

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Eighteenth Legislature
18th Day

Tuesday, April 6, 1976

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

WELCOME TO STUDENTS

HON. E.C. WHELAN: (Regina North West) — Mr. Speaker, through you I would like to introduce to this House 60 Grade Eight students from Al Pickard School in Regina North West. They are seated in the Speaker's Gallery with their teachers, Alice Henderson and Wayne Hazel. We plan to meet them in the dining room over a drink, a soft drink. All Members I am sure extend a warm welcome to these young citizens and we hope that their stay with us will be pleasant and informative.

HON. MEMBERS: Hear, hear!

MR. S.J. CAMERON: (Regina South) — Mr. Speaker, if I may through you introduce to the Members of the House the Grade Eight class from Grant Road School in the east gallery in the company of Fred Short and Bob Gingras. May I on behalf of the Members of the Assembly wish the students an educational and interesting day in the Legislature.

HON. MEMBERS: Hear, hear!

INTRODUCTION OF GUESTS

MR. D.G. BANDA: (Redberry) — Mr. Speaker, I should like to take this opportunity to introduce to you and to Members of the House the Manager of the Marcelin Credit Union, Mr. Mike Kiryk, in the Speaker's Gallery, along with three of his board members, Mr. Raymond Dagenais, Fred Schlichemeyer and Marcel LaFrancois.

HON. MEMBERS: Hear, hear!

MR. BANDA: — These gentlemen are visiting in Regina at a Credit Union meeting. We wish them a very interesting stay at the Legislature and a safe journey home.

HON. MEMBERS: Hear, hear!

QUESTIONS

FOOD BASKET PROGRAM

MR. W.H. STODALKA: (Maple Creek) — Mr. Speaker, yesterday in the Question Period I asked the Minister of Consumer Affairs to indicate the amount of the budget for the Food Basket Program for the cities of Regina and Saskatoon. At that time he indicated that the amount for the program was budgeted to be \$200,000. I dug up a press release dated October 29, 1975 in which the Hon. W. Robbins indicated

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that the cost per week would be \$2500 and if one takes 26 weeks and multiplies it by \$2500 this equals \$65,000. Yet yesterday we had the indication that the budget was \$200,000. Now clearly someone is misleading here and I should like the Minister to comment on it.

HON. E.B. SHILLINGTON: (Minister of Consumer Affairs) — Again, this matter will come up in the Estimates. I believe that after that information appeared in the paper there was a further statement made by the Hon. Member for Saskatoon that the information in there was wrong.

MR. STODALKA: — A supplementary question. Also, Mr. Speaker, it was indicated that the program was originally planned to last for six months. I should like to read a paragraph from that particular release. It says:

The program which Mr. Robbins agreed might have to run for at least one year before trends could be determined and costing the Government \$2,500 a week.

And clearly again here is another example, misleading, I would like the Minister to comment on why the change. How all of a sudden we has six months rather than the original one year?

MR. SHILLINGTON: — Now the information that I was given when I first was appointed that the program was to run until March 31, and then be re-evaluated. Perhaps if you want to question the Hon. Member for Saskatoon you should question him directly, but that was the information the officials of the program gave me.

MR. STODALKA: — A supplementary question, Mr. Speaker, to the former Minister of Consumer Affairs. Is this an assessment of advertising costs, the assessment of \$2500 per week and the program to last for one year before the actual benefits could be measured?

HON. W.A. ROBBINS: (Minister of Health) — Mr. Speaker, the program was contracted to March 31, and the original costs related to all of the setting up of the program and it was assumed to be at about \$2500 a week and it turned out to be a good deal less.

MR. E.C. MALONE: (Regina Lakeview) — I wonder if the Minister could explain, either one, depending on which one has the answer, if either one of them has, if it was a good deal less, how come you spent \$200,000.

MR. SHILLINGTON: — I think I had better take notice of this question and I will provide the House with the figures, exactly what it cost us, at the next sitting.

MR. MALONE: — Would the ex-Minister of Consumer Affairs indicate whether or not he did correct the press story that has been referred to by my colleague, the Member for Maple Creek, soon to be Minister for Maple Creek, and when you made the correction.

MR. ROBBINS: — I don't remember the exact date of the correction but I did make the correction.

MR. J.G. LANE: (Qu'Appelle) — Would the present Minister of Consumer Affairs in his report to the Legislature indicate who advised him as to circumstances he referred to on potential cost, whether or not the person who advised him when he took over the duties was the former Minister?

MR. SHILLINGTON: — Maybe I'll be able to make some sense out of that question when I see it in the Hansard, but I don't follow it right now.

MR. MALONE: — A further supplementary then, Mr. Speaker. What correction did the former Minister make when he did, as he indicated, make a correction of the story. What did he say?

MR. ROBBINS: — Depending on the length and size of the contract we assumed that the cost would be about \$1300 a week.

MR. STODALKA: — A supplementary, Mr. Speaker. If it cost \$1300 a week and ran for 26 weeks, how does this multiply out to \$200,000?

MR. SHILLINGTON: — Again, perhaps I could answer that. I will provide the figures in detail, shortly in Estimates whenever the House Leader calls our Estimates. I will provide the figures for you as to exactly what it cost at the first opportunity.

MR. LANE: — Will you assure, by way of supplementary, that the former Minister will also be in for your Estimates?

MR. SPEAKER: — Order! I don't think it is a proper question so I don't think the Member has to answer it. The Member for Regina South.

MR. CAMERON: — May I make a supplementary to the Minister of Health. Did he or did he not indicate at the time the program was announced that it would take a year before trends could be established?

MR. ROBBINS: — What was . . .

MR. CAMERON: (Regina South) — Mr. Speaker, my supplementary is, the press report indicated that you said at that time it would take at least a year to establish trends under that program. Did you or did you not at that time indicate that it would take at least a year to establish trends, as the press report indicates?

MR. ROBBINS: — I don't recall the exact statement at that time but I must point out that when I became the Minister of Consumer Affairs the program was already there under the former Minister

of Consumer Affairs.

CENTRAL LEASING AGENCY

MR. L.W. BIRKBECK:(Moosomin) — Mr. Speaker a question to the Minister of Government Services. Does the Provincial Government Central Leasing Agency lease vehicles to the general public? Do they lease automobiles to the general public?

HON. G.T. SNYDER: (Minister of Government Services) — No. they do not.

MR. BIRKBECK: — A supplementary, Mr. Speaker. Then I would have to assume you lease only to Government departments and that being the case what are your rates of leasing?

MR. SNYDER: — Automobiles are leased to agencies and departments of Government and there is a charge back arrangement which is provided for by the advance account. Each department or agency of government that is using automobiles supplied by the Central Vehicle Agency provide a monthly statement and are charged back on that particular matter.

I wonder, Mr. Speaker, if this is a matter of direct urgency or if it is something that could probably be handled in Estimates when Government Services is before Estimates shortly.

MR. SPEAKER: — Does the Member have a further supplementary?

MR. BIRKBECK: — Yes, Mr. Speaker, I would like to know why these rates are not comparable with the private sector?

MR. SPEAKER: — I was attempting to determine the urgency of the matter and I have determined now that it is not urgent. Next question.

GUARANTEED ANNUAL INCOME

MR. LANE: — My question is to the Minister responsible for Social Services. In a press announcement today the Minister of Health and Welfare for Canada indicated that the Social Assistance Act would be introduced into the House of Commons this Session. It calls for a guaranteed annual income assuming that there is provincial agreement at a conference to be held in June. At that conference will the Government of Saskatchewan be supporting the guaranteed annual income in principle?

HON. R.R. ROLFES: (Minister of Social Services) — Mr. Speaker, first of all let me say that that is a hypothetical question looking into the future. I am not sure what the Hon. Marc Lalonde is going to introduce it into the House. Whether the new Social Services Act that we pursued at the last Federal-Provincial Conference has been substantially changed, I have some indication that there have been substantial changes made. My Deputy Minister at the present time is in Ottawa to hold further negotiations. I think all the provincial Deputy

Ministers are meeting with the federal Deputy Minister to have a further look at the Act. I have some indication that they have made some substantial changes to what we had agreed to. I cannot comment at this particular time whether we will support the new Social Services Act, that will depend on what my Deputy Minister will bring back from Ottawa.

MR. LANE: — A supplementary. I would hope that it is not your Deputy Minister who is making Government policy although it may be advisable in this particular case.

MR. SPEAKER: — Order, order! The Member is out of order with those comments. If he could get to the question.

MR. LANE: — My question to the Hon. Minister, again, is, will the Government be supporting the guaranteed annual income concept in principle at the meeting in June?

HON. H.H. ROLFES: (Minister of Social Services) — Mr. Speaker, first of all let me say that I personally support the Guaranteed Annual Income. I have not taken my proposal before Cabinet. I will do so in due time, but as I said it will depend on what the Deputy Minister will be bringing back from Ottawa. If there have been substantial changes made to what we agreed to in principle, then I will have some reservations in what I will recommend to Cabinet.

LOCATION OF POTASH CORPORATION HEAD OFFICE

MR. CAMERON: — Mr. Speaker, a question of the Provincial Secretary, the Minister in charge of the Saskatchewan Potash Corporation.

I am wondering if the Potash Corporation or the Government have yet determined where the head office of the Potash Corporation will be situated?

HON. E. COWLEY: (Minister in charge of Sask Potash Corporation) — Mr. Speaker, I will make an announcement in due course.

MR. CAMERON: — Mr. Speaker, I ask the Provincial Secretary, would he confirm to the House that Potash Corporation officials in their recruitment of employees, prospective employees of the Potash Corporation, are indicating to them that they will be residing and working out of Saskatoon?

MR. COWLEY: — Mr. Speaker, I will make an announcement in due course with respect to the head office of the Potash Corporation.

MR. CAMERON: — My supplementary is, are the recruitment officers of the Potash Corporation indicating to prospective employees that they will be working out of Saskatoon? Is that a fact?

AN HON. MEMBER: — Let him answer the question.

MR. SPEAKER: — He just asked the question. That is the second time he has asked it.

CUTBACK OF SERVICES IN LEVEL IV

MR. D.M. HAM: (Swift Current) — Mr. Speaker, a question to the Minister of Health. In light of the Budget is it the intention of the Government to cut back services of Level IV hospitals in Saskatchewan?

MR. ROBBINS: — No.

MR. HAM: — A supplementary, Mr. Speaker. Would the Minister deny the existence of a memo or a letter to the Palliser Hospital in Swift Current, informing them to follow the budget regardless of patient care?

MR. ROBBINS: — I will take that as notice. I am not aware of the letter.

SUPER GRID SYSTEMS

MR. E.A. BERNTSON: (Souris-Cannington) — Mr. Speaker, question to the minister of Transportation. In light of the super grid systems, can the Minister tell me whether the present municipal road allowances will be wide enough to accommodate this type of system?

HON. G. MacMURCHY: (Minister of Municipal Affairs) — Mr. Speaker, I announced to the SARM Convention the policy relating to super grid on construction costs. It's an average of 60/40 share, the Provincial Government picking up 60 per cent of the costs. This is based on the equalization formula. It could be for some municipalities 70 per cent; other municipalities 50 per cent, but the cost share would be 60 per cent for the Provincial Government, for the super grid on construction.

MR. BERNTSON: — Mr. Speaker, I think the minister misunderstood my question.

My question was: The physical road allowance, the piece of dirt between the section lines, will it be wide enough to accommodate this larger road system.

MR. MacMURCHY: — There will likely be two levels of super grid relating to the volume of traffic. The one level with 100 cars a day, plus, will require a road allowance of perhaps 130 to 150 feet, with a 28 foot top. The under 100 cars per day will likely be accommodated on the present base and on the present road allowance.

MR. BERNTSON: — Mr. Speaker, a supplementary. Where will the engineering input come from for this system? From the Department of Highways or the Department of Municipal Affairs?

MR. MacMURCHY: — From MRAA, Municipal Road Assistance Authority.

MR. BERNTSON: — A supplementary, Mr. Speaker. Can the Minister assure this House that wherever the engineering comes from, there will be some liaison with hydrology experts to prevent a further flooding of good productive land we have in Saskatchewan that is in such an exaggerated situation today.

MR. MacMURCHY: — I am sure that MRAA will continue its existing policy to take into account the problems of flooding, and take into account relationships with hydrology, etc. I think that in view of the situation that has been arising, that will certainly be taken into account, by both MRAA and municipal councils who will be responsible for this particular road program.

MR. R.L. COLLVER: (Leader of the Progressive Conservatives) — Mr. Speaker, a supplementary question to the Minister. What we are suggesting, Mr. Minister is, not the same as now, but a little bit better than we have done in the past. Will the Minister give this House the assurance not that the MRAA will continue its present policies towards hydrology and hydrology experts, but that they will do some extra study in terms of the hydrology for these road allowances and roadways?

MR. MacMURCHY: — Mr. Speaker, I think the MRAA engineers have done an excellent job for the people of Saskatchewan and the municipal councils. I think they at the same time are planning this new program, will in fact take into consideration the more recent flooding problems that we have had in the province.

PURCHASE AGREEMENT OF DUVAL

MR. E.C. MALONE: (Regina Lakeview) — Mr. Speaker, a question to the Minister of Sask Pot. Notwithstanding the comments of the Premier the other day when a similar question was asked of him, we continually hear from reliable sources that the Government has, at least, come to an agreement in principle, if not actually signed a formal agreement to purchase the Duval potash operation in Saskatchewan. My question to you is: Can you tell us today whether this is the case, that is an agreement in principle has been reached or an agreement has actually been signed with Duval and the Potash Corporation or the Government?

MR. COWLEY: — Mr. Speaker, when we have an agreement reached with any potash company in this province whereby we are in a position to announce the acquisition of that mine, I will make the announcement in the appropriate place, if this Legislature is then sitting or otherwise and not before.

I do not propose, Mr. Speaker, to comment mine by mine specifically where the negotiations are at. I can inform the Hon. Member that we have not reached agreement in principle, in terms of agreement with respect of price and conditions with any of the various companies that we are negotiating with.

MR. MALONE: — A supplementary question Mr. Speaker. If the Minister is prepared to make an announcement when such an agreement is actually made, why is he not prepared today to make an announcement in connection with the head office of the Potash Corporation. You have indicated that you will make an announcement in due course and I assume from that that a decision has been made.

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MR. COWLEY: — Mr. Speaker, in due course means when the decision is made and the Government is in a position to make the announcement, bearing in mind other things that must be done when a decision is made prior to its announcement.

MR. MALONE: — A supplementary question, Mr. Speaker. Is the Minister telling me and this House that no decision has been made as to where the location of the head office of the Potash Corporation is to be located?

MR. COWLEY: — Mr. Speaker, I don't propose to inform this House when a decision is made, I propose to inform this House when we are prepared to make the announcement with respect to decisions and that I will do.

MR. MALONE: — Mr. Speaker, a final supplementary.

Would the Minister not agree with me then that the reason that he is not making the announcement today is because this House is sitting and doesn't want to make the announcement until the House is adjourned?

MR. COWLEY: — Mr. Speaker, I think I can assure the Members opposite and all Members in this House that I propose, and the timetable is such with respect to decisions and other arrangements, to make an announcement with respect to the headquarters of the Potash Corporation in Saskatchewan, prior to this House adjourning unless the Members feel that we can wrap up all the business of the House by this evening or tomorrow evening.

MR. CAMERON: — Mr. Speaker, a supplementary to the Provincial Secretary. Has Saskatchewan Potash or the Government engaged John Beke, a Regina lawyer to attempt to recruit legal staff for Sask Pot in Toronto?

MR. COWLEY: — Mr. Speaker, the firm of Griffin, Beke, etc, has been engaged in various activities by the Potash Corporation of Saskatchewan with respect to which individuals from that firm may have or may not have been performing particular tasks, I can't respond to the Member opposite. Certainly if he wishes to place a question on the Order Paper or provide me with some information I can check out on a specific question such as that, as to who may have talked to whom on behalf of the Potash Corporation.

MR. CAMERON: — A supplementary, Mr. Speaker. Have you, on behalf of Sask Pot or the Government, indicated to that particular law firm where the head office of the Saskatchewan Potash Corporation will be situated?

MR. COWLEY: — Mr. Speaker, I cannot respond to that question as I have not indicated to any members of that law firm where a head office may or may not be located.

MR. MALONE: — Mr. Speaker, the Minister has indicated that he will be making an announcement no later than tomorrow night about the location of the head office. At the same time will you make an announcement about the Duval Corporation?

MR. COWLEY: — Mr. Speaker, as I said before, with respect to negotiations with the various potash companies I will make an announcement when we have an agreement that is written down and firm. I don't propose to announce tentative agreements or anything like that and I don't want to suggest that there are any at this time. I make no timetables for the Members opposite in terms of announcements with respect to acquisitions of various potash companies. All I assured the Member with respect to the head office is that I will be making the announcement prior to the end of this Session, while this House is still in session.

MEETING WITH IMC OFFICIALS

MR. E.F.A. MERCHANT: (Regina Wascana) — Mr. Speaker, I wonder if the Minister would indicate whether the day after you and the Premier returned from Florida, whether you and the Premier met with officials from IMC and the purpose of that meeting with the officials from IMC and whether negotiations are proceeding for the purchase of IMC or the involvement of IMC in your sales schemes?

MR. COWLEY: — Mr. Speaker, I think it was indicated by the Premier that we did talk to officials of International Minerals Corporation in Chicago. The purpose of those discussions was a general discussion with respect to our potash policies. I am not prepared to go any further into those discussions at this time. If and when in negotiating with a particular company there is some conclusion reached I am sure we will, with all due speed, inform the Members and the public of Saskatchewan.

MR. MERCHANT: — A supplementary, Mr. Speaker. First, I wonder whether the Minister said that you indicated that in Chicago that you were meeting or you met in Chicago, did you meet in Regina the day after the return and are you telling the House that negotiations are proceeding with IMC, I think that is what you said and I wonder if that is what you meant to say. Are negotiations proceeding with IMC for the purchase of the International Minerals Corporation mine in Saskatchewan?

MR. COWLEY: — Mr. Speaker, first of all I want to say I did not say whether or not we are negotiating with IMC and I do not intend to say. We did have discussions with IMC about general matters referring to the Government's potash policy. The meetings took place in Chicago and not in Regina. As to whether or not, the day after return, the Premier met with any officials of IMC, I do not believe so but you would have to ask him.

MR. MERCHANT: — A supplementary, Mr. Speaker. I wonder if the Minister would indicate whether any meetings have been held with IMC officials by the Minister in charge of the Potash Corporation or the Premier, since returning from Florida?

MR. COWLEY: — The answer to that is, Yes, and the meetings were in Chicago.

MR. SPEAKER: — I am hesitant about following the pinpoint description of negotiations with regard to the potash companies. I can't see the relevancy with regard to urgency at this time. The Member for Nipawin.

MR. MERCHANT: — . . . would answer my questions.

MR. SPEAKER: — Yes, I have been waiting for the urgency in the last two or three questions and I am not impressed by what is supposed to be the urgency of it.

UNEMPLOYMENT RATE

MR. COLLVER: — A question to the Premier, Mr. Speaker.

Some months ago I asked him about the increasing unemployment rate in the Province of Saskatchewan and the fact that it was double what it had been in previous years. His answer to me was, that he wasn't impressed with the one month or the two months statistics.

My question today is: Is the Premier aware that over the last four months the unemployment rate in Saskatchewan has climbed from 3.4 to 4 to 4.8 and now to 5.5 per cent?

HON. A.E. BLAKENEY: (Premier) — No, I am not aware of all of those figures, I am aware of general trends, but I am unable to respond to a question which involves looking at four month's figures which the Hon. Member has in front of him and I don't.

MR. COLLVER: — Mr. Speaker, a supplementary question. Is the Premier not made available with statistical review by the Government of Saskatchewan Bureau of Statistics?

MR. BLAKENEY: — Yes, and I am made aware of a great many other things. I don't carry them all with me in this House. If the Hon. Member would give me the courtesy of giving notice, I would be able to respond, but when he selects from his pile, one item, obviously I can't carry the pile with me and I am simply not able to respond to a question which involves four month's figures, which the Hon. Member has in front of him and I don't have in front of me.

MR. COLLVER: — A supplementary question, Mr. Speaker. Is the Premier aware that the rate of unemployment for the month of February 1976 was 5.5 per cent in the Province of Saskatchewan?

MR. BLAKENEY: — Mr. Speaker, I was aware it was somewhere in that range. I didn't recall that precisely, but I recalled it as being somewhere in that range.

MR. COLLVER: — A supplementary, Mr. Speaker. Is the Premier aware that that is approximately double the rate of unemployment for the month of February 1975?

MR. BLAKENEY: — Yes, Mr. Speaker, once again I say that one month comparisons can be exceedingly deceptive and I believe that is the case where they are deceptive. I do not believe that the unemployment rate in Saskatchewan has doubled in one year for any month. A three or four months' trend will underline the fact that unemployment in Saskatchewan has not doubled in one year. In fact the unemployment in Saskatchewan continues to be the lowest in Canada and I believe that fact cannot be refuted by plucking out the figures for one month and comparing them and thereby attempting to illustrate that unemployment has doubled.

MR. COLLVER: — A supplementary, Mr. Speaker. Will the Premier undertake to provide to this Assembly at the earliest possible convenience his study of the last four months trends in unemployment in the Province of Saskatchewan and compare them to the unemployment rate last year and then bring back to this Assembly what action the Government of Saskatchewan is going to take assuming that it is double?

MR. BLAKENEY: — As the Hon. Member has pointed out the planning branch of the Executive Council puts out a statistical review. I don't think I can improve on that as a study. It is made available to the Hon. Member and to all Hon. Members. I think that it will not show that over a four-month period the unemployment has doubled. I invite all Hon. Members to look at their own green book and see if it does show it, and it won't. I think that under those circumstances it would be inappropriate to plan a course of action to deal with the doubling of the unemployment rate when the statistics don't justify the underlining assumption.

SGIO

MR. MERCHANT: — Mr. Speaker, I wonder if I might direct a question to the vacant chair of the Minister in charge of SGIO, who was there 17 seconds ago until I gave notice of question.

MR. SPEAKER: — Order! Next question.

QUESTION ON OPERATION RECYCLE

MR. HAM: — The Minister of Industry and Commerce put me on notice last Friday, I believe, on a question to do with Operation Recycle. I am wonder if the answers are available.

HON. J.R. MESSER: (Minister of Saskatchewan Power Corporation) — I believe the Member's question was whether or not there was in place a contract in regard to the collection of automotive bodies in the Province of Saskatchewan, under Operation Recycle.

The answer to that question is, yes. Whether there were

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some other supplementaries attached to it. I can't recall at this time. If the Member wants to pursue them by all means do so.

MR. HAM: — You are saying that there was a contract or it did expire?

MR. MESSER: — Yes, a contract in place for a period of one year.

