

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session — Eighteenth Legislature**  
**19th Day**

**Wednesday, April 7, 1976**

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

**WELCOME TO STUDENTS**

**HON. J. BROCKELBANK:** (Saskatoon Westmount) — I have here an introduction that I should like to make to the House of some very important people who have arrived from the constituency of Saskatoon Westmount.

They are from Bishop Roborecki School and they are located in the Speaker's Gallery. I understand there are 32 Grade Seven and Eight students. They are accompanied by three of their teachers, Mr. Exner, Mrs. Fielden and Mrs. Serhyenko. I look forward to the opportunity to meet the students a little later on outside the Chamber and answer any questions that they may have. I know all Members will join with me in welcoming these students from Saskatoon Westmount constituency to the Legislature and wish them a safe journey back to Saskatoon.

**HON. MEMBERS:** Hear, hear!

**MR. P.P. MOSTOWAY:** (Saskatoon Centre) — Mr. Speaker, it gives me pleasure to introduce to this House another group of 39 equally important students and adults from Sion School, located in Saskatoon Centre Constituency in Saskatoon. They are sitting in the Speaker's Gallery. I understand they visited the RCMP Barracks this morning and also the Museum of Natural History, and I gather they enjoyed themselves there. I certainly hope they find their little stay in the House here rewarding, and, I might add, that at times it gets a little hot in here. I should like to say I hope today will be exciting for you. I hope you have a pleasant stay in Regina, in whatever you do. I certainly will be meeting with them later on. I should like to wish them a safe and a pleasant journey home.

**HON. MEMBERS:** Hear, hear!

**HON. H. ROLFES:** (Saskatoon Buena Vista) — Mr. Speaker, I should like to take this opportunity to introduce to you a group of students from Prince Philip School, 56 in number, in Grade Five. They are seated in the west gallery. I had the opportunity to visit with them for an hour last Monday to discuss with them the procedures in the House and the parliamentary system. They are accompanied by their teachers, Walter Unrau, and Jim Holtslander. I believe they are also chaperoned by Mrs. Cross, Mrs. Hill, and I am not sure of the last pronunciation, I think it is Mrs. Wilyke. I would welcome the students here and hope that they have an enjoyable and a worthwhile afternoon. I will be meeting with them at 3:30.

**HON. MEMBERS:** Hear, hear!

**MR. MOSTOWAY:** — Mr. Speaker, I have another school to introduce, I don't believe they are here just yet. They may be entering. But as a supplement to Sion School, I should like to mention they are accompanied by certain of their teachers Bill Rawlyk, Barry Sawchuk, Angie Murdock, Ken Lenhart and Lorraine Dubé. As for the other school that will be coming here, that group is from Bishop Murray School located in one of the better constituencies in the province, Saskatoon Centre constituency, 41 in number and they will be accompanied by one of their teachers, Mr. Dick Nieman. I understand they, too, are visiting various places in Regina, and I certainly will be meeting with them. I hope that they will have a pleasant day in Regina and a safe trip home.

**HON. MEMBERS:** Hear, hear!

## QUESTIONS

### STC RATE INCREASES

**MR. S. CAMERON: (Regina South)** — Mr. Speaker, in the absence of the Premier, may I direct a question to the Deputy Premier. The Deputy Premier will remember I was directing some questions to the Premier about the Saskatchewan Transportation Company rate increases which we understand have been made but not yet announced. The Premier indicated that he would take under advisement the question of whether or not he would advise Members of the Legislature of the position on those rate increases. May I therefore, now ask the Deputy Premier whether a decision has been made and whether those rates will now be given to us?

**HON. R. ROMANOW: (Attorney General)** — Mr. Speaker, I am sorry that I can't add much more to what the Premier said a few days ago to the Member for Regina South. My information is that within the next few days, hopefully, within the next few days and before the week is out an announcement can be made and of course will be made here in the Legislature. There are a number of bodies by which this matter is now being presently considered and I think the only thing I can do is repeat in substance what the Premier said a few days ago.

