-called surplus production which forces their returns in such years well below the cost of production. As most producers well know a deficiency or surplus of food production of as little as two or three per cent can result in the most violent price fluctuations on a speculative market; and yet there is no way in which food production can be geared to the supply-demand equation with that kind of precision because of the uncertainties of climatic conditions and other disrupting factors.

Recognizing the impact of these extreme short-term fluctuations on the returns of farmers in food producing countries and the much more tragic toll of human suffering which could take place and in fact, has taken place in countries where food supplies are inadequate, the debate at the conference centred around ways and means of bringing some stability into the supply and pricing of international food supplies.

It becomes very apparent when one considers the dangerously low total world food supply and the vulnerability of world food prices as reflected in even small changes in the world inventory, that some mechanism must be found – even at the international level to bring some international grains agreements into being which will provide an adequate world food supply without the

persistent danger of serious price fluctuations for the producers of that world food supply.

It would be a very poor commentary on the credibility of a civilized society to admit that we could not discipline ourselves to produce only when the price is right. The resolution of that problem, if it can be achieved, could well be the most important development to come out of the World Food Conference.

Canada, as a major exporter of surplus food, has a vitally important role to play in ensuring that full support is given to sincere efforts to bring about such international food agreements, and in the establishment of a World Food Bank with safeguards to ensure that these arrangements do not reflect depressed returns to primary producers.

Therefore, Mr. Speaker, I would strongly support this resolution. Without action in these various areas we may well not have a proper livestock industry in Saskatchewan. I would suggest to all Members of the House it would be in their interest to support this resolution.

Mr. R.E. Nelson (Assiniboia-Gravelbourg): — Mr. Speaker, I should like to say a few words on Resolution No. 1. First I should like to congratulate the Minister on his Family Farm Award that he won in the past. I understand he was able to divide up his receipts among his sons, and I wasn't that fortunate, he did beat me out of 400 and some dollars. I should like to invite him to the south some time and meet some of the other people whom you are fixing, Mr. Minister, and there are lots of them.

I noticed the Member for Bengough-Milestone (Mr. Lange) voted for your amendment, but I certainly did see that he never thumped the desk once when you mentioned any part of it. His dad will look after him when he gets home.

Mr. Speaker, if this Assembly was mixed up on the resolution on the gas Bill, I can assure you in this resolution after listening to that ordeal that everyone is mixed up. We can certainly see the Minister was mixed up.

The resolution asks the Federal Government to bring all things in to save the agricultural situation and the cow-calf operation in particular. Yet, what has the Minister of Agriculture in Saskatchewan done? He has stood up and threatened farmers of Saskatchewan, told them it may come to the time when he is going to license them through the Government. He hasn't recognized the problem in the cattle industry, he hasn't recognized it as one of overproduction. If he has, he has put in a program that does nothing more than add fuel to the fire. He suggested that farmers and ranchers of this province increase their female herd and has offered more money to farmers to do just that. Increase the production of cattle.

The Minister of Agriculture tells farmers to get in there while the cattle are cheap, it may increase the production but it won't hurt the overproduction problem because our cattle population is small in comparison with the overall production of the world. This is not a responsible attitude for a Minister of any government. Surely the Minister would, if he has the

money available for loans, give loans to farmers for calves and for cows to be purchased providing these cattle were sent to slaughter. Would we not be far wiser to do something to cure the cattle problem and not completely overlook the problem and do nothing more than to make it worse by doing what he has done.

If this Government, the former Provincial Liberal Government, the Federal Liberal Government and the United States Government had left the cattle people alone they would be in a much better position than they are today. They gave grass incentives, loans, cattle loans, interest free loans, the US gave subsidies and the Nixon boys put on the meat freeze, they have caused the overproduction and the lower prices. The thing all governments should do is let the cattlemen run the cattle industry. They know the cattle industry, governments do not. The cattleman can cure his own problems, leave him alone, Mr. Minister of Agriculture. I beg leave to adjourn debate.

Debate adjourned.