MR. HAM: — Was it tendered? Is the present company still doing the work?

MR. MESSER: — The company that has the contract is a company by the name of Kurtis Construction. It was the company that was a successful tender in a three year contract, which expired sometime in the latter part of 1975. The present contract was not tendered, but negotiated with Kurtis Construction, for a one year period of time.

The reason a contract was negotiated rather than tendered was due to the obvious fact that Kurtis Construction had expended a considerable amount of money in acquiring equipment to collect these automotive bodies, no other firm in Saskatchewan had or has that equipment. My representatives felt that Kurtis were in the best position to give us the best possible price and with a modest increase we negotiated a one-year contract with them.

STATEMENTS

QUESTION PERIOD

MR. SPEAKER: — On April 2, 1976, the Member for Regina Lakeview (Mr. Malone) requested a ruling regarding questions asked by the Members for Qu'Appelle (Mr. Lane) and Regina South (Mr. Cameron) which were ruled out of order by the Speaker. The Member for Regina Lakeview stated the questions should not be ruled out of order because they were seeking government policy. I have checked the record and find that prior to the questions asked by the Members, similar questions appear to have elicited the information which they had sought. The Member for Thunder Creek (Mr. Thatcher) inquired about restricting this practice, meaning farmers and ranchers carrying firearms in their vehicles, to which the Attorney General replied, in part:

We intend to do nothing as a Provincial Government until such time as we can come to, if we can come to an agreement with the Federal Government in concert with our sister provinces.

This was followed by another supplementary question by the Member for Thunder Creek where he asked, in part:

Will they, (meaning farmers and ranchers) have some input into any provincial decision to go along with this federal proposal,

to which the Attorney General replied, in part, "Yes."

Thereafter followed the question from the Member for Qu'Appelle which inquired, in part, "Whether, is that then your policy proposal?" The question was ruled out of order because it was repetitive and not because it was about policy.

In any case the Member for Regina South was not ruled out of order at any time. However the Member for Regina Wascana (Mr. Merchant) was later ruled out of order for a question in the same area because I considered it to be repetitive as to the issue of provincial government policy and additionally it was framed in such a manner as to inspire debate.

MR. E.C. MALONE: (Regina Lakeview) — I would like to inquire, Mr. Speaker, my recollection was that there was some remark to the effect that it was about policy when you ruled it out of order. I may be mistaken about that and I know it is difficult to give a reason for ruling a question out of order when you do so but I'm wondering if you could, perhaps, undertake to give us very quickly some reason when you do rule a question out of order so we know what your thinking is on these and if you had said that you considered repetitious the next question, it may have not even brought forth the point of order that I did make.

MR. SPEAKER: — If the Member takes the opportunity to check the record, the record will bear out that it was repetitive and it was, in fact, debate. I do at times try to indicate to the Members why I am moving on to the next question if I am interrupting them.

With regard to the matter of Government policy. It is quite in order to ask what is the policy or what is the intention of the government but I don't think it is proper for a member to ask a Minister to express his opinion on the policy, a fact that is already determined. That probably clears up the problem.

MR. R.L. COLLVER: (Leader of the Progressive Conservatives) — Mr. Speaker, I should like to raise a Point of Order regarding some clarification for us on Question Period and also on some of the rulings which you have been making over the last number of days and weeks. The first one is with regard to the ruling which you are making on rephrasing of questions when you say to, or, what seems to be, say to one Member, "your question doesn't seem quite right. Would you be prepared to rephrase it", and you say to another Member, "you're question doesn't appear to be quite right: next question". There could be construed in the minds of some the idea that perhaps one Member gets a chance to rephrase his question, the other Member has to sit down and take his chance on getting back in the game. I'd appreciate it if we could get a ruling on when you're going to go about allowing a Member to rephrase a question, if he happens to goof it up, or to put into it some extra words that he didn't intend to put in, or whether you're going to go on to the next question and what your ruling is going to be on that.

Secondly it was our understanding that supplementary questions were supposed to be explanatory of the original question and I raise today's question on potash, for example, and supplementary questions that arose from that particular question. Now that seemed to drift off to where the head office

was going to be, over to whether the negotiations were going to be taken in Chicago with IMC and so on and so forth. It was our understanding that supplementary questions were supposed to explain the original question and relate to the original question and if that is the case then, or if it is not the case, if it is just a broad general area, or if it's just a particular Minister. We noticed, for example, two or three days ago there seemed to be a question being put to a particular Minister and then Members rising on supplementaries to that particular Minister pertaining to his department but not pertaining to the original question. We would like to have some guidance and some ruling on what a supplementary question is for and what guidelines we should use in preparing ourselves for this Question Period.

MR. SPEAKER: — With regard to allowing rephrasing of questions I look upon that operation as a learning device for the Chamber, mainly for new Members, realizing, of course, that there are probably some older Members who need to relearn. I thought that all Members could relearn by allowing the Member, if he wished to rephrase the question. I think that has been productive, because Members are putting better questions at this time. I'm passing out of that phase and I don't intend to be so small "l" liberal with regard to allowing Members to rephrase questions. I intend to be small "c" conservative from now on and if they put the question incorrectly then I will pass on to someone else and not allow an opportunity to rephrase it.

With regard to supplementary questions, Members will recall in the old Question Period that I attempted to keep the House on this line with regard to supplementary questions so they dealt only with the answer given by the Minister. Members should have noticed, by this time anyway, that I'm allowing supplementaries to deal with any of the subject matter within the substance of the question or the answer that has been put forward. If it is, supplementary which relates directly with the substance of the question, or the answer given, then I will permit it as a supplementary. I don't recall the exact wording at this time but I believe it is clear in the Interim Report on what basis the supplementaries will be allowed.

MR. COLLVER: — Mr. Speaker, if I could just speak to that for just a moment on the supplementary question: As I understand the Interim Report it said that it would be similar to the House of Commons in Ottawa and in the House of Commons in Ottawa, supplementary questions must relate to the original question. The reason for a supplementary question is to clarify the original question and to bring forward the additional points on the original question. Now I raise this particular matter because it is entirely confusing that Members in the House who happen to represent a party with more Members than a group of another party can dominate question period by continuously jumping on supplementary questions which do not relate to the original question and the other Members cannot be recognized. It was particularly apparent today, I think on the potash question. Now if you are going to rule that way, it would seem to us that you would be leaning away from the House of Commons procedure and not leaning towards it as was suggested in the Interim Report.

MR. MALONE: — I would like to speak to what the Member for Nipawin said to you about supplementary questions. I haven't heard everything he said but I tend to think his point may be well taken although I would like to consider it further. I wonder if the problem could possibly be resolved, Mr. Speaker, by a short informal meeting of the Committee at an early opportunity like to tomorrow to discuss the issue before you make any decision on it.

MR. J.G. LANE: (Qu'Appelle) — I wonder if, Mr. Speaker would take into account the fact that the official Opposition dominates Question Period and may have something to do with content and manner of delivery?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: — I hadn't noticed it by the Member for Qu'Appelle. With regard to supplementary questions, section M of the report on page 10 says:

Supplementary Questions may be allowed at the discretion of the Speaker and must pertain to the question in order to clarify the answer or elicit further information on the issue.

That's what I've been following in the Question Period. I've allowed clarifying the answer or eliciting further information on the issue.

MR. COLLVER: — Could I just make one point there. The operative words there in that particular sentence are, "must pertain to the question". Well I think the operative words are 'must pertain to the question' and that is certainly the balance of the tradition in terms of the House of Commons in Ottawa that it must pertain to the question because it becomes very difficult if you're just addressing yourself to one Minister and he mentions for example, the Minister representing the potash company and he mentions potash, you could then expand that through supplementary questions to take over the entire Question Period. Well, it seemed to us today that when you are drifting all the way from negotiating with IMC all the way to where the head office is going to be, all related to the potash issue, it would seem to us to be a pretty easy way to go on from there and to discuss the meeting with IMC and to ask questions on that and so on.

MR. SPEAKER: — I will personally examine the record for today to see if that has happened in this Question Period. I don't believe it has and I've been watching very carefully. This was discussed in the Committee before the Interim Report was put together about the oral questions and the supplementaries. I think that all the Members were satisfied that there would be some expansion of the latitude with regard to oral questions. I'll examine the record of today's Question Period and see if that has, in fact occurred.

MR. L.W. BIRKBECK: (Moosomin) — Mr. Speaker, I have very little to say on the Point of Order but just moments ago I heard you say that the supplementary would be an answer to the Minister's answer to the original

question. Now then, how can you allow a supplementary when the Minister says notice on the question? That has happened. Now just moments ago I heard you say what a supplementary was and how it should relate and yet you allow a supplementary when he serves notice on a question.

MR. SPEAKER: — Before, Members will recall I didn't allow supplementaries when an answer was not given to a question. Now I do allow supplementaries when an answer is not given to a question which conforms very neatly with page 10M of the Interim Report which says:

To clarify an answer or to elicit further information on that issue.

I think we will waste time if we go on with any further discussion of this.

MR. C.P. MacDONALD: (Indian Head-Wolseley) — Mr. Speaker, I want to make one comment. I hope that the Member doesn't really suggest that because the Minister stands up and gives notice, if that's the case the Government could destroy the Question Period by giving notice to every important question, therefore he must be permitted to give a supplementary in order to get down to the meat of the argument and therefore I would hope, Mr. Speaker, that the Member isn't serious in what he says and that you will continue to operate in that fashion.

MR. COLLVER: — Mr. Speaker, if I could just speak to that one point . . .

MR. SPEAKER: — Order! We're getting into a long debate which I don't think is going to be too productive at this time. I'd invite all Members to examine the Question Period today when it's available in the unedited Hansard form and if they see any substance which they can bring to me with regard to the issue being raised here, I certainly would be willing to talk to them about it.

MOTIONS FOR RETURN

RETURN NO. 12

MR. R.E. NELSON (Assiniboia-Gravelbourg) moved that an Order of the Assembly do issue for Return No. 12 showing:

(1) The names and addresses of all companies, co-operatives, partnerships, sole proprietorships or other persons or entities that received loans from the Saskatchewan Economic Development Corporation in each of the years 1971, 1972, 1973, 1974 and 1975. (2) The amount of each of the said loans referred to in (1) above, the interest rate at which each of such loans was made, the terms or repayment and the nature of the security taken in each case.

MR. J.R. MESSER: (Minister of Industry and Commerce) — Mr. Speaker, before the Order for Return is put I want to make some brief remarks in regard to what this Order

for Return is asking for. This is, Mr. Speaker, as you no doubt noticed the 12th of a series of Orders for Return that the Member has asked for. I have indicated that we will in most instances be answering the questions that are contained in the Orders for Return. That is clearly a departure from the former Liberal government when such information was sought by the Opposition. I do want to say that all of the debate that has been politically motivated and not really, Mr. Speaker, trying to seek out any kind of relevant information which may be helpful to them or which may be helpful to the general public of Saskatchewan or which may be helpful to the clients. Instead, in each and every instance they have undertaken to attain political gain for themselves only and I think in so doing, Mr. Speaker, have undertaken to not only embarrass innocent clients of the Saskatchewan Economic Development Corporation . . .

MR. MALONE: — Nonsense, nonsense!

MR. MESSER: — The Member for Lakeview says nonsense, nonsense. Let me remind him of the position that they were taking last Friday of wanting to convey not only to the Legislative Assembly of Saskatchewan but all the people of Saskatchewan information pertaining to clients who have in no way reneged on their obligations with the Saskatchewan Economic Development Corporation. In no way would we go through all of the obligations that they committed themselves to as a client of SEDCO. The Member and his colleagues want to have the books opened up so that they can do whatever they choose to do with that information and I say, Mr. Speaker, that is a continuation of the war on business in Saskatchewan, launched, motivated, instigated and promoted by the Liberal Party in Saskatchewan,

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: Now, Mr. Speaker, they also had other questions and asked even if that client is in arrears by one hour, one day or for whatever reasons, mail being lost, sickness, or whatever, they want that exposed to all the people in Saskatchewan, which I say, Mr. Speaker, can be interpreted in no other way but to be a war on business and put adverse pressure on businessmen and industry in the Province of Saskatchewan.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — Now, Mr. Speaker, I have said on a number of occasions that we are providing information to the Member, to the Opposition who sits to your left that was never provided under the former Liberal government, never provided.

I also indicated last Friday that there was one other reason that the official Opposition was undertaking to embarrass the Saskatchewan Economic Corporation, the Government of Saskatchewan with these series of questions, mostly it was to try and cover up the inept performance of the former Liberal Government in Saskatchewan when industrial development was at an all time low because SEDCO was providing no kind of assistance, no kind of initiative, no kind of planning from the Department of Industry and Commerce or the government. That, Mr. Speaker, I indicated to the Members opposite and they didn't like it last Friday. That population was falling because of that

attitude. Retail trade was at an all time low. Businesses were going broke. Construction was at an all time low. Compare that period of time 1964-71 to the 1971-75 period when the facts and figures will indicate that we have been booming as far as economic development in the Province of Saskatchewan is concerned.

SOME HON. MEMBERS: Hear, hear!

MR. MESSER: — Booming, Mr. Speaker, in spite of federal development policy which guarantees preferential consideration to the heartland of industrial Canada, central eastern Canada. Freight rates, transportation, the Minister for Humboldt federally at every turn is undertaking to . . .

MR. MALONE: — On a Point of Order, Mr. Speaker. I don't like to interfere with the colorful address of the Minister of Industry but surely, Mr. Speaker, surely the Federal Government and some alleged policy of developing the central heartland of Canada is hardly relevant to the motion that is before you. I am not quite sure, you know, how far the Minister will go before you rule him out of order, but surely this is on the border line and I would ask, Mr. Speaker, that you bring him back to order.

MR. SPEAKER: — I think that all Members should attempt to discuss the substance of the Motion that is before us, and as I see it here the substance of this Motion of the names, addresses of companies, co-operatives, partnerships etc., that received loans from SEDCO during the period 1971 to 1975; and the terms and the conditions under which those are received; and the security and the nature of security that is involved. I think that Members if they are speaking on this must relate all their remarks to the substance of the Motion. I think maybe the point is in part well taken because I think the Member was straying slightly from the substance of this Motion.

MR. MESSER: — Well, Mr. Speaker, I very much wanted to speak to the substance of the Motion for Return and if I was departing in any way I must apologize. What I was attempting to do, Mr. Speaker, or to say that in many of these instances there would not be any loans provided by SEDCO had not there also been some assurances given by the Federal Government as to perhaps grants from the Department of Regional Economic Expansion and/or some hopeful assurance in regard to the continuation of transportation facilities and freight rates which are not allowing Saskatchewan competition to take place. Now that may be borderline, Mr. Speaker, I apologize if it is and I will not revert back to undertaking to relate to those concerns that we have if we are advancing assistance to a client from SEDCO.

But I do want to say, Mr. Speaker, that we are providing information to the Members of the Opposition that has not been provided in the past. I might also say that we have said, it has been conveyed verbally to the Members of the Opposition both by myself and by senior officials in the Saskatchewan Economic Development Corporation that where we think information is of a confidential nature, yet the Member can indicate some good reason, some legitimate reason in becoming better informed in regard to a transaction of SEDCO, we will undertake to give that

consideration and we will pass it on to him in confidence. I would hope that if that avenue is to be pursued which I don't believe it has to this point in time that it will be pursued in a manner of good, honest conscience that the information is not to be used in any way to deter publicly the individual or the client, the clients that may be involved, and it is not undertaking to embarrass the operations of SEDCO.

I, therefore, Mr. Speaker, say that in regard to this particular order for Return, it asks for information in a very detailed manner that relates to all clients of SEDCO. It does not differentiate between those who may be in some economic difficulty, those who may be in receivership or bankrupt or non-existent now, but asks for information in regard to all operative businesses that are in place now. I don't believe that that is in the best interest of the Opposition to know all of the internal agreements between SEDCO nor is it of the best interests of potential clients as they would be aware that all of their undertakings at the whim of an Opposition Member may be made available to the general public which may, in some way, jeopardize their operation. So, Mr. Speaker, for those very valid reasons, I ask Members of this Legislative Assembly to defeat Motion for Return No. 12.

SOME HON. MEMBERS: Hear, hear!

MR. S.J. CAMERON: (Regina South) — Mr. Speaker, let me indicate why these questions appear on the Order Paper. In the past year, in 1975, the Member for Assiniboia-Gravelbourg (Mr. Nelson) and myself came across an instance in Meadow Lake, involving Meadow Lake Wood Industries Limited, where the Government of Saskatchewan through SEDCO granted that company two loans. One in the amount of \$765,000 and one later in the amount of \$1.9 million. Very substantial sums of money. We discovered that that company was in a mess. It was in a mess in almost every conceivable respect. SEDCO has 45 per cent of the shares of that company and had a member appointed by SEDCO on the board of directors of that company. It would appear at this stage as though that company is going to lose some substantial sums of money. In the course of inquiring into that and doing the leg work to find out where we stood on the details of the loans in connection with that company, we discovered a number of other companies that went bankrupt having been financed by SEDCO, or companies that had gone into receivership having received SEDCO financing. The names are now familiar to most Members, we looked into five or six involving some tens of thousands of dollars. We didn't know whether we were at the end of the line in connection with those companies, somewhere in the middle, or approaching the end of the line. We asked many questions about how many companies fitted into the same category and we asked those questions as Members of this Legislature concerned with the affairs of SEDCO which is a public corporation and is receiving money from the people and we didn't get any answers.

Each time we came across another instance of a company having had difficulties and SEDCO having lost money in consequence; what we did was go to the Court House to search the records there. We went to the Land Titles Office to search records there. To the Central Registry System and to the Corporations Securities Registry and so on. Every time SEDCO loans money to a company in Saskatchewan and takes security by way of debenture or mortgage, that security is registered in a public registry either at the Land Titles Office, the Court House,

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Central Registry System or here with the Corporation Securities Registry. Therefore the information we seek is already a matter of public record. The difficulty we had in obtaining it is we don't know the names of the companies that have received financing in addition. That is when you have the name of the company you can do the searches and find out what the facts are. If you don't have the name of the company it is very difficult to get the facts but understand the facts are a matter already on public record. It is just the height of nonsense and folly for the Minister to say we are not prepared to disclose that in the interests of the companies with whom we deal, because it is already a matter of public information.

What we are really after here is some accountability, some better kind of accountability by SEDCO. In the year 1972-73, in that period, SEDCO doubled its loans. In 1973-74 there was again a substantial increase in not only the numbers of loans but the amount being loaned. Indeed, in 1972 the amount loaned by SEDCO was \$15 million. In 1973 that jumped to \$40 million. In 1974 it went to \$51 million. Substantial yearly increases in the numbers of loans made by SEDCO and the amounts of the loans.

Now last year in 1974 SEDCO earned some \$385,000, in 1975 it lost \$2.5 million. Any Crown corporation that loses, or somewhat of a Crown corporation, that loses \$2.5 million has got surely to be the subject of some inquiries by Members of the Opposition, having as I say the year before earned \$385,000. The retained earnings of SEDCO have dropped very substantially, very substantially in the last little while. This Crown corporation is giving every indication this past year and the year before of getting into some difficulty. Now in 1973, late 1973, SEDCO by the admission of one Return we got undertook a substantial re-organization. Mr. Dombowsky, now the head of the Saskatchewan Potash Corporation, became its general head. It was in that period after that re-organization that we saw the numbers of loans and the amounts of loans increase substantially. It was during that same period that we saw the losses occur and that is the background that has sparked our inquiries about the loans and to whom they were made and the interest rates charged and which ones were in default. And that is the source of information which appears on the question.

The Minister's attitude we think is bordering on being appalling in this connection. The people of Saskatchewan in a very real sense, the Members opposite keep telling us, are the shareholders of the Crown corporations. And if that is right the people of Saskatchewan are a shareholder of this Crown corporation. This Crown corporation is losing money. There is every evidence that there has been mismanagement in the Crown corporation in the past year or two years. We probed for whether or not that is true with our questions as on behalf of the shareholders and then are denied the information by the Minister in charge. I say the attitude that he displays is appalling in this connection. If we are going to have public institutions involved in these kinds of businesses then we have to understand it is a government institution and as such it has to be accountable in the way in which governments are usually accountable, to the Members of the Legislature and thence to the public.

I am not obviously going to persuade Members opposite to provide us with this information. What I said the other day

was, and it is certainly true, that we are being spurred to make additional inquiries and to continue with our investigations into some of the affairs of SEDCO because it is evident that the Government is not going to give us the information. It is evident that the Government and the Minister are extremely sensitive about some of the areas, particularly the Meadow Lake Wood Industry, and that indeed will spur us to continue to make additional inquiries.

Mr. Speaker, I want only in conclusion to say, as I have said before, we on this side of the House think, despite what may have been the practice in the past, as a public institution this Crown corporation is going to have to be publicly accountable and it is going to have to expect to give us information of this kind.

SOME HON. MEMBERS: Hear, hear!

Motion negatived.

RETURN NO. 54

MR. R.H. BAILEY (Rose town-Elrose) moved that an order of the Assembly do issue for Return No. 54 showing:

- (1) The weight limits on Highway No. 4 from Swift Current to Rosetown.
- (2) The weight limits on Highway No. 7 from Rosetown to Saskatoon.
- (3) If a difference in the above two the reason for such.

He said: Mr. Speaker, this particular order for Return was not placed on the Order Paper for, as Members of the Opposition may say, political purposes. I placed this on the Order Paper to have answered in my constituency a question of some 12 years for which many, many of the people who are directly concerned with the weight restrictions and to get an answer. It seems, Mr. Speaker, that over the years there have been a number of answers given and so I decided in order to get an answer once for all for the differences in the weight limits that I would place it on the Order Paper.

Mr. Speaker, I should like just for a moment to just trace the Highway system that is mentioned . . .

MR. SPEAKER: — Order! It has been brought to my attention that I have allowed an oversight to occur here. The rulings under which the Assembly operates say that a Member cannot introduce anything new on his closing remarks, he can only discuss the material he originally introduced or respond to comments which have been made in the debate. Now, since he didn't introduce anything on his original comments and there were no comments in the debate, I have allowed the Member to speak to the debate but anything he says is introducing new material. I can't see how I can allow the Member to go on to speak to the item that is before the House so I believe we are in the position now where we have to take the vote on the motion.

Motion agreed to.

RETURN NO. 57

MR. J.G. LANE (Qu'Appelle) moved, seconded by Mr. J. Wiebe (Morse) that an Order of the Assembly do issue for Return No. 57 showing:

- (1) Whether the Saskatchewan Securities Commission made any investigations in the calendar year 1975.
- (2) If so: (a) the number; (b) the total number of individuals investigated; (c) the reasons for each investigation.
- (3) Whether any purchaser or potential purchaser of shares in the Weyburn Inland Terminal was investigated. If so:
 - (a) the name of the person or persons investigated;
 - (b) the reasons for each such investigation.
- (4) The results of any or all of the investigations.