**MR. CAMERON:** — A supplementary, Mr. Speaker. The fact is that the Premier didn't say anything in substance. That is what generates my additional questions. The question now is: why are you not disclosing to the Members of the House what rate increases were approved by the Board of Directors of the Saskatchewan Transportation Company? What is holding back advising the House of these rates?

**MR. ROMANOW:** — I think, Mr. Speaker, the important fact for the Member for Regina South and for the Members of the House, indeed the public of Saskatchewan, is an announcement of the rates as ultimately approved. It is no use, to make an "announcement" if they are not yet finally processed completely. I am advised that that is the case with the STC. The important thing for the Opposition and for the Legislature I would submit with respect, is the announcement of the final decision.

**MR. CAMERON:** — A supplementary, Mr. Speaker. In view of the fact that these rate increases originated five months ago and still have not been announced and in view of the fact that they have gone through the Highway Traffic Board and presumably now are submitted to the Anti-inflation Board, is it the position of the Government that Members of the Legislature will not be advised of public sector increases until after those increases have been submitted to the Anti-inflation Board? Is that your policy?

**MR. ROMANOW:** — Mr. Speaker, I can't say that that is policy. I mean by that answer that there is no policy as enunciated in the fact that the Member for Regina South enunciates it. I am only saying what is of public importance, the announcement of the authorized rates, which I am advised the Government is not in a position to do so. Because of the consideration of the various elements in this matter, the answer is No, there is no general policy in this area at this stage.

**MR. CAMERON:** — One last supplementary then, Mr. Speaker, Is it or is it not a fact that substantial rate increases for STC have been approved both by the Board of Directors of the STC and by the Highway Traffic Board?

**MR. ROMANOW:** — Mr. Speaker, my only answer is that to a large extent that is a very subjective and debating point because the Member says is it, or is it not a fact that a substantial increase has been decided by these bodies? That is a matter of opinion which I can't agree or disagree with at this stage.

**MR. CAMERON:** — One last supplementary then. Let me excise the word 'substantial' and simply ask the Deputy Premier is it a fact or is it not a fact that increases for STC have been approved by both the Board of Directors of STC and by the Highway Traffic Board?

**MR. ROMANOW:** — Yes, I believe that is true.

#### **SGEA EMPLOYEES PUNISHED RE STRIKE**

**MR. E.F.A. MERCHANT: (Regina Wascana)** — Mr. Speaker, I would like to direct a question to the Minister of Finance. The press reports will be familiar to the Minister regarding the SGEA strike and the 500 employees who are now being punished or censured by SGEA, because the Government agree — I am sure that they do — that it was an illegal strike and will the Government intervene on behalf of the 500 employees who legally went back to work notwithstanding the illegal strike and who are now being punished by their union for failing to adhere and take part in an illegal strike?

**MR. SPEAKER:** — Order. I think unfortunately the Member's question takes the form of a statement which might lead to debate and I think if the Minister wants to answer the question he may answer it factually and discard the parts of the question that are debatable.

**MR. MERCHANT:** — Mr. Speaker, with all due respect I think that it was the Government's position that it was an illegal strike so that, presumably, is not a debatable point. My question then is, the employees crossed the picket lines of what the Government described as an illegal strike and are now being punished for so crossing the picket lines. Will the Government take steps to protect the employees who crossed those illegal picket lines in that illegal strike?

**MR. SPEAKER:** — The Member will acknowledge that that's not the only word he used that was of a descriptive nature that may have led to a debate, the illegal strike. There were a couple of other words in there and I think the record will show it.

**HON. W.E. SMISHEK: (Minister of Finance)** — Mr. Speaker, I'm not familiar with any illegal strike that has taken place by the SGEA members.