RESOLUTION NO. 3 – INCREASE OF GOVERNMENT CORPORATION RATES

The Assembly resumed the adjourned debate on the proposed motion by Mr. D.G. Steuart (Leader of the Opposition):

That this Assembly strongly disapproves of the enormous increases in the Saskatchewan Telephone rates of 25 per cent, the Saskatchewan Power Corporation electrical and gas rates on the average of 26 per cent and 47 per cent respectively and the Saskatchewan Government Insurance rates on automobiles and private dwellings averaging 25 per cent.

and the proposed amendment thereto moved by the Hon. Mr. Cowley:

That all the words after the word “Assembly” be deleted and the following substituted therefor:

Commends the Government of Saskatchewan for keeping increases in telephone rates, electrical and gas rates and insurance rates in this province at a minimum in the face of escalating costs while maintaining a high level of service to the public unequalled in the continent.

Hon. N.E. Byers (Minister of Telephones): — Mr. Speaker, it is some time since the Hon. Member for Prince Albert-Duck Lake (Mr. Steuart) introduced this resolution. Our Provincial Secretary has moved a very appropriate amendment to it. I was hoping that in dealing with this resolution we may have had the opportunity, although I haven't given up hope, to hear some of the views of the Conservative caucus so that we might know more fully where they stand with respect to the operations and the programs of Crown corporations. Perhaps we shall still be treated to that before this resolution is voted on in this House.

Mr. Speaker, the Hon. Leader of the Opposition introduced this resolution, referring to power, telephones, Saskatchewan Government Insurance rates. I want to deal tonight with some of the activities of Sask Tel. He was very selective in the areas that he undertook to discuss relating to the programs of

the Crown corporation, Sask Tel. He referred to rate increases which the original resolution states, of 25 per cent, not spelling out what that means very well. He was very careful not to relate some of the very major activities that Sask Tel is undertaking and has been undertaking which have to some extent necessitated the minor rate increases that Saskatchewan people will pay for this service.

I just bring to the attention of the Members of the House that about the time he introduced this resolution that we did open in the city of Prince Albert a new electronic switching station that costs in the order of \$3 million to improve telephone service to the people of that city, to the people of that part of the province. Prince Albert now joins Saskatoon and Regina as centres with this sophisticated, electronic, automatic switching equipment which is part of the technology that Sask Tel customers enjoy.

I should like tonight, Mr. Speaker, to deal first of all with some of the capital activities of Sask Tel that have perhaps been part of the cause for minor increase in rates that Saskatchewan people will be paying, but which are still a good deal lower than those being paid by people in other jurisdictions. One does not have to travel very widely in Saskatchewan to know that Sask Tel is experiencing an exceptional demand for capital to provide the type of service that our people need and these demands have been very heavy demands, and particularly in these inflationary times. Therefore, last fall we did announce some rate increases that became effective.

Just to illustrate, particularly for the benefit of the new Members who will shortly be preparing themselves for the Crown corporation activities, the capital construction has been rising very sharply with respect to Sask Tel and this is caused by several factors. The need to extend telephone alone to new residential developments within our urban area. Certainly, one does not have to write to the about to be defunct Information Canada for that evidence. You can see that as you drive into Saskatoon, Regina or any city or town within this province. As a result, net construction spending for Sask Tel has soared upwards in 1972 from about \$23.4 million to about \$76.8 million in 1975.

What are some of the major programs that Sask Tel has been engaged in? Let me refer to some of them. One that is well know, of course, is the dial conversion program. Not a very exciting program now, but a major portion of the money spent in the past four years was for the dial conversion program. I think, Mr. Speaker, in recent days we have been constantly referred to events in history going long back into the 15th century in some case. I want to say with respect to the dial conversion program that this was started by a CCF Government in the early 1960s and it was completed by a New Democratic Party government in September of 1974. In September or October of 1976 we expect to have the last community in the province converted to direct dial service; namely, Uranium City.