He said: Mr. Speaker, at the end of my remarks I will introduce the Motion. The Motion simply requests information whether or not the Saskatchewan Securities Commission made any investigations, if so, the number and the total number of individuals investigated and the reasons for each investigation. That, to that extent is a standard question asked annually in this Assembly. I have, however, extended that usual question to ask the Government and the minister responsible for the Securities Commission whether or not any purchaser or potential purchaser of shares in the Weyburn Inland Terminal was investigated. The Securities Commission, as all Members know is responsible for administering and regulating the sale of securities within the Province of Saskatchewan; it is responsible for reviewing prospectuses of public companies. It is designed as a watchdog to protect the investing public of the Province of Saskatchewan.

There have been noticeable failures in the past which I'm sure Hon. Members who served in the years 1956 to 1964 are well aware of and they have been documented on numerous occasions in this Assembly. The Acts of the Securities Commission were extremely tightened up in the years 1964 to 1971 and for all practical purposes that very stringent approach has continued since 1971 and I commend the Government for it. However, it has come to my attention that farmers who were prepared to buy shares in the Inland Terminal, a public company which was selling shares at \$1,000 were investigated by the Securities Commission. Now this investigation took place at the very time that those backers of the Weyburn Inland Terminal were attempting to sell, I believe one thousand shares to get the terminal operating. Now there was, according to the reports I had, some pretty strong pressure put on potential purchasers of shares in the Inland Terminal. Whether one agrees with the Inland Terminal or not, the fact is, and we have argued this in the matter of the load limits that has been much debated in this Assembly, that one in a democracy cannot justify an abuse of power by government. Government is not to be a weapon to be used against particular individuals. I'm sure that is well documented in the United States, of how far an abuse of power can go when elected officials decide that the government is there to do what they wish; that the government will immediately

hop to it when the government wants investigations made. I don't want at the present time to say that this happened in this particular case. Reports that have come to me are simply that at the time the Weyburn Inland Terminal under a great deal of pressure to get its shares in by a certain deadline as the Members opposite may recall. That all of a sudden members of the Securities Commission and investigators started dropping around the farm houses. The allegations made, that's all they are, by farmers who were investigated that they were pressured and investigated in some financial detail, to see their financial status.

If this situation existed, Mr. Speaker, then without doubt that is an abuse of power, an unwarranted and unjustified abuse of power, again notwithstanding what anyone may feel about the inland terminals. Governments that commence the practice of using government to simply get individuals are on the verge of failure due to arrogance. Again these are the allegations that have come to my attention. This Motion is simply requesting that information from the Government opposite, therefore I move, seconded by Mr. Wiebe (Morse) that an Order of the Assembly do issue for Return No. 57.

HON. R. ROMANOW: (Attorney General) — Mr. Speaker, before the Hon. Member takes his seat will he permit a question. Would the Hon. Member advise the House whether or not these allegations which he refers to were made to him, are allegations that have been made to him in writing by individuals and if so whether he would be prepared to table those allegations.

MR. SPEAKER: — Order! I believe the other day the matter of questions to Members rose and I at that time said that the Member must put the question to the Member who has been speaking before I put the question. I am sorry, perhaps if you had said Point of Order I would have noticed you. At that time I ruled someone out for asking a question after I had put the question.

MR. ROMANOW: — Well, Mr. Speaker, I, of course accept your ruling. I think the Member has got my question which I will rephrase and will invite him to give me a response on his rebuttal. The question being, I should like to know what form these allegations took to the Hon. Member? Were these allegations made by individuals to him orally, or were they written allegations? If they are written allegations would the Hon. Member be good enough to table copies of the written allegations because I, too, would be most interested in seeing those allegations. I think that it is incumbent, the Member I think gave a very nice talk about the role of government agencies and governments and I can't disagree with very much of what he said. I hope the Hon. Member won't disagree with me very much either that it is incumbent upon Hon. Members that if they have an allegation of this kind I think that they should bring it to the attention of the Minister in charge at their first earliest convenience so that the appropriate action can be taken.

I don't have very much to say other than to reply that to the best of my information there was no surveillance of potential purchasers of shares in the Weyburn Inland Terminal. I have a draft answer which is prepared subject to some further checking from the members of the Securities Commission.

They advised me that there were 31 investigations carried out by them. They list those investigations and the nature of the complaints, etc, before them. The Weyburn Inland Terminal was not in any fashion singled out by the activities of the Commission. That is the information they give me and if the Hon. Member has something which is contrary to that, that he would like to lay before the House or before me in writing I of course would be pleased to take that up with the appropriate officials. I hope that he doesn't because I don't think there is any reason to doubt the activities of the Securities Commission in this area who have been acting as a Securities Commission should be acting, as properly and as fully as they can.

All I wish to say, Mr. Speaker, is that I have no objection to agreeing to this question and to providing the answer in due course to this House and to the public.

MR. LANE: — I thank the Attorney General very much for his reply. I will be interested in looking at the reply and I thank him also for the assurances given about the Securities Commission. I must advise the Assembly that the information was given to me verbally by people involved in the Inland Terminal who expressed some concern that these things were happening. I will certainly inform the Attorney General that this information being tabled will be forwarded to the individuals who raised it with me and he will have my assurance that they will be properly informed as to the procedures of the Commission. So again I thank the Attorney General for that and I will pass that information on who the individuals who verbally informed me of the situation that I raised were.

MR. ROMANOW: — They could have . . .

MR. LANE: — Well, there could have been several reasons and I will take this up with the individuals and then get back to the Attorney General if we are not at variance on the information I requested or the information given.

Motion agreed to.

RETURN NO. 58

MR. E.F.A. MERCHANT (Regina Wascana) moved, seconded by **Mr. S. Cameron** (Regina South) that an order of the Assembly do issue for Return No. 58 showing:

The gross dollar volume in approximate amounts of premiums paid to the Saskatchewan Government Insurance office by the various Departments, Agencies, Boards, Commissions, and Crown Corporations of the Government of Saskatchewan during the fiscal years: (a) 1974-75 and (b) 1975-76 to date.

He said: These two matters are not very complicated. The purpose of the questions which were presented first as Motions for Return non-debatable, I can't honestly see what is debatable about them. The purpose of presenting them was, I am interested in knowing, how much SGIO is subsidized by needless insurance schemes with the Government. Larger corporations, for instance, will frequently and ordinarily decide that they will be their own insurers. It seems to me a little bit ridiculous that every

liquor store, for instance, has insurance on it with SGIO which is profitable to SGIO. One government department transferring money to SGIO, fattening SGIO, making SGIO look better and for that reason I ask in Return No. 58 the amount of premiums paid and it tries to be as all inclusive as possible, the amount of premiums paid and then in Return No. 59 I at least should find out the amount of money that was paid back. I have no doubt about the fact that operating as any other insurance company would, the results will be that SGIO makes a profit. Makes a profit from dealing with the Government. Makes a profit from dealing with itself. Does exactly the same thing that this Government would be most critical of big corporations for doing. That's transfer pricing, move money from one area where they don't want into another area where they do want it so that they can say that SGIO is a success or a greater success than it really is.

It is with those few brief and logical non-political words that I move Return No. 58, seconded by the Member for Regina South (Mr. Cameron).

HON. E.C. WHELAN: — Mr. Speaker, in order that there is a true picture regarding the costs, in order that the Assembly gets the part clearly what reinsurance plays in the policies that are written, because I think this is particularly pertinent, therefor I would like to make a slight change in the Motion and I move, seconded by my seat mate, the Hon. Edgar Kaeding, Member for Saltcoats:

That all the words after the word 'premiums' in the first line be deleted and the following substituted therefore;

. . . earned (net of reinsurance) by The Saskatchewan Government Insurance office in respect of insurance coverage provided to the various Departments, Agencies, Boards, Commissions and Crown Corporations of the Government of Saskatchewan during the fiscal years: (a) 1974-75 and (b) 1975-76 to date.

The debate continues concurrently on the Motion and the amendment.

MR. MERCHANT: — Mr. Speaker, I wonder if before the Minister takes his chair and whether he has as a result of moving the amendment already taken his chair, I should like if possible for him to give me some better explanation of the definition of what 'earned net of reinsurance' means and why the change was necessary.

MR. SPEAKER: — I am going to have to invoke the same ruling on the Member for Wascana as I did on another Member, the Attorney General, recently that I have already put the question and if the Member wants to get more information perhaps he should have someone adjourn the debate or adjourn the debate himself until such time as he can find out the information.

MR. E.C. MALONE: (Regina South) — Mr. Speaker, I wonder if I could speak to this. I understand the Member who moved the main Motion would like to

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consider the amendment in some detail before closing debate. Accordingly to facilitate this I would ask leave to adjourn the debate.

Debate adjourned.

RESOLUTIONS

RESOLUTION NO. 1 — PLEBISCITE FOR FEDERAL FEED GRAINS POLICY

MR. R.N. NELSON (Yorkton) moved, seconded by Mr. G. McNeill (Meadow Lake):

That this Assembly requests the Federal Government to call the producer plebiscite promised by the Honourable Otto Lang to decide on the future of the present Federal Feed Grains Policy, and failing this to immediately remove the policy.

He said: Mr. Speaker, I rise to speak on the Resolution that requests the Federal Government to hold a plebiscite regarding the Federal Feed Grains Policy. I would like to speak to that motion in the manner that I feel most farmers in the Yorkton constituency would have me speak.

The Federal Feed Grains Policy now allows the farmer to choose between two avenues in which he can sell his feed grain:

- (a) He may sell to the Canadian Wheat Board, but he must wait 'til year-end to get a final payment.
- (b) He may sell to the elevator at prevailing street prices.

There are many problems in this system. The farmer at the time he sells must make a judgment as to which avenue is best, and it is a complicated decision. I have known many farmers who lost their shirts trying to decide what the open market would do. Of course, it is the farmer's decision at the time of sale, and while there is no chance of losing his shirt, a farmer can choose the wrong route and lose money.

Now if the two systems were allowed to operate without interference, perhaps it wouldn't be quite so bad. But I say there has been blatant Federal Government interference in the feed grains business. The Hon. Otto Lang has insisted that the Wheat Board help out the open market by turning over feed grains, including No. 3 C U Wheat, to the open market where at the beginning they were sold through agencies such as the Winnipeg Commodity Exchange at street prices.

This policy of forcing the Wheat Board to supply grain to the open market prevented the law of supply and demand from working to the benefit of the western grain farmers. Instead of letting the price of feed grain rise on the open market until the grain farmer would sell grain on that market, the Federal Government forced the Wheat Board to supply the grain and so depress the price rise. But that was the Hon. Otto Lang's way of helping out the Winnipeg Commodities Exchange to get started in its role in the Federal Feed Grains Policy.

SOME HON. MEMBERS: Hear, hear!

MR. NELSON: — Mr. Speaker, let me quote from an article by Lorne Harasen, in the October 16 issue of the Western Producer. I quote:

In order to get started and remain in operation, the Wheat Board which is the primary instrument of orderly marketing had to get this system under way by supplying feed grains available to the pampered market. And proponents of the new policy which is really quite old, feel that the Board's guarantee is to continue supplies. Isn't that a peculiar posture for the supporters of rugged individualism in the market place? There are other peculiarities.

For the past three years the crop year has begun with unreasonably low initial prices. Lower than the open market and only a fraction of export prices, and stringent quotas on deliveries to the Canadian Wheat Board while deliveries to the pampered market have been wide open. The result has been congested elevators and those wishing to deliver to the Wheat Board for export and also to harried elevator agents burdened further with additional administrative detail and unhappy customers.

If the new Feed Grains Policy is free and open why must it be propped up by the farmers' marketing agencies? If the new policy supporters want healthy competition, why don't they compete? All of this is a little like asking Eatons to let Simpsons use their parking lot when Simpsons is full.

Liberals and Conservatives are great for non-interference in the so-called free market when their corporate friends are in control. But they are quick to interfere when those corporate friends want help.

It is true that the Wheat Board now supplies grain to the open market at prices that approximate the export prices. But why must the Wheat Board supply grain to the open market at all? Why does the Commodities Exchange need to come into the picture.

Here is another example of the Hon. Otto Lang's interference in what could have been a free choice for the farmer when it came to his decision whether he could sell through the Wheat Board or through the open market. Every elevator system is allowed to keep up to 10 per cent of its space for non-Wheat Board feed grains. That means the space has been reserved for 36 million bushels of feed grains at all times, when only 62 million bushels were designed for use outside the Wheat Board. It is obvious that a farmer who has to decide whether he should sell to the Wheat Board or on the open market, or has financial problems, could have the decision made for him. That decision could be made because his elevator could be plugged with Wheat Board grain, and there could easily be space for open market feed grain.

There are cash advances available. But it is a complicated process and many farmers fear taking those advances, in case something happens to the grain before he sells. So rather than make a decision that is not a clear one he sells on the open market. You can always say that the farmer has a

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choice, but the Hon. Otto Lang has loaded the dice in favor of his friends in the Winnipeg Commodities Exchange.

The Federal Government loads the dice in favor of the Winnipeg Commodities Exchange in another way. Non-Wheat Board grains have almost always an open quota while the feed grain deliveries are always subject to a quota, as I said before, often a very stringent quota.

What is the choice for farmers with storage problems? Last fall the farmer could easily have storage problems because he took some off dry, he took some off cut, some damp, at least in our area he did. Because of the fact that the wheat Board grains are in a quota and sometimes no quota at all, when there is an open quota for the grain going to the Winnipeg Commodity Exchange, what choice was there for the young farmer who needed money or who was unsure? To me the Federal Government action to set up their feed grains policy was a flagrant interference in the orderly marketing system under the Wheat Board. Then when they forced the Wheat Board to transfer feed grains to the open market they were guilty of flagrant interference in the choice an individual farmer could make because their actions depressed the price in the new sales channel which they themselves created. It was, Mr. Speaker, very flagrant interference on the side of the Winnipeg Commodities Exchange against the western farmer. And a brokerage firm that supports the open market says they want the co-operation of the Wheat Board.

Let me refer once more to the article by Lorne Harasen in the October 16th issue of the Western Producer:

A spokesman for a brokerage firm that has long been considered a 'pillar' of the free enterprise and free marketing suggested that the futures market needed the co-operation of the Wheat Board and that living with the Board was like sleeping next to an elephant.

The open market people seem to be saying that they are the little fellow beside the giant Canadian Wheat Board. The open market brokers have done quite well, thank you. But the Hon. Otto Lang hasn't finished interfering with the Wheat Board's operations. Speaking to the Wheat Pool delegates on November 14, last, Mr. Lang said that there will be no vote yet on the feed grains marketing question because, and I quote:

People are still learning about it and there are measures still to be introduced relating to storage and freight rates.

Measures to be introduced relating to storage and to freight rates. There was no indication what these changes are, Mr. Speaker, but they have an ominous ring to them.

If the future changes favor the Winnipeg Commodities Exchange, like the present feed grains policy, I for one, would be very fearful of their effects on the Canadian Wheat Board. Members opposite may groan about such a statement, but I think such fears are well founded when one considers the 33 million bushels of feed grain transferred from the Canadian Wheat Board that were used to depress prices to the farmer. Besides, last crop year the Winnipeg Commodity Exchange price on feed grains was high. It was high because the open market in its beginning

invasion into the feed grain market was undersupplied, and so the price was higher than might be expected even though that price was depressed.

Supposing the unwary farmer who made a bit of money last year on the open market rushed in this year to sell on the open market and supposing he encouraged a few of his friends to do the same, there could be a substantial loss to the farmers and to the whole Saskatchewan economy.

Now if you look at the delivery patterns, as described by the Canadian Wheat Board, we see that the heaviest delivery of grain comes in the first four to five months of the crop year. One does not need to suppose what would happen to the price of feed grain in the time of heavy delivery, the law of supply and demand says that the price drops. Then let us suppose there is a low quota or no quota at all on Wheat Board grains (and as I say before it happens often). We will see some young starting farmers, some farmers with storage or financial problems would be selling on the open market again at a loss.

Shouldn't one purpose of government agencies be to assist these young starting farmers? Shouldn't the Canadian Wheat Board be used to get the best possible price for grain for the farmers at all times and not leave farmers open to the whims of the speculators? One of the purposes of government as I see it should be to see to it that people who raise cattle and hogs have access to grain at a price that they can depend on. The people who provide the nation with meat should not have to worry about losing their shirts because grain or cattle prices are uncertain. I have talked to farmers in my area recently who don't want to keep their cattle because of low prices but they cannot sell them because they can't pay the money they owe on their breeding stock.

It seems obvious to me that the Federal Liberal Government has chosen to weaken the Canadian Wheat Board and help their friends in the Winnipeg Commodity Exchange, because, Mr. Speaker, anything that causes the farmers to sell grain outside the Wheat Board channels causes a weakening of that Wheat Board. I say that because the more grains that are sold through other channels, the less will be the need for that Board.

We must decide upon a motive other than the motive of helping their friends in the Winnipeg Commodity Exchange for such actions against the Wheat Board. Mr. Speaker, I suggest that the motive is to provide western feed grain to eastern feed lot operators at prices below their corn competitive prices. And why do I say eastern feedlot operators? Because there are more voters in the Ontario and Quebec regions of Canada than there are in the West.

Now, if the cheap feed grains for the East is not the underlying intent of the Feed Grains Policy, it certainly is the result of such meddling in the affairs of the farm people of western Canada. Now I know there is a great need for aid to the feedlot operators and many farm people with cattle. I do not object to assistance being given to farm people in the East or the West, because we need to do something to ensure that the cost of food does not rise too much, so naturally, I approve if something constructive is done to keep food costs down. However, why do it on the backs of the western grain growers? Why do we have such wild fluctuations in the prices

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of our farm commodities?

By mid October, 1974, the price for wheat at Montreal was 70 cents below its equivalent in American corn. Our grain farmers were struggling to stay in business. At the beginning of 1976, the same wheat was selling at 90 cents above its corn equivalent. The same sort of a performance was seen in barley and oats. Barley on July 31, 1975 was selling at 30 cents below its corn equivalent, while in December 1975, it was nearly 50 cents above the same corn feed.

How can dairy and beef farmers and hog raisers be expected to operate in face of the fact of such violent fluctuations? Feast and famine. It is small wonder that we see a continual flow of young farmers from our province. Eastern feedlot operators and dairymen have a guaranteed supply of feed grains that our western feeders do not have. If the corn price is higher than its equivalent in western feed grains, as often happens, then the western feeders can buy western feed grain. If the western feed grain is higher in price than its equivalent in corn, as is the case at the present time, then the eastern feeders can buy American corn.

When the price of western grain is very high the western feeder has no source of cheaper American corn. As a result of the open market policy for feed grains, the western stock feeders find at times that they cannot afford to feed their cattle and hogs and they go out of business. Either that, or the stockmen get to the point where they are now. They would like to get out of their stock but they are unable to because they could not pay off the money owing on the breeding stock they previously bought.

Later, as western feed grains pile up because western stock growers have gone out of business, the western grain farmer finds the price for his feed grains to be greatly reduced once more. Once again there is a shortage of meat and meat prices rise. The old merry-go-round starts all over again and it's a merry-go-round that isn't too merry for western farmers. Those ups and downs in the grain and livestock markets are enough to drive anyone from the land.

This constant yoyo-like movement of feed grain prices is a disaster to the feedlot operator and the mixed farmer. We are still seeing a drift away from the land. We see an ever-increasing size of farm. We see people forced to leave the farm, forced to leave a life style they love for a city.

And what are the chances for a job for say a 40 year old man who has to start a new way of life? How can he get a new job? He must take whatever he can find or he must go on welfare. Wouldn't it be more sensible to keep that man and his family on a farm where they are productive and happy? It would take a little planning and guidance. It would take an orderly marketing system so that these farmers could plan their future activities without finding their financial world coming tumbling down around their ears because of market fluctuations.

Mr. Speaker, recently we got a booklet passed out in the Legislature from the Saskatchewan Natural Products Marketing Council in their annual report for 1975. I'd like to read to you a few conclusions that were arrived at by this group of

financial experts and agriculture experts in our province.

In general terms the conclusion of the study indicates that western feed grain producers were adversely affected by the changes. The western feed grain users do not have the guarantees to provide the eastern producers and the marketing markets. While the stated intention of the Government of Canada was to hold a plebiscite among the western grain producers after the new policy had been in effect for one year, it now seems clear that the plebiscite will not be held for some time. In the mean time the facts that much more information about the grain markets which was previously a matter of public record to the Wheat Board is now unavailable. Council believes that it is incumbent on the Government of Saskatchewan to continue studies in the operation of this policy to insist, wherever possible, that information be made public. The council has concluded that the changes in the Feed Grains Policy has seriously jeopardized the operations of the Canadian Wheat Board with no off-setting benefits. Marketing board operating procedures and principles have been developed for single agency operations. The introduction of other institutions, even if they are restricted to the domestic market have had the effect of needlessly complicating the whole marketing process.

I think it is plain that I support the orderly market concept as is typified by the Canadian Wheat Board. It seems strange to me when I compare the operations of farmers with the operations of large corporations. In the world of big business we see vertical and horizontal integration so that those corporations can control as much of the market place as possible. We see monopolies. We even see an occasional token prosecution under the Federal Combines Investigation Act when companies combine to fix prices, in other words, in the world of big business, the moguls in charge, control or attempt to control the price of their product from the point at which they first touch the materials, to the point where those finished products leave their hands, witness the continuous attempts at vertical and horizontal integration in large businesses.

Witness the prices that are often stamped on a product that you and I buy — marked as suggested price, and daring indeed, is the small merchant who would try to charge more. Mind you, Mr. Speaker, the practice of stamping a price on a product has been changing in these days of double digit inflation. In other words, the corporations do not act on a free market basis at all. They control the market to the full extent the law allows, and judging by anti-combines prosecutions, they will go beyond the law to exert control.

The farmer is told, “be a free enterpriser, stand on your own, turn your farm products over to such organizations as the Grain Exchange or the Commodities Exchange to allow someone else, speculators, to make millions gambling in futures on those products that you seated to produce.”

Personally, Mr. Speaker, I want to see a government run organization, the Canadian Wheat Board, handle farm grains and eliminate the speculator, who, because he is non-productive, adds very greatly to the inflation that is already

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cripling our society. I want to see that Wheat Board do everything in its power to get the best possible deal for the farmer who raises the grain and makes grain readily available for the stock grower, as well as prices that he can reasonably afford.