**MR. MERCHANT:** — You're not familiar with any legal or illegal strikes?

**MR. SMISHEK:** — Illegal.

**MR. MERCHANT:** — Mr. Speaker, then I'm sure the minister is aware that a sympathy strike was carried on for some days last fall basically and now the SGEA has announced that they will take measures against approximately 500 employees who refused to take part in that sympathy strike, if I may describe it as such. My question is whether the Government will do anything to assist those employees in their dealings with the SGEA?

**MR. SMISHEK:** — Mr. Speaker, certainly the union has not advised me, I suppose they don't have to advise me of any action they propose to take, whether it is by way of any assessment or by any other action. And until it comes to our attention I think it is a hypothetical question because we have not had to deal with the matter so far.

**MR. MERCHANT:** — By way of supplementary a policy question of the Minister, Mr. Speaker. If the SGEA asks the Government to check off fines in connection with crossing those picket lines will the Government check off those fines? And, if I might steal a supplementary and ask two questions at the same time, the SGEA have a union security clause but not a union hiring clause, will the Government fire employees if requested to do so by SGEA notwithstanding the fact their contract is only a union security contract?

**MR. SMISHEK:** — Mr. Speaker, the question is a hypothetical one. We have not had any formal request from the union. During the strike there have been certain statements made and we have indicated that we are prepared to collect the union dues where they are uniform in accordance with the collective bargaining agreement and The Trade Union Act.

**MR. MERCHANT:** — May I ask one last question then of the Minister. The Minister has indicated . . .

**MR. SPEAKER:** — Order! I am not going to allow any further pursuit of that because I really haven't been impressed with the urgency of it at this time. The Member for Moosomin.

### **SEDCO LOANS OUTSTANDING — SNOASIS**

**MR. L.W. BIRKBECK: (Moosomin)** — Mr. Speaker, I should like to direct a question to the Minister responsible for SEDCO. Is the Minister aware that substantial loans were made by SEDCO in 1974 and are still substantially outstanding to a company called Snoasis Properties Ltd.? Even though one of the shareholders is the Deputy Attorney General for the Province of Saskatchewan and another shareholder is the Manager of the Saskatchewan Development Fund and a defeated NDP candidate.

**HON. J.R. MESSER: (Minister of Industry and Commerce)** — Mr. Speaker, I am aware that Snoasis is a client of SEDCO. I am not aware of the substantial arrears that the Member makes reference to. If in fact there are arrears I don't believe that this is the time to undertake to debate those arrears. There may be a legitimate reason for them but I can take the Member's observations as notice and inform myself as to what the exact circumstances are between Snoasis and SEDCO.

**MR. BIRKBECK:** — A supplementary, Mr. Speaker. Is the Minister not aware that this very type of issue is being raised by Mr. Nystrom, NDP Member for Yorkton, as it relates to the Federal Government and senior civil servant involvement in private business dealings . . .

**MR. SPEAKER:** — Order! I think the Member is in fact getting into a debate by offering information in a debateful manner. I would ask for the next question.

### **TEACHERS' SALARY AGREEMENT**

**MR. C.P. MacDONALD: (Indian Head-Wolseley)** — Mr. Speaker, I should like to direct a question to the Minister of Education. I should like to ask the Minister if he would confirm that the Saskatchewan Teachers' Federation and the Government Trustee Negotiation Committee have come to an agreement late last night, which gave an increase to the teachers of the Province of Saskatchewan of 19.9 per cent in the grid, plus increments which is approximately 5 or 5 1/2 per cent? Would he also indicate whether or not administrators on top of that have been given 20 per cent and would he also indicate whether or not the \$2,400 maximum has been broken by this agreement?

**MR. SPEAKER:** — Order! I would ask the Members to ask one question at a time if they could. I am sure the Member recognizes that he has asked about three or four questions there, and in a manner which you are giving information as well as seeking information.