Let me say a word about the unserved area program. I do not for one minute want to give any credit to our party or our government for launching that program. It was a very good program. It was launched in 1966 by the former government. It was a program to take telephone service to the many farmers in the province for the first time. It provided telephone service

to the sparsely settled areas of the province where the formation of rural telephone companies was not feasible. Now this program was really modelled on the program that delivered power service to the rural areas in the 1950's. I might say that the capital investment for telephones under this program approached \$2,000 per farm. The farmers were charged about \$400 for each connection and under this program over 6,100 remotely located homes in this province have received service under the unserved area program. The total cost to Sask Tel was in the order of \$15 million to complete that service.

We may overlook sometimes, Mr. Speaker, the service that Sask Tel provides to the rural telephone companies of which there are about 720 remaining in this province. I say this particularly for the benefit of the new Members and particularly those who come from rural constituencies. May I say that Sask Tel provides to the rural telephones companies, at really no charge to them, design and engineering work for work they are undertaking. A good deal of this portion of Sask Tel's activity is generated by our Government's recognition that some of the programs which we inherited from the former government were really not meeting the full needs of our rural people. One of these needs, of course, is the need or desire of our rural telephone companies to install buried cable. We changed the grant formula so that the rural companies now collect 50 per cent of the capital cost up to an approved figure instead of one-third as was formerly the case. This has put a great deal of pressure on Sask Tel's engineering capacity. May I say that under this program alone, in the year past, it is estimated that the Department of Telephones paid grants to construct about 3,500 miles of cable to the farms at an estimated cost of over \$1 million.

But I think, Mr. Speaker, that one of the major highlights of Sask Tel's capital program in the last few years has been development of, and I really hope, Mr. Leader of the Opposition, that your critic for northern Saskatchewan, whoever it is this week, will pay attention and become more familiar with the great communication developments that have benefited North Saskatchewan since 1971. Our Government felt that we certainly have an obligation to provide telecommunication services to the people of northern Saskatchewan and, therefore, to fulfil this obligation, Sask Tel developed the northern communications program to provide a modern communication system to these northern communities. This program is being delivered really in three phases.

Mr. Speaker, you will recall that the initial phase of this northern communications program was the gradual introduction of the high-frequency radio-telephone service to northern communities in the late fall of 1971. These simple, side-band high-frequency radios that are situated at various locations, first provided the residents of northern Saskatchewan with their first access to the long distance telephone network. And that program was started in the fall of 1971.

Now the second phase of this great northern communications program was the introduction of the high-frequency radio-telephone service for local use. This allowed the customers within a 50 mile radius to communicate with one another. The system really resembles a telephone exchange area except that radio-telephones are used. I am sure that the Member for Shaunavon (Mr. Anderson) and the Member for Gravelbourg (Mr. Nelson)

have probably used these phones to call home on their fishing expeditions up to Reindeer Lake or wherever they go to make their regular inspections of northern Saskatchewan.

The third phase, Mr. Speaker, was by far the most ambitious and, of course, it was the most expensive. This was the construction of the two microwave routes that will provide regular exchange telephone service. It will provide pay station service to several of our northern communities. Mr. Speaker, I am pleased to report to the House that this microwave network has now been completed. The eastern leg of this system runs north from Prince Albert, through Collins Bay, which is on Wollaston Lake just a bit north of Reindeer Lake, and is now in service all the way up to Uranium City, which is the end of the route. It is here that we will be providing direct dial service to all of this province this fall. Communities along the way that have been completed to this extension include Stony Rapids and Black Lake. In addition to those, Hon. Members, the Opposition who go north will notice that the citizens of Weyakwin and Canoe Lake, Dillon and Patuanak and South End are now enjoying the benefits of toll pay station services. Sturgeon Landing received pay toll pay station service late in 1975.

Now at the outset I said, Mr. Speaker, that this phase was by far the most expensive and it was by far the most ambitious. The total cost of this microwave system, to which we can ascribe some of the recently announced modest rate increases, was \$8 million to provide an up-to-date sophisticated phone system to the people of northern Saskatchewan.