I do not want to see the Wheat Board interfered with in the manner that I have indicated. And, since I am not a farmer, I do not wish to tell the farmers how they should run their business and I say to the Hon. Otto Lang, who is not an active farmer either, that he should not dictate, by devious means or otherwise, how farm people should run their business. I say that he should give them the right to vote as he promised on the Federal Feed Grains Policy. I say that farmers should have that right to vote on the kind of market they want because ordinarily not one nickel of Federal money goes to run the Canadian Wheat Board. Every salary, every storage charge, every transaction is paid for by the sale of those grains. Only in the 1971-72 crop year did the Federal Government pay a deficit for the barley crop, otherwise the farmer pays his own way.

Therefore, I say that it is the right of that farmer, who supports the Feed Grains Policy by grain transfers from the Wheat Board, to have a vote on the Feed Grains Policy. It is the right of the farmer who pays for that Wheat Board's operation to have a vote on the Feed Grains Policy.

I say that is the duty of the Hon. Otto Lang to see that that vote is held as soon as possible.

I, therefore, take great pleasure in moving this Resolution.

MR. G. McNEILL: (Meadow Lake) — Mr. Speaker, speaking to this Resolution I am reminded that over the years the Federal Government and their representatives have made many promises towards the farmers and the people of western Canada. Over these years, particularly on election years, we have learned to take these promises with a grain of salt. However, Mr. Speaker, when a Federal Minister, who is from Saskatchewan, promises that a plebiscite will be held on this issue of interest to every farmer in Saskatchewan, we naturally assume that such will be the case, but once again, the Liberals and Mr. Lang have managed to ignore the interests of the grain and livestock industry of Saskatchewan and have played into the hands of the corporate friends.

Over the last few years the West has witnessed the calculating and deliberate attempt by Otto Lang and his Liberal friends to undermine and destroy the orderly marketing and grain-handling system developed over the years of hardship in the West.

Now, Members opposite as usual react in two ways to my charges. One, they will stand up and loudly defend Mr. Lang and then they will even more loudly proclaim their defence of the orderly marketing system of the West. Well, you in the opposite benches can't have it both ways. In this House you may defend Mr. Lang and his policies all you wish and you may go around the countryside proclaiming you are in favor of orderly marketing; you may carry on and shout all you wish,

but it will do you no good.

SOME HON. MEMBERS: Hear, hear!

MR. McNEILL: — At the 1974 Liberal convention a resolutions was passed unanimously:

Be it resolved that this meeting go on record as unanimously supporting the efforts of the Hon. Otto Lang in his role as Minister in charge of the Canadian Wheat Board.

Mr. Speaker, this resolution was unanimously passed and that includes the Members opposite. The record shows, Mr. Speaker that this party, this provincial party clearly stands together with Otto Lang as the architects of the destruction of the marketing and grain-handling system of the West and the Canadian Wheat Board. The record will show, Mr. Speaker, no matter how much the provincial Liberals state otherwise. What will all these policies, all these initiatives of the provincial Liberals, the federal Liberals and their corporate friends do, Mr. Speaker? I will tell you. It will lead the farmers of the West into the mercy of the Winnipeg Grain Exchange and the speculators.

SOME HON. MEMBERS: Hear, hear!

MR. McNEILL: — And I, for one, and this Government will not allow this to happen. The Conservative Party sitting over there, their usual silent selves have no cause for smugness either, for the farmers of this province remember their connection with their corporate eastern friends also.

SOME HON. MEMBERS: Hear, hear!

MR. McNEILL: — I urge the Members opposite to throw their support behind us and our attempts to defend the Wheat Board and our orderly marketing and grain-handling system.

Prior to the establishment of the Canadian Wheat Board the grain marketing system was entirely in the hands of the speculators and corporate interests of the grain exchange. In Saskatchewan we know what it is like when farmers are at the mercy of the free enterprisers.

The Canadian Wheat Board was established to market the wheat, oats and barley produced in western Canada in the interests of the farmers. The marketing system of the Canadian Wheat Board is of crucial importance to prairie farmers, for it eliminates speculation and profit taking by the middlemen. It ensures price pooling over the year at the same price all year round for farmers. It ensures equal opportunity for the delivery of grain by all farmers.

From 1944 to 1960 the Canadian Wheat Board held a monopoly in the marketing of grain within the prairie region and inter-provincial and export trade. Excepted only were sales by one farmer to another.

In 1960 another Federal Minister, this time a Conservative one, proceeded to implant the first crack in the position of

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the Wheat Board. The Conservative Minister allowed feed mills in the prairie region to buy grain from farmers outside the delivery quota system.

I believe it is clear that it really wouldn't matter whether it is a Conservative or a Liberal, the results would be the same. Whether it is grain-handling or stabilization or whatever, the Conservatives and Liberals can be trusted to consistently side against the best interest of the farmers and people of western Canada.

In regard to feed grains, the Canadian Wheat Board formerly attempted to obtain full market value for prairie grain, while assuring the eastern market a steady supply from the West. There was some problems and in November, 1971, all 10 provinces accepted a western proposal for a national grain policy and presented this consensus to the Federal Government. The Federal Government broke the agreement by announcing that it had asked the Canada Grains Council to study the matter and make recommendations for a domestic feed grains policy.

A year later the Canada Grains Council recommended that off-board prices in the prairies be the basis to grain prices across Canada and that the Canadian Wheat Board authority over inter-provincial trade be removed.

The four western provinces restated their position of extending the orderly marketing order the authority of the Wheat Board. However, then Mr. Lang and his friends ignored these representations and announced his feed grains policy, by implication the provincial Liberals support this policy and by their silence the Tories support it. At a news conference in May, 1974, Mr. Lang promised to hold a plebiscite of the prairie farmers on the Federal grain policy after it had operated for one year. Now two years later, we have no plebiscite and are suffering from the effects of the Feed Grains Policy. Actions like this prompted the Saskatchewan Wheat Pool to call for the resignation of Otto Lang as Minister responsible for the Wheat Board.

I have a theory, Mr. Speaker, about the plebiscite which was first voiced in December by the Member for Turtleford. That theory is that Mr. Lang is not holding the plebiscite as promised because he knows that a plebiscite held would be defeated. He is waiting and hoping that he can structure the plebiscite with enough organizations and people favorable to him and the Liberal Party so as to insure success of the vote. At that rate he may have to wait a long time.

I have before me some information from the Economic Branch of the Department of Agriculture. I repeat it to Members opposite, both Liberals and Tories, in the hope that it will induce them to forget their party loyalties and ties and come to the side of the people of Saskatchewan,

SOME HON. MEMBERS: Hear, hear!

MR. McNEILL: in opposition to the undermining of our marketing system. The information I have states that the inequities between western feed grain prices and corn prices in eastern Canada which have prevailed for several months places the western livestock and poultry industry in serious jeopardy. In a

serious jeopardy, that is where Mr. Lang and the provincial Liberals have led us. Western feed grain in eastern Canada is overpriced in relation to corn. For example, during the latter part of December wheat was overpriced by 94 cents per bushel, oats by 52 cents and barley by 49 cents in Montreal. This is, of course, to the advantage of eastern feeders, who having convenient access to lower priced United States corn. Western feed grain users who do not have access to United States' corn must pay the higher price which the market sets in western Canada.

Repeatedly the provincial Minister of Agriculture has requested Mr. Lang to fulfil his pledge and hold a plebiscite or immediately terminate the policy.

Mr. Speaker, the undermining of the Canadian Wheat Board by Mr. Lang is difficult enough but the support shown by the provincial Liberal Party and the indifference of the Conservative Party to the problem all makes this situation all the more intolerable.

I, again, urge Members opposite to put the best interests of producers in Saskatchewan above their party ties, above the interests of their corporate friends and work with us to have this destructive feed grains policy changed or at the very least, urge Mr. Lang to hold a plebiscite so that our producers can make known, very clearly, their stand on this policy.

SOME HON. MEMBERS: Hear, hear!

MR. E.A. BERNTSON: (Souris-Cannington) — Mr. Speaker, whether I agree or disagree with what has been said won't matter much in this House, because of the numbers. And what has been said isn't going to help any one much to make up his mind.

When I see a school teacher and a fisherman expounding on matters of agriculture in Saskatchewan, with a canned speech, it is really difficult to decide who really decides what NDP policy is.

Mr. Speaker, as I said anything that has been said up to this point hasn't helped me in any way make up my mind as to how I will vote on this Resolution and with that I will leave it to the Member for Morse (Mr. Wiebe).

MR. J. WIEBE: (Morse) — Mr. Speaker, just a few brief comments in regard to this particular Resolution.

You know after hearing the Member for Yorkton and the Member for Meadow Lake read the speeches which had been adequately prepared for them, I sat back and realized that I never heard as much garbage and nonsense and poppycock in all my life.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — Here we have two fellows who don't know anything about the feed grains industry let alone agriculture in this province try to lecture this House on a feed grains policy,

reading a speech that they themselves never even wrote.

SOME HON. MEMBERS: Hear, hear!

MR. WIEBE: — On has to look at what is the reasoning for introducing this particular Resolution. Why, why after a feed grains policy has only been in effect for one year, one little year and you want to vote right away, what is the reason for asking for a vote? It is going to give Government Members on that side of the House a good excuse and a good opportunity to once again rake the Federal Government and Otto Lang over the coals, to do a little bit of politicking in the House. Let's let the people of Saskatchewan know what we feel about what is happening to their grain production.

They don't want the people in Saskatchewan to realize that the reason why farmers are in the financial condition they are today, is not because anything that those Members on that side of the House have done in the last five years, it is strictly because of the agricultural policies of Otto Lang. And every opportunity that they have to drag that man over the coals they are going to take it, to discredit Otto Lang in the minds of the people of Saskatchewan, is the only reason that this particular Resolution was introduced.

In both of the speeches those two Members made, not once did they justify their reasoning for asking for a vote. Why is the vote necessary?

Their entire remarks were geared strictly to a personal attack against Otto Lang. What would they do with that particular vote? Say, for example, the Minister of Agriculture before the total feed grains policy had been implemented that the Minister in charge of the Wheat Board said, let's have a vote before the farmers have had an opportunity to understand and study the program. What would happen? Would the NDP allow the farm organizations in this province and the farmers themselves to go out and actively campaign for or against that particular program? You can rest assured that the NDP would not allow that to happen. What would happen is the exact same demonstration that we heard in this House for the past half hour. It would be nothing but a political attack, to do what? To further their own gain and not the gain of the western farmer or the agricultural people in Saskatchewan.

The Member for Yorkton went on to say that Lang is dictating to the farmers by implementing this Feed Grains Policy. How in the world does that dictate when he leaves it completely open and to the option of the particular farmer to choose whether he is going to sell to the Wheat Board or whether he is going to sell to the open market. And if that is dictation, ladies and gentlemen, if that is dictating to the farmers, I dare to see what kind of dictation or dictating message they would be coming up with.

What more do you want with choice? You have the opportunity to sell on the open market or to sell to the Wheat Board. If you feel that that price on the open market is not right you have the full opportunity to take the cash advance. The Member for Yorkton said that it is an extreme difficulty for the farmer to go out and take the cash advance. There is nothing easier in the world, Mr. Speaker, than to take that cash

advance — and I must say there are very few farmers in this day and age who don't take the cash advance, they take advantage of it.

Mr. Speaker, there are many more things that I would like to say in regard to this particular Resolution and I beg leave to adjourn the debate.

Debate adjourned.

**RESOLUTION NO. 4 — NATIONAL STABILIZATION PROGRAMS FOR ALL
AGRICULTURAL PRODUCTS**

MR. D.G. BANDA (Redberry) moved, seconded by Mr. G. McNeill (Meadow Lake):

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.

He said: Mr. Speaker, because of the importance of the livestock industry in Saskatchewan and the situation that the cow-calf operator faces in this province, I am reintroducing this Resolution which died on the Order Paper last session. A Resolution asking for a national stabilization program for livestock.

SOME HON. MEMBERS: Hear, hear!

MR. BANDA: — There is an immediate need to make long term plans in the industry in order to provide sufficient breeding stock and feeder cattle for finishing in the future. If there is a substantial reduction in cows in this province, which happens to be the case, reduction of some 35 per cent, this simply means less calves, consequently less feeder stock for finished beef in a year or so.

Mr. Speaker, this situation cannot be corrected by the recommendation from the Hon. Member for Thunder Creek, when he says the answer is to eat your way out of the problem. It's too bad he is not in his seat today because I'd have some more remarks to make in this regard. Mr. Speaker, Bill C-50 does not provide for the type of situation we experience in Saskatchewan. The Bill states that for a particular commodity the base price in any year is the average price during the preceding five year period as the index to the cost of production.

Now, Mr. Speaker, any time one has to go back five years on a declining market price and average the prices, will know that there will have to be a substantial drop in price in order to get a payment out of the industry.

It is not only bad enough that the price is averaged over

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a five year period but it is calculated on a minimum of 90 per cent of the base price. Because the eastern average price is higher than the west, the total average price does not relate a realistic stabilization price to an area like Saskatchewan. For example, the average price of steers in 1975 was 43 cents in Canada, but the stabilization price based on the five year average in this province was approximately 40 cents. Therefore, the livestock prices in Canada have to come down below the average in order for a producer to receive a payment. And this is because the stabilization is not based on individual regions.

The legislation does not provide a clear cut mechanism for relating stabilization prices to current cost of production, especially in cases where market cycles of long duration occur resulting in an extended period of prices below the cost of production.

Payments are related to average prices received by all producers rather than to the specific price received by an individual producer in a region during any stabilization period. To show the importance of the need for a stabilization program, Mr. Speaker, I want to point out that the farm cash receipts for cattle in Saskatchewan for the period of January 1974 to November 1974 were \$229,210,000 while in 1975, it dropped three per cent to \$222,386,000, but, farm cash receipts for calves dropped 41.7 per cent in that same period.

With today's escalating costs to producers, a 450 pound calf costs anywhere from 40 cents to 60 cents a pound to raise depending on the area where the animals are produced. These animals sell at approximately 36 cents now on the market. Last fall they were selling anywhere from 20 to 32 cents. This results in a loss of anywhere from four cents to twenty-four cents a pound per calf, about 14 cents per pound loss on the average or \$63 per calf. In many instances the loss is over \$100 per calf.

Any feedlot operator who purchases calves at this ridiculously low price might well be able to break even at a market price of 43 cents, but it doesn't relate in any way to the cost of 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 average payout on finished beef last year was about half a cent a pound regardless of whether the producer sold a steer in Toronto in September at \$51 or whether he sold that steer in Saskatoon in March at \$35. Half a cent a pound received no matter where the animal was sold.

The Resolution I put forth 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 a crisis situation.

It was such a crisis that forced the Saskatchewan Government to implement the hog price stabilization program in 1973. The cow-calf sector is in a crisis situation now. It is

unfortunate that the Federal Government did not attempt to assist these producers when the signs of a crisis were pointed out by our Government. They still do not respond to the plight of the cow-calf producer.

Proposals have been put forward 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 methods under which this could be accomplished under the existing Bill C-50. One would be to devise a formula whereby the cost price for feeders 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 Bill C-50 formula for market cattle. Quite possibly the higher price for market cattle would reflect back an equally higher price for feeder calves and the benefit would get down to the cow-calf producer in that way. Although not necessarily so.

A second formula for protecting the producer would be to provide whatever level of support for cow-calf operators under Bill C-50, separate from the market cattle price. A support price could be established in such a way that would be based on the cost of production to bring spring calves to market in the fall. Payments would be made to farmers based on the cost of production. Payments could be made to farmers on the number of cows in the herd, whether or not these calves are marketed or kept on the farm. This would eliminate the requirement for a producer to sell his calf as a feeder in order to enable him to qualify for a support price. This set-up could allow for the market price as at present, to continue on at the same time, shelter the producer against disastrously low prices.

Mr. Speaker, the Government of Saskatchewan urges a national plan or stabilization rather than a provincial program which would seriously distort regional differences. The province of Quebec presently has a wintering subsidy and British Columbia has a beef income plan. We have not embarked on similar courses of action for a number of reasons.

First of all, our beef industry is different from that of other provinces, since it is predominantly comprised of cow-calf operations. We export much of our production as stock, as feeders, and slaughter cattle and many of the secondary benefits of maintaining a beef industry leave Saskatchewan.

Second, our province has a high ratio of cattle relative to people compared to Quebec and British Columbia. Consequently, a larger tax burden to support the beef industry would have to be borne by a smaller group of taxpayers in Saskatchewan.

Moreover, a more fundamental reason that we do not favor a provincial plan is that the Government of Saskatchewan believes stabilization ought to be a national scope rather than regional. The proliferation of regional program to stabilize income and price will only distort regional production rather and make the execution of a single national policy more difficult. For that reason it is crucial that a national plan be introduced, the sooner the better for the troubled producers in this province.

In my short period of time in the House, I have urged, on a number of occasions, for adoption of a national stabilization

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program as the Minister of Agriculture has, my friend the Hon. Member for Saltcoats. I should like to urge all Members of the House and those opposite to cast aside political differences and to urge with us that the Federal Government implement a national stabilization plan.

Mr. Speaker, as a cattleman myself, I am well aware of the apprehensions that some producers feel toward a national stabilization plan. 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 interests. They will reduce production but they will maintain the price. We may not always like the methods used by other segments of society to maintain their income, but they are all doing it.

It is unfortunate, Mr. Speaker, that although farmers from all areas of the province are urging the Government to press for an adequate stabilization plan for beef, the Saskatchewan Stock Growers' and the Canadian Cattlemen's Association both well represented by Members of both Opposition Parties, oppose any move to bring real stability to the livestock industry.

Mr. Speaker, I hope that the Tories will get up and say where they stand on this issue in Saskatchewan, so farmers know exactly what their policy is instead of sitting on the fence and saying nothing.

Mr. Speaker, I want to urge Members opposite to support this Resolution to help put pressure on the Federal Government to help livestock producers who need assistance now in order to make managerial decisions in the near future.

Therefore, Mr. Speaker, I move this Resolution.

MR. R. KATZMAN: (Rosthern) — Mr. Speaker, I should like to ask a question of the Member. Would the Member inform me how he intends to have stabilization in cattle for the costs of operating and still talk like he does about the consumer getting the break, that's just politics both sides, explain yourself.

MR. BANDA: — Would the Member repeat that. I didn't quite understand his question.

MR. KATZMAN: — You suggested that the reason for stabilization is to make sure the farmer gets his cost out of the cow-calf operation. You've also suggested you're concerned with the cost to the consumer. You're confused worse than anybody else.

MR. BANDA: — I don't think the Hon. Member understands what he is talking about. I'm quite sure that if he was a cattle operator that he would know that the producer, certainly, isn't getting the benefit of the high cost of beef over the counter. And I'm saying that we need some stability in the industry for that producer — over the counter — that's a different problem.

MR. SPEAKER: — Order! I think that the Member has a right to ask, if the Member wants to accept a question and I think that question should be strictly to clarification rather than debating points. And the Member has every right to answer it or not answer it as he sees fit.

MR. R.H. BAILEY: Rosetown-Elrose) — Mr. Speaker, this school teacher also happens to be a cattleman, so that's more than you are in speaking on this Resolution.

Mr. Speaker, once more we have heard from the Great White Fathers opposite, that it is their intention, first of all, to pass on any discrepancies that exist to the Federal Government. Try to drag them through and the Government of Saskatchewan appear the heroes before the people. And the second thing is, that if you can't get hold of an industry then let's have a plebiscite which will get marketing boards and control of the industry.

Mr. Speaker, somebody said where do the Conservatives stand on this particular point. Well, let me tell you this, that the Conservatives' stand, first of all, is not to implement marketing boards in opposition of those who are in the business of raising cattle. That would be the first stand to take. The Hon. Member mentioned that the farmers of Saskatchewan are supporting this. Would the Hon. Member mention if they had the support of the very large group of independent stock growers, do you have the support of the Saskatchewan Stock Growers' Association and the answer is no. They are the people who are in the business. Again what you are saying is this, you give it to us, give it to the government and let it control. We, the Government will tell you how many cattle you can raise, we'll tell you how many cattle you can market this year, we'll tell you how many brood cows you can keep. This is the theory of the Government opposite, and when they know that they cannot in any way have the support of the independent cattlemen in Saskatchewan, then, of course, they want to go through the backdoor and try to get the Federal Government to bring in stabilization.

The speaker before me mentioned that we must have a plebiscite. How can you people double talk in this House? Where was your plebiscite on hog stabilization? We are still waiting for that, you never brought in a plebiscite. But, oh, it's all right for this Government to ignore this plebiscite but let's force Ottawa into one.

Let me ask the former speaker this question. Do you have the support of the Stock Growers' Association of Saskatchewan? The answer is no! Do you have the support of the Canadian Cattlemen's Association? And the answer is no! Therefore, what you are trying to do, through this particular Resolution, is to come through the back door with a resolution to do your politicking. I don't know who wrote your speeches for you but they were terrible, let me say that. You want this Government to support something which you in fact do not have courage to do. If you want to have a Saskatchewan marketing board, I want to suggest that you put it to a plebiscite. Put it to a plebiscite, try it right here in Saskatchewan and see what will happen. You people know very well what will happen.

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AN HON. MEMBER: — What will happen?

MR. BAILEY: — You know very well what will happen.

Mr. Speaker, there are elements within the Resolution if expanded without the political jargon of the backroom boys' speeches, that deserve some merit. But the way in which it has been presented and the way in which it has become such a political thing, once more blaming Ottawa, then of course, there is no way that I can support the Resolution.

MR. E. ANDERSON: (Shaunavon) — Mr. Speaker, I would feel remiss in not speaking to this continual resolution. This is only part of the ongoing effort of this Government to drive the small producer out of business and put him into the state farms and collective farms which they so avidly support.

Anyone who has studied the effects of 100 per cent parity, which they are asking for or full cost production, on any subsidy he will find that when you average your cost of production per unit and the smaller one always has a higher one. So what you do if you put parity at 100 per cent, you lock the small producer into a continuous loss position and you guarantee the large producer into a continuous profitable one.

If you study the effects of the 1930s when they went to 100 per cent of parity in the United States, if you have studied the effects 100 per cent parity in the dairy industry or the egg industry, you see this very effect is true, that you fall back, as you admitted, into production controls. Those controls are controlled by quotas. Those quotas become more valuable than the unit that you buy. All you do is put your small producer out of business. But of course that has been a continuous plan with everything that the NDP Government has ever put out, is to put the small producer and the small town out of business.

SOME HON. MEMBERS: Hear, hear!

MR. ANDERSON: — This comes back into your fiasco on your Act to guarantee machinery parts. What did you do in that case? You didn't go after the big companies, International, Massey, you went after the poor little machinery dealer and made him supply a part in 72 hours in some God-forsaken part of Saskatchewan where he couldn't do it. All you did was drive him out of business, part of your plan to destroy rural Saskatchewan. What do you do with your new Budget? You drive out the schools and the health care in our rural areas and build your Taj Mahals in Regina, part of your plan to take the small producer out of the country.

You have and you hate to admit it a plan, and this is part of it, to drive the small producer out of this province. You want him on collective farms in the same system as Russia uses. You might as well admit it. Everything you do shows it. But you are too dishonest to admit your own plans. All you want is socialism to the worst degree. That is the only thing you do want. You put up guys who purport to be cattlemen, a fisherman seconds the thing, you have some guys that are teachers and what not, talking on feed grains, you haven't got enough farmers over there or ranchers to fill a hat.

Mr. Speaker, I have more to say on this Bill, I beg leave to adjourn debate.

Debate adjourned.

RESOLUTION NO. 6 — NORTH SOUTH RAIL PASSENGER SERVICE

MR. J. KOWALCHUK (Melville) moved, seconded by Mr. Skoberg (Moose Jaw North):

That this Assembly requests the Federal Government to guarantee improved and efficient rail passenger service for the north and south rail users in Saskatchewan and that the “user must pay” policy announced by the Federal Minister of Transportation be deplored as being discriminatory against rail passenger users and not consistent with an overall transportation policy.

He said: Mr. Speaker, this Resolution, in my opinion is one of the key resolutions on this Order Paper — as it affects the fundamental social and . . .

MR. MALONE: — Mr. Speaker, on a Point of Order.

MR. SPEAKER: — What is your Point of Order.

MR. MALONE: — Mr. Speaker, I submit to you this Resolution is out of order, in that it really contains two resolutions, it refers to two different things. It talks about a north, south rail service in Saskatchewan. Then it goes on to deplore a “user must pay” policy of the Federal Minister of Transport. I suggest to you that it is dealing with more than one thing, that is there is two aspects of it, the north, south rail policy and the further aspect of deplored a Federal Government policy. As such I submit to you it is not in order and should not be considered.

MR. MESSER: — Mr. Speaker, in speaking to the observation that was made by the Member for Lakeview I beg to differ with him. I think the motion is very precise in relating to a transportation problem and certainly . . . Mr. Speaker, may I speak to the Point of Order without the unnecessary assistance from the Members to your left? Mr. Speaker, the motion I think is clear in indicating that there is requirement for a north, south rail service in the Province of Saskatchewan and that such a service should not be based on a “user must pay” policy. I don’t think that there is any legitimacy nor is there any, I think, ability to be able to talk about improved transportation in the Province of Saskatchewan without also relating to how that transportation is going to be paid for. I think that the two matters are very much complementary. I would urge you to rule in order of the resolution as it now appears on the Order Paper.

MR. SPEAKER: — Are there any further comments on the Point of Order?

I have had another look at the Resolution and I find that the Resolution deals with overall rail transportation policy.

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And some aspects of that. One point being alleged in the Resolution that the policy announced by the Federal Transportation Minister is discriminatory against rail passenger service and this is part of the thrust of the Resolution — improve and make more efficient rail passenger north, south service in Saskatchewan. I would rule that the Resolution does deal strictly with rail transportation and an overall transportation policy. I think all of the parts of the Resolution could find their place in an overall transportation policy. Therefore, I would rule that the Resolution is in order.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — Thank you very much, Mr. Speaker, for upholding the ruling because . . .

MR. MERCHANT: — On a Point of Order.

MR. SPEAKER: — Order! No, I don't believe I am going to accept any more comments on the Point of Order. I asked for comments on the Point of Order, I have now made my ruling and I am going to ask the Member for Melville to proceed.

MR. KOWALCHUK: — Mr. Speaker, I didn't realize that the Federal Minister of Transportation, Otto Lang had that many friends and relatives in this House.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — I just want to make a point before I go on to my extended notes — the very phrase “user must pay” is exactly the reason why the very first part of the Resolution is stated that we are asking for improved and more efficient rail service rather than a deletion which they are proposing. I think it makes a great deal of sense that these two items go together, Mr. Speaker.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — Mr. Speaker, as I said before it is one of the key resolutions on this Order Paper as it affects the fundamental social and cultural structures of all western Canadian people and thus, western Canadian communities, that is, that this federal action for the elimination of most of the passenger service on the western prairies — and particularly central and northern Saskatchewan — will be just another added blow in the destruction and total, almost total elimination of the viability of these communities, Mr. Speaker. Some of these are already reeling from many other similar federal actions, of similar nature.

What are we saying in this Resolution? Specifically and clearly we are asking the Federal Government — through the Minister in charge — that they guarantee improved and efficient rail passenger service for the north and south users in Saskatchewan. That they, the Federal Liberals, keep their promise that was made by Mr. Marchand, when he was Minister in charge of Transportation, where he openly and publicly admitted that rail transportation in Canada was in a terrible ‘mess’.

Other Liberals, as well as Members of the Opposition, in Ottawa, agreed that the whole transportation system needed a great deal of improvement. All we are asking is that the Federal Government keep their word and proceed to correct these errors. Improve the system — not begin the process of tearing down the last vestige of whatever service there is in many of our western communities, Mr. Speaker. That is what we are saying in this Resolution. We are asking, keep your word, Mr. Lang, to improve the passenger service. We, of course, are particularly and specifically interested in passenger service in, as I said, in central and northern Saskatchewan. However, what was said then, and what is being attempted by the Hon. Otto Lang to foist on the people of western Canada now, isn't just what is going to give us in central and northern Saskatchewan better and improved service in fact, it will give us no service at all. Nothing at all.

What were some of the choice things said by Mr. Marchand and Mr. Lang? Let us review them.

On June 18, 1974, the Liberal Party promised a revitalized inter-city passenger rail service for Canada. They promised measures to encourage and facilitate Canadian design and production of quality inter-city passenger service vehicles, systems, equipment and machinery. They promised a Canadian passenger transport corporation whose first priority would be to work on the introduction of high speed passenger rail service in all parts of Canada. They promised trans-continental excursion trains. Lots of promises, Mr. Speaker, then an about-face by the now new Transport Minister. A complete about-face. On January 29, 1976 the Hon. Otto Lang announced the curtailment of rail passenger service.

What's at question here is no longer the integrity of Trudeau or the Liberal Party or whatever. What's at question now is their fitness to govern, their ability to cope with a modern economy, with modern transportation systems that are staring them in the face and they don't know what to do with them.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — Mr. Marchand; as I have just said a few moments ago, when Minister of Transport, told Canadians very openly and very candidly that the transportation system in this country is a mess. Nothing has changed, except that Otto Lang lacks Mr. Marchand's frankness and honesty. In fact Mr. Lang proves beyond doubt that he is no friend of the western people, that indeed he is one of Mr. Jekyll or Mr. Hyde, I don't know which one. I remember back a year ago, he became one of the Edmonton species, he said, "Crow's Nest freight rates must go". I don't know which one he was, I think he was a Mr. Jekyll then. Therefore he plays a kind of game where he changes positions every once in a while as suits his political scheme.

Mr. Lang says that he is concerned with wiping out the subsidies to various types of transportation. Each mode of transportation he says, is to pay its own way. That is Otto Lang's new creed, Mr. Speaker. His new commitment to eastern Canada and multinational interests. His new commitment to the rich for whom travel is to be further subsidized.

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If that is the case, Mr. Speaker, then this country must, as indicated by somebody once before in this House, that Canadians will have to resort to the travel habits of the middle ages. Only those with expense accounts and the rich are going to travel in Canada.

The rail line is still the link of life for many western communities. The link of life for western Canada has been questioned. Mr. Lang wants to abort and kill that link. Mr. Lang, the Minister of Transport has made much of the subsidy that the present rail passenger service requires. It is necessary to put this question of subsidies into a perspective.

When we look at air transportation subsidies, Mr. Speaker, subsidies for air travel have been growing rapidly in Canada in the last few years and probably all over the world. I can repeat some of these and I think I should. In 1971-72, the expenditures were \$330 million, the revenues only \$83 million, the deficit \$247 million. I will leave out '72-73 and down the row but I will go down to 1974-75 where the expenditures were \$738 million, the revenues \$142 million and the deficits were almost \$600 million, Mr. Speaker.

In 1974-75 the Ministry of Transport paid out over \$738 million for air transportation in this country, that is including the infrastructure. However, they took in only \$142 million as I just stated a moment ago in revenues, the users' fees. That deficit of nearly \$600 million is a subsidy to the air transport carriers, private and public, Canadian and foreign. Mr. Speaker, this does not include the amount paid by the Canadian Transport Commission to carriers for operating aircraft on uneconomical lines which we are talking about when we talk about lines like the one proposed for Yorkton, Dauphin and other places. Some more of \$2 million could be added in the fiscal year 1974-75, if that were added on to the total deficit.

Private and public carriers in 1975 had an operating income of only \$90 million for 1975. Total operating revenues minus total operating expenses and that is what it leaves you. Estimates for losses for the seven major Canadian carriers run as high as \$40 million for 1975. And 1976, Mr. Speaker, doesn't look any better. How are they going to pay their own way. Some experts estimate and predict that air tickets will double in price. And if they are going to pay their own way, Mr. Speaker, they will have to more than double, maybe triple, and even more than that, if they are going to pay their own way. Who will be able to afford to fly, Mr. Speaker? In response to the increase in fares the rate of airline passenger growth has declined from a rate of 22 per cent in 1973 to three per cent in 1974. Moreover, air ticket prices that are fixed by the International Air Transport are expected to go up by an average of 12 per cent. So who can afford to go by air, Mr. Speaker? The answer is clear. The rich, those with expense accounts and those who can write off travel expenses as business expenses. These are the people who will be able to fly. There are not many average income families in that group. But Mr. Lang says a subsidy of \$600 million for air transport is okay, but \$147 million for railroad transport must cease. You can see that Mr. Lang's priorities do not lie with the western Canadian communities.

Now let's look at the motor vehicle transportation subsidies, because there are subsidies too. The same subsidization

story is true in terms of motor vehicle travel, both commercial and private. In 1972 the latest period for which figures are available, the subsidy for roads paid for by all levels of government amounted to approximately \$1.2 billion, the total of all government spending on roads minus the total of all revenues from fuel taxes and licence fees and you have one beautiful deficit that must be covered by governments of all types.

In other words the taxpayers subsidize some 40 per cent of the cost of building and maintaining roads in this country in 1972. Such figures, Mr. Speaker, do not take into account the incredible social and economic costs that result from accidents and many other occurrences of that type that do occur on the road.

Now let's look at railway passenger subsidies. Given the above figures that I just quoted to you on air and on the road subsidies, the Government's so-called shock at the approximately \$140 million paid in 1974 to subsidize rail passenger service which in 1973 was only \$112 million, appears to be in my opinion somewhat more than hypocritical. Indeed, a number of questions should and must be raised as to the way the railways arrive at their losses on passenger services and to the auditing procedures used by the Canadian Transport Commission to check the railways' figures. The very fact that the railways have not purchased any new rolling stock, any inter-city passenger cars, quite clearly means that this subsidy, if the railroads are to continue, is going to rise if only to maintain the outdated equipment most of which is 20 to 40 years old.

Many observers of the Canadian transportation system have charged that the Ministry of Transport has an air service bias, and I agree. I am sure that many of you agree regardless of whatever political stripe, that deep down you have to agree that there is a bias. We had a glimpse of this bias in the way the Ministry of Transport manhandled legitimate criticism of Pickering Airport. No, if anyone should be shocked, it should be them. It should be over that kind of expenditure, that kind of situation where \$400 million was spent and there is no airport. If Mr. Lang and his bureaucratic cohorts have their way they will march us straight into the 1950s, with all its dreams of shiny aircraft and unlimited cheap fuel supplies, etc., etc.

An integrated passenger system is really what is needed in this country as is being worked on in many other nations of the world. The question, Mr. Speaker, is not whether to subsidize or not. As I said just a moment ago every country in a modern world undertakes to share the costs of maintaining inter-city transportation systems. To do otherwise is to make such inter-city travel once more the prerogative of the rich or those fortunate enough to possess expense accounts. The real question is to find an economical and socially viable system of transportation that all Canadians can afford, a transportation system that is economical in terms of operating costs and the use of energy as well, also, Mr. Speaker, in the social costs. One cannot forget that, social costs like pollution, accidents, numbers killed and so forth.

As transportation costs must be shared in a country the size of Canada, Mr. Lang's talk of making the various modes of transport pay for themselves and of encouraging competition among various carriers is not merely ludicrous but very

expensive, Mr. Speaker. Canadians need and deserve an integrated system, a transportation system. That is one that matches the type of vehicle to the route being travelled. Given the fact that subsidies are necessary, talk of competition invariably leads to a situation where profits merely increase the subsidies paid by taxpayers and nothing else.

That the Liberals emphasized air transport is clear in the level of subsidies received by the air industry. These policies have left us, Mr. Speaker, with a very inefficient and very costly transportation system in a period of very high energy costs and mounting inflation and unemployment. Allowing the railroads, indeed, encouraging the railroads to deteriorate has made air and private automobile inter-city travel, for distances under 500 miles, more attractive if not mandatory. But having Jet airlines and even short takeoff and landing (STOL) aircraft, fly routes of 500 miles or less in high density, or high usage areas such as are found in the Windsor-Quebec corridor, the Prairie Triangle, Winnipeg-Edmonton-Calgary and the Maritime corridor, Sydney-Halifax-Moncton-St. John-Fredricton, is just plain foolishness, Mr. Speaker. Comparing energy use of Jets, the short takeoff and landing and the present trains gives some indication of the folly of this Government.

Let's look at the energy use that is being taken up by these different modes of travel. Trains used as a ratio of 1; the DC9 uses five times as much; the Dash 7 will use 2.2 times as much.

By not matching the appropriate mode of transportation to the type of route — distance, population density — Canada presently has a situation where Air Canada lost \$19 million in 1974 on the Toronto-Montreal-Ottawa route alone. This is the one route that could at minimum break even, Mr. Speaker, if we had a sensible type of vehicle. Air Canada's loss on this is made up by charging more for the longer distance routes, routes for which Jet aircraft are more suited, such as Toronto or Vancouver.

While every country in the developed world is moving towards rail passenger service, Canada has, with the exception of the Windsor-Quebec line, been actively sabotaging the rail passenger service. Look at the scheduling if you want and you can illustrate it any place you want. Look at the scheduling even of the CP passenger service out of Regina, it is a disgraceful shame. To go to any place, Saskatoon or Edmonton and the scheduling is just terrible. I say that it is deliberate.

I takes five hours to go from Halifax to Moncton, that is a distance of 190 miles, arrival and departure times are anything but convenient, you don't have to go there you can do that here and you will find these just as inconvenient.

The airplane becomes, by default, the only feasible mode of rapid passenger transportation in such areas. It is getting to the point where it takes you one hour to get between St. John and Quebec City or St. John and Montreal, or St. John and Toronto, and it takes you three hours to get from the airport to wherever you are going into the city.

MR. MESSER: — Only the Liberals can afford that.

MR. KOWALCHUK: — That is right, only the rich and I suppose well healed Liberals can afford it.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — Using Jet aircraft for such distances, Mr. Speaker, is both inefficient and uneconomical. The taxpayer is the one who picks up the tab once again in the form of subsidies.

What we need is a hard headed cost-conscious and service oriented transportation system in Canada. Such a transportation system given Canada's geography cannot afford the luxury of the duplication of services. Duplication of services increases the amount of subsidy to the transportation sector. Competition becomes distorted to competition for subsidies. Private carrier profits inevitably must come from such subsidies, not from the providing of services. Publicly-owned carriers, such as Air Canada, defended by a biased Transport Department indulge themselves with a variety of extravagances and petty scandals.

In Europe, for example, the integration of bus, rail and air services is tailored to distance and population densities. In general, it is accepted that buses are used for routes up to 100 miles as feeders from mainline rail service, rail service for lines up to 100 to 500 miles and short takeoff and landing aircraft between isolated communities and between isolated communities and urban centres. That is the way it is integrated there. Jet aircraft for distances over 500 miles where passenger volume warrants. And it makes good sense to integrate that kind of a system.

Such a system, known as an integrated Intermodal Transportation System, would allow not only Canadians to keep subsidies to a minimum, to keep energy consumption to a minimum, eliminate wasteful and needless competition, eliminate duplication of services, but it would allow Canadians to afford fast efficient inter-city transportation.

It is time, Mr. Speaker, the Liberals stopped making the taxpayer subsidize Canadian Pacific profits, stopped subsidizing corporate business travel. The STOL equipment is a case in point. Yes, the STOL equipment, the short takeoff landing equipment is not being used properly, it is used almost entirely by Government bureaucrats and businessmen. The fare in June 1975 for a return flight from Ottawa to Montreal was \$46. The fare for airline service was also \$46. But the train fare was only \$14. As we have seen subsidies for air are considerably higher than for rail service. Moreover, STOL sustained an estimated \$2 million loss and that is before we add in the cost of infrastructure, terminals and runways.

Mr. Speaker, the Trudeau Government has run big ads, I suppose with the blessing of the Hon. Otto Lang, imploring Canadians to use our energy resources wisely. Then, it blatantly maintains a transportation system that is based upon the '50s and '60s on the assumption of cheap oil. One can only question the sanity not to mention intelligence of this government.

Gasoline prices we all are aware are going to reach \$1 per gallon in the near future, maybe more. Cars are becoming smaller in order to maximize fuel economy. The decreasing size of cars in all probability suggest that the use of the private automobile

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for long distance inter-city travel may be quickly approaching its high point. Smaller cars tend to be less comfortable, except for the more expensive models and tend to provide less space for luggage and so on. The increase of rail passengers, moreover, in 1974, due to the energy crisis and in spite of the inconvenience of most present passenger service, suggests that many families, if given half a chance, would be willing to use a relatively inexpensive, but efficient and integrated public transportation system, like the train system.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — It has been suggested that the bus service is an alternative to rail system. I think that we should address ourselves to that. Bus service, in my opinion, cannot replace rail services over distances of 100 to 150 to 500 miles for a number of reasons. The bus has a limited seating capacity; it tends to be uncomfortable on long trips, for example, from Toronto to Ottawa or from wherever you want. The time involved in trips over 100 miles makes the system less convenient for an all purpose passenger transportation system. For example, it takes over five hours from Toronto to Ottawa, or will probably take a lot more than that, it will take about eight hours between here and Edmonton, barring traffic jams and snow storms. The lowering of speed limits will only extend the arrival times.

Trains do not suffer from such disadvantages. Moreover, the energy use and operating costs are competitive. Moreover, the same trip Toronto to Ottawa would be cut nearly in half by a new high speed train like the LRC, which is the newest one available.

In fact, recently a luxury bus service was tried between Edmonton and Calgary and it failed. It failed because it couldn't attract the kind of clientele required to support such a service.

Now, let's deal with some of the economics of rail passenger service, Mr. Speaker. Modern rail passenger service is said to be economical for distances of 100 to 500 miles. At present a consortium of companies resident in Canada, such as Alcan, Dofasco, has developed a train which is called the LRC.

Mr. Speaker interrupted proceedings to call it 5:30.

MR. KOWALCHUK: — Mr. Speaker, when I began my remarks this afternoon it was an introduction of a Resolution brought on by the fact that the Federal Government is attempting to implement what they call a 'user must pay' policy in the area of transportation, which I say is definitely discriminatory and particularly for western Canada and because they have chosen the rail transportation when compared to the subsidies paid to construction and operation of roads and airlines and so on.

Mr. Speaker, when it was called 5:30 I heard some remarks from the Opposition side, something about Melville. I don't listen too closely. I have been here for some 56 days and I didn't find very much to listen to from that side of the House, but I heard some remarks about Melville. I didn't know what they were but I say if the people from that side, the Hon. Members

from that side were saying that the Member for Melville is concerned about the people of Melville, the people in that part of the country, and about the depletion of the railroads, passenger, rail liners from there, I am very concerned.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — Because that is just another as I said before, another nail in the coffin of the small communities of that size because they will not have any kind of a passenger service except if we come to Regina or to Swift Current or some place south to take the so-called CP, which they say they will keep in operation with a good deal of an influx of subsidies.

Mr. Speaker, as I said before, let's look at the economics of rail passenger service and the modern rail passenger service is said to be economical for a distance of 100 to 500 miles. At present, as I said before, a consortium of companies resident in Canada has developed a train called the LRC which we think is a very attractive alternative to the presently highly subsidized air transportation system that services such distances. In 1973, 56 per cent of all domestic flights originated from Toronto were to points less than 500 miles away from Toronto, which I think is a catastrophe.

On runs under 500 miles the new LRC apparently would use the equivalent of 1.9 gallons of fuel at an occupancy level of 60 per cent; whereas the Boeing 727 for the same occupancy level and route distances uses 17 gallons of fuel per passenger. Another way of looking at this is that the cost per passenger seat for the new LRC is estimated to be approximately 4 1/2 to 6 cents per mile. This figure is said to include the cost of infrastructure, that is airports, etc. No aircraft can ever match this. The comparable figure for aircraft is something like \$11 per mile.

The intermodal approach . . .

MR. NELSON: (Assiniboia-Gravelbourg) — What was that?

MR. KOWALCHUK: — Do you want me to repeat that, I can repeat that again, that the Boeing 727 uses 17 gallons of fuel per passenger while an LRC train would use 1.9 gallons of fuel per occupancy level.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — And the cost would be six cents per mile with the LRC as compared to \$11 per mile for aircraft comparable.

MR. NELSON: — You're putting me off.

MR. KOWALCHUK: — It should put you off. The intermodal approach to transportation is beginning to make headway in the United States as it has made headway in many European countries. Ironically encouraged by Canadian actions in the mid-60s the United States in 1971 created Amtrak, a government financed railway passenger corporation. The progress the United States has made is

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evident in the fact that by 1978, after merely seven years of operation, 80 per cent of Amtrak's cars will be new ones.

In terms of pollution rail line travel is far below that of bus, air, or automobile carrier. In the case of air, carbon dioxide being 105 times that of rail and automobile being 120 times that of rail.

If the LRC is all they say it is, and I have no reason to believe that it isn't what they say, then adopting such a system would provide another distinct advantage to Canada. Canada has had a balance of payments problem for a number of years with the United States and they are getting worse. We buy more goods than we sell and we have for many years. We manage to keep our outflows of capital balanced with capital inflows by importing foreign capital. Much of this capital, however, comes into Canada in the form of equity investment, that is foreign ownership. In other words such a policy is tantamount to building up the long term debt to foreign countries.

The transportation system so near and dear to the hearts of Mr. Otto Lang, the Hon. Otto Lang and his Ministry of MOT bureaucrats has contributed to this problem. The planned, I say planned, deterioration of passenger rail service means that we have had to buy expensive, foreign built, commercial aircraft. The costs of these aircraft are astronomical. For example, in June of 1974 Air Canada purchased five Boeing 727-200s and one 747; the cost of these aircraft was nearly \$45 million. No amount, of off-setting contract work changes the general picture that the Liberals have created a transportation system which causes a heavy outflow of capital. An integrated intermodal system would mean we would need less of these aircraft. Moreover, present policies cost jobs and possible export markets for Canada. We cannot determine production levels or choose target export markets. These are decided elsewhere.