We are now proceeding to hold discussions with northern residents to set up some local exchange services and approval has been given for a number of additional points in this regard. Canoe Lake and Dillon and Fond-du-Lac and Patuanak and South End are just some of the communities that have recently received approval in this regard. And these are some of the major capital projects which Sask Tel is required to finance if the citizens in our province are to continue to have high quality, modern, up-to-date phone service.

Early this year some 72 communities in the province received the word that they will receive benefits under, not only a stated government policy, but a government policy that is ongoing in our attempts to move to the smaller centres of Saskatchewan more of our staff from both the government departments and Crown corporations.

The setting up of some 27 sub-district offices whereby maintenance staff, which are badly needed by rural telephone companies in a good many cases, where people in smaller communities are faced with occasional telephone breakages, find that the maintenance staff lives far away, and are often not available for a long time. Through this new decentralization plan we will be setting up sub-district offices over the next two years in 27 communities. We are putting one to three staff in each of these 27 communities and we will be building a respectable building over a two-year period to house the office and the staff.

In respect to cable television, I am sure that all Members of the House are aware that over the last two or three years and continuing for the next year or two, Sask Tel will be expending very, very large sums in the provision of hardware for the anticipated arrival of cable television.

Housing demands, as I have mentioned and here again I want to bring to your attention I have mentioned that one of the great pressure points for increased telephone services is the growth of residences alone within our urban centres. And we are meeting those demands. I want to contrast this with an article that appeared in the December, 1975, Volume 1, No. 3, the Canadian Letter, which came to my office and I want to quote one paragraph from the article. "The Bell Tolls", is the heading:

The increasing mutterings about nationalizing Bell Canada is a direct result of the Company's clumsiness in public relations, and what some interprets as arrogance in dealing with its customers, Bell has tried to reinforce its demands for rate increases. Three requests in two years – by refusing to wire new homes and apartments.

Some of the rate increases we are talking about here in Saskatchewan have not been adjusted since 1960.

Some see this as a crude form of blackmail. Another example was Bell's threat to cut off services to a major bank if it adopted a non-Bell equipment system. Meanwhile Bell pleads poverty while its balance sheet shows an after tax profit last year of \$224 million or 12 per cent over 1973.

I will be giving you those figures very shortly, Mr. Member for Prince Albert-Duck Lake. And I want you to write down that Bell's increases were 12 per cent for one year and I will give you the comparable Sask Tel rates very shortly.

One critic close to the regulatory structure suggested that profit would be even higher if Bell devoted as much attention to its technical business as it does to playing pressure politics.

Well I am sure that homeowners in Saskatchewan know Sask Tel as a responsible Crown corporation. They know that when they build a new home within one of our urban subdivisions, that they can receive phone service without being subjected to that kind of pressure politics.

We have had a very ambitious program of taking phones to Indian Reserves and resort villages and assisting the rural telephone companies by installing extra cable for rent to the rural telephone companies to save them the expense of reconstructing their own lines.

I know that this is the part that the Hon. Leader of the Opposition is anxiously waiting for. How do the recent Sask Tel rate increases compare with other jurisdictions. First of all may I say that the last general increase in long distance rates in Saskatchewan took place in 1960. That is some 16 years ago. The 1975 increase is up an average of 13.5 per cent. I think that if you were to average that percentage out over these 16 years, that the increases that were recently applied are less than one per cent a year.

With respect to local service rates, the last general rate increase for local service rates was back in 1967. That one did not miss the attention of the then government. The present rate increase here represents an average of about 18 per cent.

And if you take that increase that is only an increase of 2.3 per cent a year for that period. So I think that these two facts illustrate that Sask Tel rate changes compare very favourably with other jurisdictions.

That is probably not enough information to satisfy the curiosity of the Hon. Member of the Opposition, so let's take the individual residences. Saskatchewan residents have had the lowest possible rate for the longest possible time and they will continue with this service under the new rate structure.