But, Mr. Speaker, Canada cannot build commercial air liners but it can and has built a viable high speed train. So, although we may have to subsidize to some extent any transportation system we choose, there is no use adding injury to insult or vice versa, by exporting jobs as well, hence making the long-run costs virtually inestimable.

Mr. Speaker, there is no doubt that some of the points or argument I have presented here today have been used before by Members of this House and will be used in the future, but they need to be repeated, Mr. Speaker, in this Legislature and throughout Saskatchewan and western Canada again and again. This fight, Mr. Speaker, is for keeps. Any railroad, any passenger service once deleted and taken out of service will be next to impossible to ever re-instate, as experience and history has shown in many other governmental matters that have been eliminated by the federal Liberals. Now is the time that we must act, Mr. Speaker. Now is the time to extend our supreme and collective effort to retain what is best of our passenger rail line system.

SOME HON. MEMBERS: Hear, hear!

MR. KOWALCHUK: — Mr. Lang, the Hon. Otto Lang when he spoke to the SARM Convention some two weeks ago — and I was there — and it amazed me, Mr. Speaker, and I am sure it did amaze the hundreds

of other delegates who were there, when he bold as brass trotted out the 'user must pay policy', ignoring in total any relevant reference that the policy has to the road and air transportation subsidization and costs. He wept and tore his hair about the \$140 million in rail line subsidy but not one word did he say about the much higher, more burdensome subsidies of air and road services. Not once, did he mention the fact that for the people in the poorer social strata of society, air travel is and will become even more prohibitive as time goes by. He expounded one-sided arguments that backed his one position only and these were short on logic and reason. He resorted to loud bombastic phraseology and as the saying is, "When in doubt you shout like hell" and that's what he tried to do at the SARM Convention.

After hearing him, Mr. Speaker, as I'm sure the delegates were as well as myself, convinced that there was a long hard struggle ahead of us in western Canada. Every organization, businessmen, farmers and all other people concerned will have to mount the strongest kind of offensive. They will have to take the case to the people of Saskatchewan so that the true facts are known as to what effect this Lang rationalization of the passenger service will mean to the people of Saskatchewan.

Mr. Speaker, I was also amazed to hear Mr. Lang come out with one solution that is, to take off the CN daily passenger service on the Winnipeg, Melville, Saskatoon, Biggar, Edmonton route and instead to continue with the already very heavily subsidized CP Winnipeg, Regina, Swift Current, Calgary route. He says, take off the better, more efficient, better operated CN route and leave the far south, privately owned, heavily subsidized friend of the Liberal Party route. There is no doubt in anyone's mind that the CN passenger service was more efficient, and is more efficient than the CPR. Yet, Mr. Lang gives the nod to the CP. Mr. Lang says that the daily runs will continue in the south as the CP will probably need a far healthier and greater subsidy than they are getting now. And, Mr. Speaker, the whole north, including the far north is to be totally destitute of any passenger rail line service.

At the SARM Convention he even said that they were contemplating some motel-hotel accommodation subsidy for the people from the north to accommodate them when they boarded or disembarked the CP at these CP centres. What a ludicrous pacifier, Mr. Speaker, because that is all it would be, a pacifier, to very few people who would chance to use such a service. Who would use that kind of service, who would use the service that would be provided on this line for the people, as I say, who would drive one or two or three hundred miles from Yorkton, or Melville or Nipawin or Canora or Kamsack to take a CP train to Winnipeg or to Toronto. The Hon. Otto Lang knows that it is sheer nonsense. Pure baloney!

Mr. Speaker, as I see it, it is not an attempt by the Federal Liberals and Otto Lang to provide, as promised, improved rail line passenger service. It is deliberate piece by piece dismantling of whatever service there is at present, with the full knowledge in Mr. Lang's mind as to what is being done, brutally, mandatorily without regard. I say it is planned destruction. I say it is planned destruction of an already weak and poor service. Instead of improving what there is, it is deliberate planning to further dismantle whatever service there is.

Mr. Speaker, I think that it is only right that in criticizing one should offer alternatives. The Member for Bengough-Milestone (Mr. Lange) proposed some excellent remedies a few days ago. One which I would say has the greatest merit and as time goes by, Mr. Speaker, more and more people of every different political stripe are going to see that it is the only way to rationality and common-sense in Canada in so far as rail line operation is concerned. That is to nationalize the CPR and then take out the duplication and the many other inconsistencies that exist in that dual system.

Let me say that if this were done, a rational approach could be made in the passenger service. Another rational approach could be made in the passenger service, by alternating the passenger trains daily, one day on the CP — south run; one day on the CN — north run. Even under the present setup this could be done if Mr. Lang and the Liberals had the gumption to put the pressure on and insist on 'service to the people'. But I have little hope that the federal Liberals would show that kind of muscle to the CP. Yet, Mr. Speaker, it would make sense. Both lines are top quality, heavy rail lines throughout, well maintained, both are of the same gauge and yes even the same trains could travel on both routes. In that manner, an almost guaranteed passenger load would be the result, Mr. Speaker. If Mr. Lang is looking for serious alternatives, he will search for commonsense, practical approaches of this type, not make proposals such as continuing the southern CP run only. The same CP, Mr. Speaker, who have been doing all in their power to discourage the public in using its passenger services by every means possible. Mr. Lang and the Federal Government are deliberately discriminating against rail passenger transportation. Indeed, now is the time to be looking in all seriousness at improvement and expansion of rail line services of all types.

I ask for in the interest of the viability and the preservation of our western communities, our Saskatchewan towns and villages, that a unanimous message go from this Legislature stating our strong support for this Resolution, that the Federal Government guarantee improved and efficient rail passenger service for the north and south rail users of Saskatchewan, and that the 'user must pay' policy be deplored as being discriminatory against rail passenger users and inconsistent with an overall transportation policy.

I sincerely hope that the Members of the Opposition — both Liberals and the Conservatives — will unite with us to present a solid western block from Saskatchewan on this important issue.

I hereby move this Resolution.

SOME HON. MEMBERS: Hear, hear!

MR. E.F.A. MERCHANT: (Regina Wascana) — Mr. Speaker, I suggest to you that under rule and paragraph 200, subparagraph 4 of Beauchesne it clearly and acting under rule 44 of our rules, but clearly viewing Beauchesne that this is in the words of Beauchesne a motion which contains two or more distinct propositions and Beauchesne goes on to say that it may be divided so that the sense of the House may be taken on each separately. Your honor has already ruled that the motion is in order. I suggest that it is the kind of motion that should be divided. I have my own views on

whether it was in order but that is something that has been decided. And it may well be, although I doubt it, that I might be prepared to support part of the motion and not the other part of the motion and these are motions that should be divided so that Members of the House will have an opportunity to decide whether they support one proposition or the other.

MR. SKOBERG: — Mr. Speaker, on . . .

MR. SPEAKER: — If the House will just give me a few moments to look this over, please.

T

he thrust of the comments of the Member for Wascana was to the effect that the Resolution should be split into two parts. I checked the Resolution before when I discussed whether the Resolution was in order or not. I believe I was making the point that in its broadest terms the Resolution deals with the overall transportation policy. And within that there are some items which are mentioned by the mover and seconder in discussing those parts of the transportation policy which they want to discuss. It is possible for a resolution to be split, however, I have been checking some precedents here with regard to this. I find that on March 23, 1965, the Speaker declined to divide a resolution which was before the House at that time. Upon looking at that resolution which he declined to divide, I find that the elements of the resolution are much more distinct than they are in this particular resolution. I would at this time reject the call to divide the resolution into separate parts.

MR. MALONE: — Can we hear the resolution that you are referring to?

MR. SPEAKER: — The resolution I am referring to is on page 148, of the Journals, dated March 23, 1965. I would refer to the decision more extensively if I had time to prepare, however, I am just quoting you the date and giving you my opinion on it. If I had to research it more thoroughly, I would require more time. I don't believe, on the basis of the argument that the Members put forward, that this necessarily has to be split and in fact I think it is a homogeneous resolution. In ruling it in order the basis on which I ruled it to be in order is that it is a homogeneous resolution.

MR. J. SKOBERG: (Moose Jaw North) — Thank you, Mr. Speaker. There is more to this Resolution than probably those opposite are willing to accept. There is more to the Resolution than those opposite are prepared to realize that also concerns them and also their constituencies. In the best interests of the House, I would urge those opposite to accept the fact that there have been hearings called in so far as transcontinental service is concerned. The terms of reference are outlined in the call for that type of hearing by the Railway Transport Committee of the Canadian Transport Commission. I would urge those opposite to participate in those hearings when they hit their respective constituencies.

Mr. Speaker, when I look at the Resolution, I can accept the fact that we do have to be concerned about north, south rail passenger traffic. We have to be concerned about mainline rail passenger service. We have to be concerned by the fact that no Minister of the Crown, whether provincial or federal,

should give directions as to the terms of reference that the Railway Transport Committee should be governed by when they hold the hearings across this province and across this nation.

I would sincerely urge those opposite to make their views heard before the Commission when it arrives in Regina on May 10, May 17, in Saskatoon. Our Minister in charge of Transportation has urged that those hearings be decentralized to include, Moose Jaw, Swift Current and Broadview in order for the people of those communities, the users and the employees to have an opportunity to present their views.

I believe in the terms of reference that have been outlined by the Railway Transport Committee of the Commission. Then it means we do have an opportunity to make our views known. We do have an opportunity to recognize the fact that rail passenger service should not be further downgraded in the Province of Saskatchewan or in fact should not be further downgraded in the entire nation of Canada.

SOME HON. MEMBERS: — Hear, hear!

MR. SKOBERG: — I sincerely urge those opposite, Mr. Speaker, that they realize the fact that we should allow the judicial process of the Railway Transport Committee to govern which allows the commissioners of the Railway Transport Committee to listen to the representations of all those users in the Province of Saskatchewan and across Canada to listen to their representations and for themselves to make a very fair and impartial finding based on all evidence. I sincerely urge that no Minister of the Crown, whether it be provincial or federal, and once again I repeat, that no Minister of the Crown, prejudge and predetermine what the terms of reference shall be in so far as rail transportation is concerned. I say it would be a very unfortunate situation in fact if in fact the Minister of the Crown were to make a determination that there shall be only one transcontinental rail passenger service in Canada, make that determination before the Railway Transport Committee has had an opportunity to listen to evidence before them and make their determination based on evidence as has been presented to them . . .

Mr. Speaker, beyond a question, I am sure that the Hon. Member for Wilkie well remembers when there used to be a train from Winnipeg to Edmonton, well remembers the fact that people did use to travel that train . . . no, she wouldn't well remember the fact, I do well remember the fact the type of accommodation that was provided on that train called 51 and 52 Winnipeg to Edmonton.

I am suggesting the most important thing at this particular time is that we make very, very sure that representation is allowed from every community, from club organizations, Chambers of Commerce, city councils, municipal councils, for the benefit of the Commission that is now set up to investigate this very situation. I would sincerely suggest that those opposite on both sides, the Liberals and the Conservatives make it a duty and a responsibility to make representations to the Railway Transport Committee wherever that Committee may sit. And that of course is going to be in Regina on May 10, or Saskatoon on May 17.

Mr. Speaker, we could go into a long dialogue on the benefits of rail passenger service, we have been through that before. My hon. colleague from Melville has made it very, very clear the benefit of rail transportation. Those opposite may still be 'up in the air' in so far as that type of transportation is concerned. But I say to them, that statistics will prove that Amtrak in the United States of America has proven beyond a question that if you provide service for the people of their country, if you provide service for the people of this country with modern, up to date equipment, those people will use that service which will be to the benefit of everybody in Canada, everybody in this province and everybody that is concerned about the use of energy and the likes of that.

Mr. Speaker, I will not adjourn the debate tonight. I hope that this does come to a vote. I realize that there may be a word or two there that may be obnoxious to the Hon. Members opposite. But I would suggest to them that the Hon. Minister of Transport at the Federal level has said that he believes in a "user must pay" philosophy in so far as rail transportation is concerned. I am suggesting to those opposite that if the "user must pay" philosophy pertains to rail transportation, then it must pertain to every other mode of transportation. And in that regard I believe that we have to face the facts and realize that the "user must pay" policy cannot only pertain to rail, it has to pertain to highways, air, waterways and every other mode of transportation that we all know about.

I would sincerely urge, Mr. Speaker, that this House tonight accept the motion that we have before us, send that message, in so far as the message is concerned in the motion to the Ministry of Transport at the Federal level, let him know that we in this House are concerned about the modes of transportation in Saskatchewan, are concerned by the fact that rail transportation is a most viable and economical mode of transportation and is one that all Members of this House should accept.

MR. E. MALONE: (Regina Lakeview) — Mr. Speaker, I will not be supporting the motion, but I should like to say to the Member who just took his seat that I am glad that he finally made some sense in speaking in this House. I think his comments about the Hall Commission are well taken.

Unfortunately, Mr. Speaker, I can't say the same for the Member who moved this Resolution. I find myself in some difficulty in trying to reply to his remarks because seldom or probably never have I heard such disoriented, confused, muddled and contradictory so-called arguments come from the mouth of a Member, even one sitting on that side of the House.

One would have hoped, Mr. Speaker, that he could have dealt at least at some time with the main body of the Resolution. I tried to listen carefully when he stumbled through his remarks, to see if he was going to refer to north, south rail service in Saskatchewan. I don't recall him mentioning anything about it whatsoever. I tried to get some impression from him as to whether he was in favor of subsidizing the railroads or not. It seems that at one time he is against it when it involves the CPR or any private operator, but if it doesn't involve a private operator he is all in favor of it. I still don't know whether he is in favor of subsidy for a

north, south rail line in Saskatchewan or just what he is in favor of.

Furthermore, Mr. Speaker, I listened with interest to the remarks of the Member for Moose Jaw North. He talked about the 'user must pay' concept. He says every other mode of transportation, not only railways should be following this concept. Apparently the Member who just took his chair disagrees with this. Apparently the Government agrees with this.

I should like to refer the Member who moved this Resolution to page 27 of the Budget. Where the Minister of Finance talks about "users must pay". He says this:

Since that time the costs of constructing and maintaining our highway system have escalated enormously. To ensure that road users bear a fair share of these higher costs, the gasoline tax will be increased by three cents per gallon and the tax on diesel fuel will be increased by five cents per gallon effective midnight tonight. The greater increase in the diesel fuel tax will widen the differential between the two rates so that diesel fuel users will pay about the same rate of tax per mile as gasoline users.

It seems that it is fair for the Member who moved the Resolution to attack one government, and completely ignore the same concept that is being advocated by his own Government. I don't understand what the Member said, except there was one explanation, Mr. Speaker, that becomes very apparent to me. It not only involves that Member but the other Members who moved resolutions this afternoon. These resolutions are being used as nothing more than a device to launch personal, narrow cheap, shallow political attacks against the Federal Minister of Transport. I, for one, Mr. Speaker, am sick and tired of these personal, vicious attacks. I put the Members on the other side on notice that if they continue personal attacks which the Member who moved this Resolution did, we will respond in kind and use personal remarks to the Members opposite. One thing came very clear this afternoon, Mr. Speaker, and that is why the Member who moved this Resolution is no longer in the Cabinet. Even he couldn't stay in the Cabinet. I suggest to you Mr. Member for Moose Jaw North, if you want to have personal vindictive fights in this Legislature, just keep bringing these resolutions on the order Paper. Because that is what you are going to get.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — One can understand, Mr. Speaker, if there was some substance to these motions, but there isn't. They are based on fear, an irrational fear of the Minister of Transport. Based on hate. The Members opposite as I have said before and I will say again, if they can't socialize it, they hate it, they condemn it.

SOME HON. MEMBERS: — Hear, hear!

MR. MALONE: — That is their attitude continually since I have been in this House, especially on Private Members' Days.

One could understand if their attacks had any results. But it seems to me that the Minister of Transport the Member for Saskatoon-Humboldt seems to always get elected again. Not only does he get elected again, but he gets elected with higher majorities than the last time. It seems to me that the Member for Saskatoon-Humboldt got elected last time by a majority of about 17,000 votes, which is rather a cosy little majority, Mr. Speaker. One can even assume it was a mandate from the people in Saskatoon for the things he has been doing.

Mr. Speaker, one of the most amusing things that the member said in moving this Resolution was that in his view it was the most important resolution on the Order Paper. I take that as an invitation to look at the resolutions on the Order Paper, to see if this is the most important resolution. We dealt with the two earlier ones we talked about today from the Member for Yorkton (Mr. Nelson) and the Member for Redberry (Mr. Banda) which again were merely put on there to attack the minister of Transport. But let's go on to the others. There is a resolution on here from Mr. Vickar. It looks strangely familiar to me, Mr. Speaker. I think I have seen it before. I think that resolution, Mr. Speaker, was exactly the same as a resolution that was proposed by the Member for Wascana (Mr. Merchant). The NDP are so shallow and narrow and have so few ideas that the only place they can go for resolutions is to the Opposition.

SOME HON. MEMBERS: — Hear, hear!

MR. SPEAKER: — Order! It is true that the Member did make the remark that the Resolution on the Order Paper was probably the most important one and this doesn't prevent the Member from disputing that statement. However, I think that we can't get into discussing other resolutions. I think the Member's statement was a simple statement that it is the most important Resolution on the Order Paper and I feel free to dispute that but I don't think we get into the discussion of the other resolutions.

MR. MALONE: — Mr. Speaker, I certainly wouldn't get involved and discuss the other resolutions, but I am just pointing out the other resolutions and not discussing them at all. I should like to refer to another item on the Order Paper, dealing with two Liquor Act amendments, that again are the exact copies of resolutions that were proposed by the Member for Saskatoon Eastview.

Mr. Speaker, the only resolutions that have been placed on this Order Paper, to date, by the Members opposite or by the private Members opposite, the backbenchers, have . . .

MR. SPEAKER: — What is the Point of Order?

MR. SKOBERG: — Mr. Speaker, I presumed that the Budget and the Throne Speech is over and that we are dealing with the motions introduced by my hon. colleague for Melville and I presume that somewhere in the reference other than to the Liquor Bills, etc. that we get back to the debate that we are talking about, the user must pay policy.

MR. SPEAKER: — I think that we can't discuss the Budget Speech Debate which is now closed. The Member picks a policy out of it and discusses it in relation to this Resolution, but can't necessarily quote from the Budget Speech because that is a debate that is closed.

MR. MALONE: — Mr. Speaker, I have already made the reference to the Budget Speech and I don't intend to make further reference to it, but I made the reference to it because the Member talked about 'user pays' and I just referred to where it was mentioned in the Budget Speech, to bring him up-to-date, perhaps he wasn't here or perhaps he didn't understand.

MR. SPEAKER: — The point that I was making is that you can't say, this is from the Budget Speech, you can say that I understand the policy of the government to be, and you can put it into your words, but you can't say I am quoting you the Budget Speech. That is the point that I was making.

MR. MALONE: — Again, Mr. Speaker, a very good point.

But coming back to my point, as to whether this is an important Resolution as the Member who moved it indicated, I think it is fair comment for me to deal with the other resolutions that have been put on the Order Paper. I just briefly would summarize by saying, Mr. Speaker, that there are only three types of resolutions that the backbenchers opposite have put on the Order Paper in this Session and in the last session.

One is: Hate Otto Lang, the irrational hate Otto Lang resolution and two, is the self congratulatory resolution as put by Mr. Koskie, about SGIO and the third is, the resolution that is copied from Members who sit on this side of the House. There is never a resolution which shows any insight, any new thought, anything to do with the problems of the day, that are ever proposed by the Members who sit opposite.

I want to say, Mr. Speaker, before I get off this point, that I mentioned the other day when I was speaking that the Premier and the Cabinet Members have shown a narrowness and a shallowness, probably unique in Canadian provincial politics, but I must apologize to them . . .

MR. SKOBERG: — Point of Order, Mr. Speaker. Surely we can deal with Private Members' Day and not extend themselves beyond the height of endurance for everybody in this House, in dealing with everything except the motion before us. He is referring to north-south passenger service or any other passenger service as it may effect the people of this province, but I can appreciate that, but on the Point of Order, Mr. Speaker, I would sincerely urge that you look at the remarks that have been made which have nothing to do whatsoever with the immediate motion before us.

MR. SPEAKER: — I would hope that the Member is getting back to the substance of the Resolution which is before us. I think the point is rather well taken that the last remarks have not been

directed to the substance of the Resolution.

MR. MALONE: — Indeed, Mr. Speaker, I was just getting back to it, but I felt obliged to make this apology to the Cabinet for saying that they are the most narrow and shallow people to sit in this House. I want to say that they are not, it is the Members who sit behind them that are the most narrow and shallow.

Now getting back to the Resolution, Mr. Speaker, I am not quite sure why I am being restricted to speak to the Resolution. The Member who moved it barely touched on it as he was giving his remarks. But what I was going to say is that I intended to adjourn debate, after making my remarks on this Resolution, because I wanted to consider what the mover of the Resolution was talking about, but I say, Mr. Speaker, that there was so little substance in his remarks, so little content to them, they made so little sense that I can hardly waste my time going to Hansard and looking them up. So Mr. Speaker, I don't intend on adjourning debate on this Resolution, but I do urge all thinking Members of this House to vote against it.

SOME HON. MEMBERS: — Hear, hear!

HON. G. MacMURCHY: (Minister of Municipal Affairs) — Mr. Speaker, I am not going to comment on the remarks of the Member for Regina Lakeview, since I think that that is beneath the dignity of the House and I am amazed,

SOME HON. MEMBERS: — Hear, hear!

MR. MacMURCHY: — . . . to hear the Hon. Member conduct himself in this Assembly the way he has just conducted himself. In particular when he is gearing himself up to be the new leader of the Liberal Party. If that is the way that he is going to operate I am sure that the Members of the Liberal Party will not put a vote behind his name.

MR. SPEAKER: — Order! I don't see that in the Resolution either.

MR. MacMURCHY: — I apologize, Mr. Speaker, but I do want to prepare some remarks, some extensive remarks respecting this particular issue, the issue of real passenger service as it relates to the 'user pay' policy of the Federal Liberal Government, the 'user pay' policy of the Hon. Minister of Transportation of Canada, the Member for Saskatoon-Humboldt.

In order to make the preparation, Mr. Speaker, I beg leave to adjourn debate.

Debate adjourned.

RESOLUTION NO. 7 — PETROLEUM MARKETING AND DISTRIBUTION

MR. N. VICKAR (Melfort) moved, seconded by **Mr. Skoberg (Moose Jaw North)**:

That this Assembly urges the Government of Saskatchewan to investigate all aspects of petroleum marketing and distribution in Saskatchewan, and in particular that it

study the desirability of divorcement legislation to limit the number of retail service stations operated by producers, refiners or any subsidiary of a producer or refiner of petroleum products as one of several measures that might be adopted to protect the position of service station operators and consumers.