Let's look at our cities, first of all. Our two largest cities now have three rate categories. One category is Saskatoon and Regina. The basic charge for individual line service is \$5. In Victoria it would be \$6.35; Vancouver \$7.65; Montreal \$6.50; Toronto \$6.50; Halifax \$7.45; St. John, New Brunswick \$6.15 and St. John's, Newfoundland \$7. Those are the present rate structures.

Let's take some of our smaller cities like Estevan, Melville, Moose Jaw, North Battleford, Prince Albert, Swift Current, Weyburn and Yorkton. Here the basic charge for individual line service will be \$4.25. In a city of comparable size in British Columbia the rate would vary from \$5.35 to \$5.65. A city of comparable size in Alberta would range from \$4.80 to \$5.10. Under the Bell system from \$4.95 to \$5.20 or in Eastern Canada under Maritime telephones from \$6.55 to \$6.85.

Let's take a typical rural community, and here I have picked a community with 250 subscribers and I am sure that many Members will have centres with that many subscribers in their constituencies so they will understand and be able to make valid comparisons. A resident in a typical rural community now pays the basic phone charge of \$3.50, whereas an Alberta rancher will pay from \$4 to \$4.40 for the same service and a citizen in a Newfoundland fishing village will pay from \$5 to \$5.80 per month for the same service.

We could go on and give you – oh, yes, I note the Hon. Leader of the Opposition alluded to the fact that the new rates were gouging businessmen. I don't want to belabour the House with long reams of statistics. I don't like statistics and I will just give him an example here of a businessman, and I have a copy of this particular letter. It is a situation of a businessman in this province, who runs a trucking business. His basic phone rate in our province will be \$71.50 a month because it is a fairly sizeable business. The same service in Alberta would cost \$77.05 a month or if he was operating the same business in Nova Scotia, under their existing rates, the rates would be \$11.30 per month compared with \$71.50 in Saskatchewan.

I think that those figures, Mr. Speaker, should illustrate that first of all, that Sask Tel rate increases are certainly needed. If our residents are to continue to enjoy the high quality telecommunication service during the period of very high inflation, that without an increase Sask Tel would have faced a decline in their net income during 1976 and had we not taken action now, may have faced a deficit in the very near future.

We feel that the Saskatchewan people, to a large extent in Sask Tel as they do in Power and SGIO, set their own rates

by the amount of service which they demand. Our people have had the benefit of the lowest possible rates, as I said, for the longest possible time. I think the new rate structure shows that the increase are very reasonable and we could produce lots of evidence to show that they are well below other price changes in the economy.

The new rate changes will still be among the lowest in Canada. We have, I am sure, made a genuine effort not to raise rates until it was absolutely necessary, in spite of rapidly rising costs.

Mr. Speaker, you will know that this is a very interesting and fascinating field. There are many more things that I could say about it. I know that some of my colleagues would like to speak on other aspects of the amended resolution. I will be supporting the amendment and not the resolution, and to afford my colleagues, some of who are not here today, who would like to add further comment to this subject, I would beg leave to adjourn debate.

Debate adjourned.

RESOLUTION NO. 18 – TO AMEND THE TRADE UNION ACT, 1972

The Assembly resumed the adjourned debate on the proposed resolution by Mr. R.L. Collver (Leader of the Progressive Conservatives):

That this Assembly urges the Government of Saskatchewan to amend The Trade Union Act, 1972, to ensure that upon certification or decertification and upon strike votes or back to work votes that if a significant minority of union members are dissatisfied with the accuracy of the vote taken in the usual way that they may apply for a vote supervised by the Labour Relations Board.

The motion negived on the following recorded division:

YEAS – 4

Larter
Bailey

Berntson

Ham

NAYS – 32

Blakeney
Pepper
Bowerman
Smishek
Romanow
Snyder
Byers
Kramer
Lange
Faris
Kowalchuk

Robbins
MacMurchy
Mostoway
Larson
Whelan
Kaeding
Dyck
McNeill
MacAuley
Feschuk
Shillington

Rolfes
Cowley
Tchorzewski
Matsalla
Skoberg
Vickar
Allen
Koskie
Johnson
Banda

The Assembly adjourned at 8:48 o'clock p.m.