He said: Mr. Speaker, it is very true, maybe, that the Member for Wascana (Mr. Merchant) had some input in this type of a resolution, but if the Opposition Members will give me their attention maybe they will learn something from the input that I will give to them during the course of my remarks.

SOME HON. MEMBERS: — Hear, hear!

MR. VICKAR: — Mr. Speaker, it was my pleasure to be in the automotive business for many years. During that time I was a member of the Saskatchewan Motor Dealers Association and for part of that time I had the pleasure to serve as president for Zone 14. The position of president in Zone 14 placed me automatically on the Provincial Board of Directors of the Association.

During the years which I served on that Board, the subject matter of this Resolution, which I move here today, namely, the problems associated with the business and economic viability and well-being of independent service station operators, that subject was a matter about which we had discussions on numerous occasions. These discussions have given me some insight regarding this matter.

As well as owning and managing an automobile dealership, we owned a service station. Fortunately, for me, this station was dealer-owned and not company owned and leased. I tell you this, Mr. Speaker, by way of pointing out that I have some personal knowledge, some practical experience regarding the subject matter of this Resolution.

It was brought to my attention on many occasions by privately-owned operators and by lease operators, that they had a difficult time making a living and I can assure you it was not because they were incapable as businessmen and not because the business, the sales, were not being made. Rather, the difficulty arose because there was no control on the number of service stations which were being allowed to operate, with the result that some of the share of the market for each was being cut into smaller pieces. In addition, Mr. Speaker, the degree of control which these dealers could exercise in making day-to-day business decisions was being thwarted by the very people with whom they were supposed to be in partnership with, and those were the major oil companies. I say, thwarted by policies which may have been designed in the long-term interest of the oil companies, but surely were not designed in the short-term or the long-term interest of these small businessmen serving their communities or the communities which they were and are striving to serve.

It seems, and I suggest to you, Mr. Speaker, that the major oil companies haven't, for quite some time, had any regard for their own lease operators or for their franchise operators. Their policy is, and has been, a one-way street

for their own gain, ignoring the private and lease operator, and I suggest of great importance to all of us here, ignoring the long-term interest of the people they purport to serve. In support of that, Mr. Speaker, I cite for you the example of the expansion policy of the major oil companies. There probably are few Members in this Assembly who cannot recall examples of a service station being built on a street corner only to be followed by another oil company, and frequently at some considerable expense to them, obtaining property on an adjacent corner and erecting another service station. We can all think of examples of this situation, I am sure, Mr. Speaker, and I say that it is a deliberate and unfair policy of the major oil companies. It is an unfair policy, Mr. Speaker, because many, many would-be operators have lost their shirts, lost their capital trying to operate under the kind of handicap inflicted on them by the major oil companies.

It is an unfair policy, Mr. Speaker, when you consider that you and I, the consumer, are the ones who have to pay the ante to finance the construction of what I suggest are sometimes extravagant and frequently excessive outlets. And perhaps even more important, it is an unfair policy, Mr. Speaker, if you accept that we have excessive and overly extravagant outlets and if you recognize that the resources of our country and our people are being invested in this kind of nonsense when we have difficulty marshalling the necessary resources to, for example, provide all our people with a decent standard of housing. I said, Mr. Speaker, that I think the expansion policy of the major oil companies is deliberate and ill-contrived.

In addition to that, and I am no economist, common-sense would seem to suggest that that kind of policy is inflationary, since it frequently seems to meet little or no growing need for service since the people who are already striving to provide those services are having difficulty in the business sense of it.

At the outset, Mr. Speaker, I said that I had some first-hand knowledge and experience regarding the subject matter of this Resolution. But in addition to that, Mr. Speaker, there are many more people who are concerned about this problem — the service station operators and dealers themselves. What, Mr. Speaker, are their concerns?

First, they are concerned about the manner, the excessive and arbitrary manner in which the oil companies are able to, and do, increase rents to them whether these operators own or lease the facility.

Second. They are concerned about the unfair competition which is created for them by the oil companies who are following a pattern of opening more and more company-owned, employee staffed, self-serve stations where the only objective is gasoline sales.

Third. They are concerned about parity treatment for all dealers, be they lessees, franchisees, or company-operated stations. When they express concern about parity — it is parity in the wholesale price of the product they are talking about. It is parity in the kind of sales agreements, franchise agreements and station leases that are provided to the dealers. It is parity in the severance plan for dealers and

it is parity in the wagon tank prices, that they are concerned about.

Fourth. They are concerned about the lack of an effective and meaningful voice in the corporate strategy to which they are subjected rather than helping to determine, hardly an attitude which would expect from the stereotype independent businessman, but an attitude which is understandable in view of the fact that corporate methods of operation have resulted in a five-year life expectancy in the business for as long as the last eight or ten years.

Fifth, and not unrelated to their fourth concern, they are concerned and are looking for positive means of strengthening and improving the basis of the partnership between the companies and the dealers. It is strange that they should have to look to government, but it is my feeling that they are looking to government to help establish that better basis. I suggest that the so-called partnership they thought they had with the major oil companies has been a lopsided affair from the start and while some people might suggest to these dealers that in union there is strength. But I think they are looking to government to help establish a better basis upon which their livelihood can be protected and maintained. And so long as, in doing that, government can also see to it that the interests of their consumer clients can be protected and maintained, I think government has the motivation and a duty to act.

Mr. Speaker, the five points I have mentioned: rents, unfair competition from company-owned stores, parity treatment to all dealers, a voice in corporate strategy and an improved basis for the partnership arrangements, these five concerns would probably rank as the major concerns of these people who might be called the victim of the piece, the victim of what I earlier described as the deliberate and ill-contrived expansion policy of the major oil companies, not to mention that if the major oil companies have it their way, the next victim will be the consumer.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — Mr. Speaker, I suggest to you that these concerns are very real. They are so real that even the Members opposite are aware of them.

The Member for Regina Wascana (Mr. Merchant) spoke on this very subject in this Assembly, last December 2nd. It was an interesting speech, Mr. Speaker, spiked with interesting phrases, when you consider the source. And listen to this, Mr. Speaker, I invite you to check the record in case you can't believe your ears when hearing it yet a second time. On the second page of those remarks, page 637 of the record for the 14th Day of that session, he said and I quote, and I presume that he was speaking for the Liberal Party.

We believe that legislative controls should be brought in by the Minister of Consumer Affairs . . .

Difficult to believe, considering the source? Well on the same page, page 637 of the record and again I quote in part:

The Government should consider forcing the companies, (meaning the oil companies) to divorce the wholesale business from their retail business.

But there is more, Mr. Speaker, more on the same page and, again, I quote:

In addition, I believe that some controls should be imposed on the lease requirements placed by the major oil companies.

And there is more, Mr. Speaker, on page 638 he is talking about meaningful control and, again, I quote, and he is talking about the pricing policy.

This is something which I suggest governments should be looking into and something which government will have to understand if they are to bring meaningful control.

Approximately ten months ago, Mr. Speaker, it was less government control, more freedom of choice. Now, Mr. Speaker, it is force the companies and controls should be imposed and meaningful controls. Strange, strange, indeed, Mr. Speaker.

I wonder, Mr. Speaker, if my friend from the South of the mighty Wascana had any input into designing and concocting those TV commercials that we heard ad nauseam for just about one year prior to last June. Maybe he didn't have any input, Mr. Speaker, but surely the Member for Prince Albert-Duck Lake had some input — and you know, he got up right after the Member for Wascana took his seat and he seconded everything the Member for Regina Wascana had said. He told him he had made a fine speech — force the companies, controls should be imposed and let's get meaningful controls — strange performance indeed.

Not only that, Mr. Speaker, but he had more to say and I quote from his remarks. You can find this on page 648 if you think it sounds too strange to believe.

Now we can do something about this. (Now that they are in the Opposition, they say they can do something.) Now we can do something about this and the Government can stand up and say why didn't you do something about it four or five years ago and they would have a good point.

It is like Paul on the way to Damascus, Mr. Speaker. Why didn't he? The situation wasn't nearly as bad. He answered his own question, Mr. Speaker, and I suggest to you that it is the usual answer you will get from my friends across the way. Wait until the situation is so bad that you are pushed into action, hope that the NDP will act and then we can go around the province misrepresenting the action which has been taken and crying crocodile tears about government control. It might sell a few more memberships, Mr. Speaker, but it does nothing else, as they did nothing for the well-being of the people of this province. The same story about farm land in this province, the same story about marketing agricultural products, the same story about our rural roads and the list can go on and on.

Before we hear the story about when you were the government for the last four years, why didn't you do something? I

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want to remind this Assembly that the people of this province and particularly the people across the way that the Blakeney Government between 1971 and 1975 kept its promises, all of them.

SOME HON. MEMBERS: Hear, hear!

MR. VICKAR: — We promised to assist and preserve small business and you can be sure that we will now keep that promise. And that's more than can be said for the group on your left, Mr. Speaker.

I have some copies of news clippings dated October 5, 1961, from The Mirror — Regina's own weekly publication. What does it say? Headline, Service Station Lessees Squeezed. The story in part:

Tough competition, dropping business volume and a precariously slim profit margin allowed by their oil company lessors, are putting an increasing number of Regina service station operators behind the financial eight-ball. The turnover in service station operators has been heavier in recent months than at any time since the war. Service station lessees struggle hard to make a profit, go into debt and quit. The oil companies recruit another tenant for the service station but make no allowance for a bad location and the furious competition for business that has developed with the mushrooming growth of new oil and gasoline outlets.

And the story goes on describing the problem the operators have as a result of not being able to stock items other than those of the franchise company and other complaints of the dealers. Poor memory? Or poor eyesight? Or poor insight? Mr. Speaker, I don't know which, but 15 years later the Member for Prince Albert-Duck Lake decides the problem is nearly bad enough to require some action.

In 1968 . . .

MR. NELSON: (Assiniboia-Gravelbourg) — Who voted for him?

MR. VICKAR: — I can assure you that he never got my vote and I can tell you about that later.

In 1968, Mr. Speaker, the Alberta Government established the Gasoline Marketing Enquiry Committee. The Committee filed a 744 page report. I don't know, Mr. Speaker, if any of their recommendations were ever acted upon, and I don't pretend to have read and digested the entire report, but they provide a 45 page summary that makes concise and interesting reading. I don't necessarily agree with all the conclusions which that Committee drew from their studies, but a lot of the problems they identified are still problems, in Alberta as well as here in Saskatchewan.

The problems they identified confirm, that the concerns of the gasoline dealers that I identified earlier are real concerns, and not imaginary. I'd like to give a few examples.

What do they say about rents and rental agreements? They observed that rentals increased as gallonages increased,

providing an incentive to expand sales. They observed that the lessee operated dealerships in 1968 received a subsidy of \$2,700 per annum or nearly two cents per gallon on gasoline sold as compared to owner operated dealers.

What did they say about sales of products other than gasoline, Mr. Speaker? About sales of items such as tires, batteries and other accessories? They observed that small increases in the ratio of sales other than gasoline have a significant effect on net earnings of the operator. The oil company practice known as 'directed buying' or a 'full-line forcing' — where the dealer can stock only company lines — is a form of coercion and has an adverse effect on sales other than gasoline. And severely restricts the small businessman's decision making. The more direct the ties to the company, the more effective a coercion by the company. I want to quote that report, on page 19.

The lengthy proceedings by the Restrictive Trade Practices Commission in Canada, by the Monopolies Commission in Great Britain, in the west coast oil case in California and in other proceedings in the United States, all came to the conclusion that oil company practices of directed buying and full-line forcing were not in the public interest.

What did the report say about the hours of work and the earnings of these dealers, Mr. Speaker? They observed that on average, the service station operator earns a very low rate of pay — sometimes less than what he pays his employees. They observed longer than acceptable hours of work to earn that low pay. They observed that this was a direct result of the dealers being hopelessly tied in to business decisions by the oil company regulations and caveats.

What did the Committee say about the so-called partnership of the dealers and the companies — about the dealers' involvement in corporate strategy?

They observed that in matters of recruiting and training for the business the companies created a false impression about profits and independence and company-provided training, that 89 per cent of all operators received no training. They observed that the dealers frequently had no choice about advertising and promotions and that in some of the promotions involving give-aways and prizes the total cost was borne by the service station operators collectively, and furthermore, that some of these promotions increased operator costs by one and two cents per gallon — cutting down or eliminating any margin on gasoline profit.

What did the Committee have to say about franchise agreements? Among other things, Mr. Speaker, they stated that the franchise agreements limited the holders to sale of branded products but granted no exclusive territory in return. In effect, saying sell only my product and good luck at doing it. Even if I chose to give you a little healthy competition down the street with another service station which may or may not cut rates because of a different wholesale price.

What did the Committee have to say about the independents being driven out of business and about the excessive rate of turnover of lessees, Mr. Speaker? They stated that the building of too many stations by the oil companies thereby dividing the

gallage between too many outlets was driving the independent owners out of business. They observed that the same policy was driving the lessees out of business — a gas pump on every corner, Mr. Speaker, with the net result that none of the independents or lessees could make a go of it.

Mr. Speaker, these and other observations of the Committee which studied the problem in Alberta in 1968, the news story which I referred to and my own experience suggest to me that the concerns of the dealers are real concerns and that these problems have been around for some time.

I don't think that divorcement legislation alone is a solution to the problem, and I suggest that Members of this Assembly from both sides will agree that the problem is broader than that. It is for that reason, Mr. Speaker, that I move that this particular Resolution, urging the Government to look at all aspects of marketing and distribution of petroleum products in Saskatchewan. I don't expect that an exhaustive study is necessary, Mr. Speaker, but I encourage the Minister of Consumer Affairs to consider what action is necessary to correct the problems I have identified, and others which I am sure exist. And I encourage my colleague to proceed with as much haste as possible.

Mr. Speaker, it gives me great pleasure to move this Resolution and I call on all Members of the Assembly to support it.

SOME HON. MEMBERS: Hear, hear!

MR. E.F.A. MERCHANT: (Regina Wascana) — It is always a pleasure, Mr. Speaker, to hear the views of one of the two millionaires in the House.

SOME HON. MEMBERS: Hear, hear!

MISS CLIFFORD: — Who is the other one?

MR. MERCHANT: — My colleague from Thunder Creek. All that has to happen to him is about a two cent turn around in the price of beef.

It is interesting, Mr. Speaker, that the Member for Melfort, although in fairness, puts the position well and spoke well, tends to get to the right conclusion for the wrong reasons. He reminds me of a story back in the good old days when you could get to be a judge with money. You didn't have to go into politics to get there. A man was moving from Britain to India where he was going to take a high court appointment. He had no legal training at all. He asked a friend of his who was also a lord, about how to handle decisions in the courts. The man learned in the law, said, make up your mind and give your position and nine out of ten times you will be right. But don't ever give your reasons, because nine out of ten times you will be wrong. With all due respect to the Member for Melfort, he has come to the right conclusion, but for the wrong reasons.

The position that I enunciated in this House was a position that was designed to protect consumers and the position that he enunciates seems to be a position designed to protect him and

the people like him who are in the service station business.

That may be fair enough in the long term because protecting competition is good for the consumers. But I am worried a little bit that he can't move beyond the simple position to the value of the consumers in the long run.

Now, Mr. Speaker, those are the only brief remarks I wanted to make other than in the spirit of goodwill to move an amendment, seconded by the Member for Lakeview, Mr. Malone, that Resolution No. 7 be amended by adding after the word "consumers" in line 7:

And that the House congratulate the Hon. Member for Melfort, Mr. Vickar, on the fresh and innovative nature of this Resolution and the intuitive and inventive nature of his intellect which allowed this novel Resolution to be presented to this House.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: — Order, order! Can I ask the Members to maintain order when I am not watching closely for a few moments.

I thank the Members for the opportunity to review the rule book with regard to an amendment of this nature.

We are dealing with the Resolution offered by the Member for Melfort, seconded by the Member for Moose Jaw North, Resolution No. 7, to which an amendment has been offered, by adding thereto:

and that the House congratulate the Hon. Member for Melfort, Mr. Vickar on the fresh and innovative nature of this Resolution and the intuitive and inventive nature of his intellect which allowed this novel Resolution to be presented to this House.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: — While the reading of that amendment may be applauded on all sides of the House, I think I am going to find the amendment out of order . . .

MR. MALONE: — Before you rule the Resolution out of order Mr. Speaker, before making your final decision can we speak to the . . .

MR. SPEAKER: — Certainly, if the Member wants to make a comment on it I am prepared to hear it.

MR. MALONE: — Mr. Speaker, I wonder if it would be possible, in the event that you are having some difficulty in deciding whether the amendment is in order or not, if by leave of the House, we could agree that the amendment is in good standing. obviously the Members on this side of the House are prepared to give their leave and I am wondering if the Members opposite would be prepared to give their leave. I assume if they don't they disagree with the amendment.

MR. ALLEN: — Mr. Speaker, on the Point of Order, I think I would agree with Mr. Speaker that the amendment is not in order but certainly if the Member for Wascana wanted to move a private Member's resolution to the effect already stated in the amendment to this Resolution, I would be more than happy to second it.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: — I thank the Members for their opinions on this matter. This presents a very difficult decision for the Speaker, however, I have listened to the Members' comments, in particular the comments of the Member for Lakeview with regard to leave of the House to accept this amendment. However, that is not a good practice since it may be cited at a later date as a precedent and I'm sure all Members wouldn't want to be put in that position because of this issue. I want to refer briefly to Beauchesne, this is the Fourth Edition, page 11, Citation 140, that citation states in part:

The rule relating to personal reflection occurring in debate may be stated thus: Namely that it is doubly disorderly for any Member in speaking to digress from the question before the House.

And it goes on to discuss an attack on other Members, it continues on:

intending to bring him into ridicule, contempt or hatred with his fellow Members or to create ill blood in the House.

That is one citation which I will use to support the ruling that it is out of order. I will also use citation 149, page 127 which reads in part:

besides the provisions contained in Standing Order 35, it has been sanctioned by usage both in England and Canada, that the Member while speaking must not — sub F — make a personal charge against a Member.

I would say that this amendment which is offered here is personal and additionally I would say that it does not deal with the subject matter of the Resolution which is before us. If it were accepted there would be a move by Members to say that it should be split off and the matter voted on separately. I want to avoid that situation. Since it doesn't deal with the subject matter, since it is personal and since I am basing the decision on these citations in Beauchesne I will rule the amendment out of order.

MR. R.A. LARTER: (Estevan) — Mr. Speaker, I should like to make a few comments on this Resolution. Having been closely associated with the oil and fuel business in connection with our farm machinery business for quite a few years, I do sympathize with the problems that the legitimate service station operators are going through. But I too, am more concerned with the service that could be done away with to the public by letting the self-serve gas stations move further into this legitimate business. I call this a

legitimate type business, it is a service business. And I have had a few meetings with the executive and I certainly do sympathize with them. As a matter of fact we felt it was a kind of motherhood issue and we were prepared to vote with the Regina Wascana Member many months ago on this issue. In fact when the Member for Melfort got up today I was all set to say "Aye" and by the time he got finished I didn't know whether I was for it or not. I do endorse the motion and feel that it is a step in the right direction. I have one reservation and that is that they're setting up a committee to study the effect of what is happening. But I wonder how far something like this can go. Are we going to set up something that's going to study how many A & Ws are going to be, how many pizza palaces, and these are the only reservations I have on it.

MR. W.H. STODALKA: (Maple Creek): — Mr. Speaker, I'd like to comment on the Resolution as well, particularly the part of the Resolution that suggests that there should be a study made into the marketing and distribution in Saskatchewan. I'd like to congratulate the Member for Melfort on his presentation, very excellent except for the little parts that got very political and that really weren't quite relevant. But I think otherwise his paper was very well prepared and I certainly received it well.

One of the things he did mention in the course of his presentation was that the next victim in Saskatchewan would be the consumer. I would contend that at the present time there already is a victim in Saskatchewan particularly in rural Saskatchewan and that victim is the consumer.

Mr. Speaker, I have here, just to give you an idea, some of the credit card purchases from one of the particular oil companies here in Saskatchewan. I think it establishes a very definite pattern. And that pattern is that the price of a gallon of gas in rural Saskatchewan differs from the price of a gallon of gasoline either in Regina or Saskatoon to the extent of about 18 cents a gallon. Now, if you take the difference between the self-service and the regular stations that we have in rural Saskatchewan, it is 16 cents a gallon. But at the present time for anybody who wanted to take a look at these, who wanted to check the pricing on some of the gas stations, they can. As you travel throughout the province you will find, going down the Trans Canada Highway and going off the Trans Canada Highway, that the difference in the price of gas is up to 18 cents. In fact, it is an average of about 18 cents. We seem to become very concerned when we have a provincial increase of three cents or a federal increase of ten cents. But I would think that something should be done and possibly this study could reveal as to what the reasons are for this differential of eighteen cents in a price of a gallon of gasoline.

I phoned the Highway Traffic Board and asked them what the rate was for delivering a gallon of gasoline a distance of about 240 miles — 250 miles from the city of Regina. They indicated to me, that depending on the size of the truck that was hauling the gasoline, that it would be around four cents a gallon, 4.32 cents a gallon in fact, was the amount that was given if the amount of gasoline that was hauled was less than 2500 gallons. So, that makes up for about four cents or maybe five cents of that 18 cents differential. But certainly some place along the line there is that 13 cents. You talk to the individual dealer living in rural Saskatchewan and he claims he

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himself is not making excessive profits and that he is having to pay more for a gallon of gasoline than they are paying in some of the other areas. You also hear this, of course, with the service station tenants within the city. I think personally this inquiry might look into why and establish the reason as to why this differential exists, to see if it is justified. If it is justified, fine, if not, the study would point out some of the discrepancies and possibly the reaction might be to narrow those differentials.

I'd like to adjourn the debate at this time.

Debate adjourned.

RESOLUTION NO. 8 — LICENSING OF NON-RESIDENT OUTFITTERS OPERATING FISHING CAMPS

MR. R.F. NELSON (Assiniboia-Gravelbourg) moved, seconded by Mr. S.J. Cameron (Regina South):

That this Assembly requests the Government of Saskatchewan to immediately change the licensing requirements of non-resident outfitters operating tourist fishing camps in Saskatchewan by making it compulsory that: (a) at least 30 per cent of the Directors of such foreign-owned companies are Canadian citizens; (b) bonding requirement; (c) all wages to Saskatchewan residents be paid on an account from a Canadian banking institution; before a non-resident outfitter's licence or permit can be obtained.

He said: Mr. Speaker, I should like to quickly review some of the facts that brought me to believe the changes in the licensing requirements of non-resident outfitters need immediate upgrading.

A constituent came to me with a problem. He and his family were attempting to get over \$4,350 worth of wages owing them from an out-of-province outfitter, working out of Dewdney Island on Reindeer Lake. On checking into the situation, I found the company operating out of Minneapolis, Minnesota, sold tours to Dewdney Island, estimated at over \$1 million a year. I also discovered there were thousands of dollars of NSF cheques that were owing to many people in our province. There was also well over \$100,000 of unpaid bills left in our country by this company. The Co-op store in Kinoosao was on the verge of bankruptcy because of the many NSF cheques that they were left holding. The president of the company, one Tony Arrogoni had twice in five years declared bankruptcy in the United States. I received harsh criticism after disclosing this fact in the Legislature during the last session. I am pleased however, the Attorney General arranged a meeting with myself and officials of his Department. I made available to them all the information I had, and the Chief Investigator of the RCMP attended further meetings.

The fact was investigated extensively by the Attorney General's office, the RCMP and the Labour Department and they are continuing to investigate. They have however, run into many serious obstacles. The company involved is in the United States and there is no way in putting any claims against anyone. There are no Canadian directors on the company and again

no one to claim against. The NSF cheques were mainly written on banks in the United States and in cases took three months to clear.

There was no bonding required and there was nothing or no one to claim against. The buildings on the lease are owned by some one other than the company that issues the cheques.

I have continued to check in the hope of assisting my constituent and I have found that Mr. Tony Arrogoni is still in Minneapolis. He is in the process of declaring bankruptcy and he faces a court case against him in Iowa for \$20,000 coming up on the 28th day of May.

I found however, that Mr. Arrogoni is in business in the same office as he was last year. This particular year he is selling tours to Dewdney Lake, in Saskatchewan, under a new name. There is his pamphlet, Arctic Adventures. He has deposits on several tours already. I have reported to both the Attorney General's office and the RCMP, and action has been taken to hold up any permit or licence until all wages or debts in Canada are paid. They, as well as the Labour Department are optimistic that this will be done.

Mr. Speaker, I believe this explains my concern. This is a fly-by-night operation. They are in and out of business as fast as they can change signs. There are others with the same type of operations. I have contacted both Alberta and Manitoba and I am told that their restrictions are much tougher. The Attorney General's office, the RCMP, the Labour Department officials believe these changes will help prevent further occurrences of this problem that we have on Dewdney Island. I urge all Members to pass this Resolution quickly so that the Departments involved can be given assurance the future in the North will be brighter. I so move.

MR. G. McNEILL: (Meadow Lake) — Mr. Speaker, I spoke on this very same thing before. I think the Resolution is very poorly thought up, it is a bunch of garbage. If the man had wanted to speak on Dewdney Island and pick out Dewdney Island in his resolution, I would have gladly seconded it and picked it up. Because I believe they have created a problem in the North. But to paint all tourist operators in the North with the same brush is a disgrace. I think that is a direct attack on the small businessmen.

SOME HON. MEMBERS: Hear, hear!

MR. McNEILL: — Mr. Speaker, he says he wants 30 per cent of the directors to be Canadian residents. I don't think this would work very well because I don't think five per cent of the operators are big corporations with a board of directors and this type of a thing. Three out of three hundred and some operators. You are not thinking very well. I am just asking you, would you like Ben Siemens camp to become a corporation? Does Glen Mockford who lives in Edmonton, does he have to become a corporation? He operates with him and his wife only, they operate the camp. Does Doug Hill from Wollaston have to bid. That is all I say. I am not against what the man has to say about Dewdney Island. I just say that to paint all small businessmen by that brush is terrible. I have never heard him once come out against the corporations such as the Hudson's Bay Company in the

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North or anything. No. The small little operator. I tell this man he doesn't know much about the operators in the North. I do. I have worked with them a long time. Whom is he going to go after next? Is he going to go after the commercial fishermen, the trappers? Who else. Whom do they want to make into big corporations next? I ask everybody, I ask every Member in this House to vote down this . . .

SOME HON. MEMBERS: Hear, hear!

MR. McNEILL: — And when he has guts enough to put Dewdney Island on the paper, I will support him 100 per cent. Until then leave the small operators out of it. I am sorry, the Member for Wilkie doesn't know much about operators up there. I am sure of that.

Once again I ask everybody to vote this down and I should like to see it come to a vote as soon as possible.

MR. S. CAMERON: (Regina South) — Mr. Speaker, I want to make some opening comments to this Resolution before I suggest to Members that some time ought to be given to them to consider whether indeed they want to follow the lead of the Member who just spoke to it.

The Member who moved this Resolution did an unusual bit of work prior to its preparation. I say this sincerely.

MR. MESSER: — He did a great job.

MR. CAMERON: — Yes. The Member went first to the Attorney General. He indicated to the Attorney General that in view of the problems they have had and the Attorney General agreed there were problems, that there ought to be some reform in this area along these lines. As a result this Member discussed this specific proposal with senior officials in the Attorney General's Department prior to the drafting of the Resolution. The proposals generally met their approval of senior solicitors in the Attorney General's Department. Then this Member went to the RCMP who had had some experience with this particular case, this particular incident and again met with senior officials of the RCMP in connection with this very Resolution asking their view in connection with it. Again he discussed it with them and again the RCMP indicated that this was the kind of thing that had to be done to overcome the policing problems they had in connection with the problem he had been raising and had raised earlier.

Then the Member went a step further because the Department of Labour is involved in connection with the non-payment of wages for employees in connection with the problem that has been experienced and that the Member drew the attention of the House to. Again he said to the Department of Labour this is the kind of reform that I would like to see take place in the province to cope with these problems and discussed it there. Again they said, we agree that the law should be tightened in this respect and that we should have another kind of system. And again he drew general agreement from the officials in the Department of Labour.

Now I want to draw that to the attention of the Members of the House because this particular Member got a hold of a

problem, brought it to the attention of the Attorney General which resulted in an investigation. He brought it to the attention of the Department of Labour which resulted in action being taken on that front. And indeed I want to tell that Hon. Member over there that some of the people who were not being paid earlier by this organization have now received their pay as a result of that Member for Assiniboia-Gravelbourg getting it.

SOME HON. MEMBERS: Hear, hear!

MR. CAMERON: — I can't conceive a Member who has gone to this kind of effort, to draw that kind of problem to the attention of this House, then who should take it a step further in an attempt to get some reform of the law, to go to the Attorney General and his Department, go to the Department of Labour, go to the RCMP, get in touch with the provinces of Manitoba and Alberta to see what their practice is, and the Member did that too.

SOME HON. MEMBERS: Hear, hear!

MR. CAMERON: — He related the practice in Alberta. He said he got in touch with the Government of the Province of Alberta and the Province of Manitoba and he finds the requirements there — Mr. Mostoway may have to remove you again . . .

SOME HON. MEMBERS: Hear, hear!

MR. CAMERON: — It was found that in each of those two provinces, regulations were much tighter than in the Province of Saskatchewan.

Now I ask Members, how much more can a private Member do before bringing a resolution to this House for some reform, than to go through those kinds of steps. I think perhaps the Member opposite hasn't read the Resolution. Perhaps I should call on the Whip to take the Member out to their caucus room and read him the Resolution because for a Member to stand up in this House after that kind of an effort by this Member and to call it garbage is appalling.

SOME HON. MEMBERS: Hear, hear!

MR. CAMERON: — Now I want to permit some additional comments by some Members on our side of the House to this very thing so, Mr. Speaker, I beg leave to adjourn the debate.

SOME HON. MEMBERS: Hear, hear!

Debate adjourned.

RESOLUTION NO. 9 — ESTABLISHMENT OF A MUSK-OX INDUSTRY

MR. R.H. BAILEY (Rosetown-Elrose)) moved, seconded by **Mr. R.A. Larter** (Esteron):

That this Assembly urges the Government of Saskatchewan to co-operate with and assist the farmers and ranchers of Saskatchewan who are interested in establishing

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a musk-ox industry in this province.

He said: Mr. Speaker, after the day that we have had, this is April 6, and I was reminded coming back into Regina this morning that it was the birthday of my youngest sister and I was thinking of others for which this day held some significance. I would suggest to this House that coming in it's Private Members' day, that for some reason or other this was "Otto Lang Day" in the House and I find it very difficult to get caught up in the argument that is going back and forth between the Government and the official Opposition. Maybe, Mr. Speaker, the Resolution which I have will bring some tranquillity to the House for a moment and I should like to have the attention of the Assembly.

Mr. Speaker, some of the Members on both sides of the House, very friendly, have made some remarks about this particular Resolution which I have placed on the order Paper and on which I should like to speak tonight and I want to assure all Members that my interest in this particular topic came to me early last fall in talking with a newly formed association in western Canada known as the Musk-ox Association. Some of these members are people within my own constituency.

Now, Mr. Speaker, before I get into the main part of the topic I want to assure all people of this Assembly on both sides of the House that this particular industry or this particular potential industry which I feel is available to Saskatchewan and Saskatchewan could well take the lead. It is not a threat to any other industry that we have. It is not a threat to the livestock industry and it is not a threat to the stock growers in the province. It is indeed a tremendous potential as we now find in Alaska with the United States now taking a lead in this particular industry.

Mr. Speaker, the musk-ox has sometimes been referred to as the 17th century mysterious animal. Now this time the mystery is not really whether such an animal really does exist in the barren cold North where the sun does not rise for four months of the year, but we do know now that it does exist and there has been some input in the '70s into learning more about the remarkable qualities which could make this mysterious animal into the wonder animal of the 1970s. The mystery is that we have not realized all of the potential values of the musk-ox and particularly in the study which has been made in the northern part of the Province of Saskatchewan which could become a natural habitat for these animals. The scientific name for the musk-ox is the Obibos Maschatus, which means musky sheep cow, is somewhat misleading in that they, the animal itself from the time of Henry Kelsey and other explorers in the North, reported if you go back to the books and read the account that they give of their expeditions, the animal does not have a musky odor. They are cloven hoofed and they are very similar in many ways to that of the domesticated cow. I might point out that the studies now being conducted state that they give more milk than any of the domestic animals with the exception of the cow. Indeed, when I visited what you might call an independent research which is now going on with very little help and I will come back to that a little later, the calves have a very similar bawl to that of ordinary cattle and indeed in the operation which I witnessed the animals themselves are very similar to cattle, in that even the same antibiotics which we use for

cattle are used and are effective with the musk-ox as well.

Now the animal, Mr. Speaker, though it may remain a mystery in the southern part of the province and while some Members might want to poke a little bit of fun at this particular topic, a lot of people were doing so the other day. But after watching very carefully the operation and then going to some studies in Saskatchewan to our own northern half of the province, I am convinced it would be worthwhile and it is in the interest of the people of Saskatchewan to seriously look at the potential industry that is there. Saskatchewan has more potential for this animal to be raised in captivity or even semi-captivity than that of the United States in its experimentation in Alaska and on some of the islands along the Alaska coast.

The mature male of the musk-ox weighs about 900 pounds and stands nearly 3 1/2 feet at the shoulder and the cows are somewhat smaller. These animals are very heavily built with short, strong legs with very powerful shoulder muscles. A coat of long outer hair, Mr. Speaker, makes the animal somewhat of a grotesque animal when we think of our domesticated cow but this outer hair in the spring of the year almost reaches the ground in length. Now beneath this guard hair lies the potential industry with this animal. Going back in the history of the Arctic explorers the Eskimos have a particular name for the inner wool which is attached next to the hide which comes out automatically during the summer season and the wind takes it and blows it across the tundra. This blanket of this fine under wool, Mr. Speaker, which has the Eskimo name attached to it, is now selling on the commercial market at between \$40 and \$50 a pound.

Now the ability of the musk-ox to produce this quiviut as it is called is not the only potential which they have. Once the animal is in the confines or they were out in an area with the cattle and it was an area which was not suitable for cattle feeding, the animals much to my surprise, I would see them standing on their legs and eating the rough shrubbery and so on which we find in Saskatchewan.

Dr. Paul Mody with the research in the United States did a scientific study of their blood to determine that they bear about the same relationship to goats as the buffalo do to cattle. His partner Dr. John Fields who is now considered the world's foremost authority on musk-ox says this, in terms of behavior and he is talking about the movement of these animals. There is a close association which will sometimes remind one of the behavior of goats. Now in spite of whatever similarity the musk-oxen have to the other animals which we know, to goats and cattle and so on, it is highly improbable that they could be successfully used for cross breeding with any of our domestic cattle. But in their own rights I believe that they have assets worthy of consideration for a potential industry here in Saskatchewan.

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he wool which they produce is now considered to be the finest wool in the world. The information from the United States tells me and the research which is going on in Alaska that their meat does not have the strong flavor that some people associate with mutton. If you know anything about them at all, you've seen the famous pictures in which you see them circling

and how they can protect themselves against the wolf or the coyote and so on. They have an advantage over our domesticated animal which we have now in that they can graze in areas in which no other domesticated animal can survive. They have a good quality meat, Mr. Speaker, and the reports from that is that the meat is not strong and it has a high protein content.

Now the main worth of the animal, Mr. Speaker, is in the wool, which does not require shearing but simply requires the careful attention of the herdsman to take the wool which moves away from the hide during the spring of the year, about June, and this is pulled away and not in the same process as one would in the shearing of sheep. They don't require shearing. This quiviut works through the long guard hairs and by June it is relatively simple to peel off. Most of it can be gathered by first of all plucking but to retrieve it they tell me that the animals should be plucked several times over a short period of two weeks.

A Dr. Peel who has spent some time both in Alaska and in the United States research in Vermont, says it is as simple as peeling the peeling off an orange.

In the 1920s technical studies made by one Alfred Barker, professor of the textile industry at Leeds University, led him to believe that further studies should be made on this particular type of textile. Mr. Speaker, he has amassed a thorough document on this particular wool. I am not going to go through the whole thing only to say that in comparison with which he made with the cashmeres and the other wools of the near East, he has found that this wool has a technical quality that no other wool has from anywhere in the world.

Dr. Peel also in his report to the United States has proven beyond a doubt that this animal can be domesticated and their potential as a farm animal is now becoming an exciting feature in part of Alaska in which it is proving itself. Saskatchewan, of course, has more potential than does even Alaska for the animal because of the large area in the northern part of the province which could in fact graze these animals without the geography which limits the animals in Alaska to the valleys which we find between the high peaks.

Now the value of their wool and meat is already recognized. As for the care that they require, little if any care is required even under domestication because the type of forage which they require, the types of feed which they require is not nearly as concentrated as that which we have to provide our cattle and they seem to do very well on a very rough feeding program. They do not, Mr. Speaker, require care in calving, they do not require the care that we normally associate with animals at the present time.

Mr. Speaker, there are a number of people in Saskatchewan who fear that by making a presentation to Government that it would be laughed off. I expect that there are those in the House who even think that such an idea is inconceivable. But I should like to suggest, Mr. Speaker, that there have been many such ideas that have been kind of shrugged off but in the end we have done so and let somebody else take the advantage of it.

Now the domestication of the musk-ox is a long term program

which I think could become a very important part of the economy of this province. It has a tremendous potential and I believe that it could be a very successful enterprise. I do believe too that the most successful enterprise, the guarantee that we have that it could become, is by the Government of this province co-operating with the Government of the North West Territories in entering into an agreement with them to be able to take from the North West Territories say a half a dozen calves for breeding stock and letting them out to the Musk-ox Association in this province who want to see if this industry can survive. Now really in effect it is not asking that the Government contribute any money whatsoever, they are quite willing to pay for the breeding stock and they are quite willing to have the Department of Agriculture or any other Department look in as they experiment with these animals in a more domesticated environment.

Mr. Speaker, I am told and I have witnessed this that once these animals are taken, when they are calves they are extremely quiet. They are not by any means a wild animal and I have pictures here and all kinds of documents to prove this point. In speaking with a member of my constituency who has done further studies on this particular topic points out that the people in Alaska and the United States are now moving out with their small herds because they are perhaps three or four years ahead of us in this particular venture and that the animals do, in fact, control the brush and the weeds and in doing so they are not a hindrance to the forest and the reforestation, but rather they are a help. In other words the stockmen do not have to apply chemicals; they don't have to burn the weeds off and use chemical such as 2-4-D and so on, which are harmful to the environment and in some cases to other animals. The musk-oxen are in fact doing a good job and are preventing the undergrowth and the weeds which are of no value to the forest industry at all.

Mr. Speaker, the musk-oxen which I witnessed and the type of forage which they were thriving on is the type of vegetation that is found quite readily in northern Saskatchewan. I would invite all Members of this Assembly to seriously consider this. I have spoken to the Minister of Agriculture and I know that he wants to see some of the material that I have.

I have a part of a letter, Mr. Speaker, which comes from Mr. Burpee, who lives just across the border in Alberta, who perhaps has had more experience with the animals in domestication than anyone in western Canada, and he says this:

The musk-ox shows great potential as a domestic animal. I am rather surprised that our political leaders have not promoted the musk-ox industry. One needs to work with the musk-oxen and watch them browsing off all kinds of brush and many weeds, unpalatable to cattle, to really get enthusiastic about them as a domestic animal. The market for their wool is unlimited. It is the finest wool in the world.

Then he mentions the experiences of the '30s. He said:

It would be nice to see a government promote an industry because the whole world is wanting of its produce, mainly the wool and perhaps as breeding stock. At the present time we are selling our wool for \$50 per pound.

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Mr. Speaker, when I was there and witnessed this, the larger animals produced up to six pounds of wool. You can see that the demand is there, that would be a great deal more than I got from my calves last fall.

Mr. Speaker, in the material that I have and it is a mass of material, some coming from the people who have been promoting this particular industry, I just want to refer to an article by Iris Warner, which appeared some time ago and I want the Minister of Agriculture to take a look at this, but this particular article, I think, bears out what I said earlier, that perhaps Saskatchewan is more suited because of its consistency as a cold climate during the winter for the production of these animals, than any other part, perhaps northern Manitoba as well, but not in areas that are not subjected to the chinooks.

Any of you people who are on the farm, and I see my colleague from Estevan, the former John Deere member, gets *The Furrow*, which is a John Deere publication. I would like you to read it, January and February issue. This is the place which I visited and these people have been in this industry longer than anyone else.

I also have a study that has been conducted which points out the ease in which the animal could be used where no animal could be domesticated and no other animal could fit that particular habitat.

So the Musk-ox Association sent me this to show to the Members of this Assembly. It says, "Let's Go With Musk-ox". We are not asking that the government spend a great deal of money. I am asking that maybe the Minister of Agriculture meet with this small association that has been formed and look into the potential that I believe is ours, to promote an industry which to this point in time has not been explored, has not been promoted in Canada. The United States is taking the lead and I don't think that we should let them have the lead in this industry. I think that the Saskatchewan people and the people in western Canada, who are now interested in an industry which is gaining world wide attention should, in fact, seriously consider this Resolution. Mr. Speaker, I move this Resolution.

SOME HON. MEMBERS: Hear, hear!

HON. E. KAEDING: (Minister of Agriculture) — Mr. Speaker, the mover of the Resolution maybe a little surprised that I may even support him. However, he was not as surprised as I was to hear him request on behalf of all the stalwarts of the free enterprise system, a request for government assistance to a private industry. I was really surprised about that. I would have thought that the rugged hardy individualists who are in the musk-ox industry would have wanted to go it alone. I want to warn him though not to let the Cattlemen's Association get hold of him because they sure wouldn't like that very much.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — I would expect of him after having made that request to support the Bill which is intended to improve the Market Development Fund, because I am sure that this would be an area

where we might be able to give some assistance to him.

He did a pretty good job of telling us about the musk-ox industry and I am not downgrading that at all. I think that probably he has a point and maybe we should be looking at something which might be exotic but might still be profitable to the people of the province.

One of the difficulties that I have discovered about the musk-ox industry is their lack of productivity. They say they only have one calf every two years, and I am not sure whether that indicates a lack of sex drive on the part of the musk-ox or whether it is just too cold up there.

SOME HON. MEMBERS: Hear, hear!

MR. KAEDING: — Anyway as indicated by the Member, the value of the industry is not particularly in the carcass of the animal but in the wool which it produces and some people like that kind of exotic wool and I suppose if the demand is there for it, we should provide it.

I would suggest to him that this is a project which could very well be supported if it was properly documented and properly substantiated. And if he would care to request some assistance from the Market Development Fund it might just be looked upon with some interest. I know that our Department is always looking for any opportunities to help farmers to improve their incomes and I am sure that I would be the last one to suggest that this would be an area which we shouldn't look at. I wouldn't want to say that it is going to be a top priority on our list, because we have a lot of top priorities on the Market Development Fund. I can assure him that if he makes a request to the Department and if it is properly substantiated we will be looking at it.

I will say, on our behalf, that we will support the Resolution and hope that he has luck with it.

SOME HON. MEMBERS: Hear, hear!

MR. A.M. McMILLAN: (Kindersley) — Mr. Speaker, as unaccustomed as I am to rising to my foot in this Legislature, I could not resist the opportunity to shed a little light on the Resolution that is before us.

I am not completely without knowledge as far as the musk-ox industry is concerned, I have taken a great deal of interest in this Resolution since the Member for Rosetown-Elrose mentioned to me that he would be introducing it. I did happen to see a documentary on television some time ago that outlined the potential for the musk-ox production in Saskatchewan and I must say I was absolutely shocked that the Provincial Government hadn't leaped at the opportunity to get involved in this at that time.

However, some of the things that did come to light at that time and as near as I know these statistics are documented by the people who did the documentary.

The first one was, and I know that you will all find this of interest, is that one pound of musk-ox hair, laid end to end,

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the hairs would reach around the world or approximately 25,000 miles. That gives you some idea of the texture of the hair. As well a toque made out of musk-ox hair for an average male would cost about \$80 and I am not sure if that includes labor or sales tax and would weigh about one-quarter of an ounce.

However, it is perhaps a revelation that some of us can look on with a little humor, but I think that it does indicate something that the House should take very seriously and that is the fact that some of the Members are, in all seriousness, looking at ways to improve agriculture production in Saskatchewan, and very seriously looking at every conceivable way to improve the farmers' income in Saskatchewan. I think the Member should be commended for his sincerity in putting this Resolution before the House. As other Members of the House I am not sure whether a musk-ox industry in Saskatchewan will be a boomer, but I am as prepared as the Member for Rosetown is and those people who have the courage to try new and innovative farming practices to see that a project of this kind, at least gets serious consideration from the Government. I can only say that if all Members of this Legislature had taken their agricultural policy as seriously as the school superintendent for Rosetown, that agriculture would be in far better shape in Saskatchewan than it is today.

SOME HON. MEMBERS: Hear, hear!

MR. McMILLAN: — I can also assure you that the Member for Thunder Creek (Mr. Thatcher) will probably have something to say about this Resolution and for that reason I should like to adjourn the debate.

Debate adjourned.

The Assembly adjourned at 9:11 o'clock p.m.