**HON. E.L. TCHORZEWSKI: (Minister of Education)** — Mr. Speaker, I will have no difficulty with that as I will treat it as one question. Negotiations have not been completed, the negotiations are continuing tomorrow and when they have been concluded the appropriate announcement will be made by the members at the negotiating table and that is the chairman of the two negotiating committees. Until that is done I have no comment to make, Mr. Speaker.

**MR. W.H. STODALKA: (Maple Creek)** — A supplementary to the Minister of Education. Has not agreement in principle been reached on the grid and other sections regarding the administrative allowances?

**MR. TCHORZEWSKI:** — I don't know that at this time, therefore, I have no comment to that question.

#### **SEDCO LOANS OUTSTANDING — SNOASIS**

**MR. R.L. COLLVER: (Leader of the Progressive Conservatives)** — Mr. Speaker, a question to the Minister of Industry. Is the Minister further aware that many of the sub-trades have not been paid by Snoasis Properties Ltd., even though considerable time has elapsed since the work was completed and is the reason that SEDCO, a 12 per cent shareholder, in Snoasis Properties Ltd., has not taken action to make sure that these sub-trades are paid in full, and that the president of the company and a shareholder is a prominent Regina Liberal lawyer, one of the major . . .

**MR. SPEAKER:** — Order! The Member is giving information primarily. He is not primarily asking a question seeking information. And I am not going to give the Member the opportunity to rephrase the question. Next question.

#### **SEDCO LOANS — CATTLE COMPANY**

**MR. R.H. BAILEY: (Rosetown-Elrose)** — Mr. Speaker, I will ask one question at a time and I hope I get one answer at a time. I direct this question to the Minister in charge of SEDCO. Is the Minister aware that the SEDCO sponsored Queen Creek Cattle Company of North Battleford is now in bankruptcy or in receivership?

**MR. MESSER:** — No, I am not, Mr. Speaker.

#### **RESIGNATION OF MR. DOWDELL**

**MR. E.C. MALONE: (Regina Lakeview)** — I should like to direct a question to the Minister of Finance. I think I gave him notice that I would be asking him today to give us the details on the Dowdell situation on which I asked a question last week. I wonder if the Minister is prepared to give us those details?

**MR. SMISHEK:** — Mr. Speaker, on March 30th I gave an undertaking to the House to give particulars in response to the question by the Hon. Member for Lakeview to determine the nature of

discussions which my officials had engaged in concerning the resignation of Mr. Robert Dowdell as member and chairman of the Public Service Commission, and to advise this House of those discussions.

With respect to the separation of Mr. Dowdell from the Public Service I can now say that the recommendation has been made to me which I am considering that an ex gratia payment be made to Mr. Dowdell in respect of his separation from the Saskatchewan Public Service. The amount of this payment has not been fully determined, therefore, it would not be appropriate to discuss it at this time.

My officials have been having discussions with a solicitor for Mr. Dowdell concerning the various expenses incurred by Mr. Dowdell in connection with his coming to Saskatchewan in 1973 under the Federal Government Senior Executive Exchange Program. As I said, Mr. Dowdell came to our public service from the Government of Canada under the Federal Government Executive Exchange Program. I am considering an ex gratia payment to Mr. Dowdell to defray certain of his expenses incurred by his participation in this program. The amount, nor any appropriate documentation has not been finalized if such is necessary.

**MR. MALONE:** — A supplementary, Mr. Speaker. is it the policy of the Government to make payments ex gratia, or otherwise to civil servants who voluntarily leave the employ of the Government to return to other jobs or go to other jobs?

**MR. SMISHEK:** — Mr. Speaker, there are at times particular circumstances that are considered, there is no overall policy. Each case is judged on its own merit, in this case as I have indicated, no decision has been made, no amount has been agreed to. There are discussions in this case because of the Federal Executive Exchange Program that I am giving it consideration.

**MR. MALONE:** — Supplementary, Mr. Speaker. May I suggest to the Minister that the reason for Mr. Dowdell's leaving was as a result of a disagreement between Mr. Dowdell and either the Minister or the Government and that the Government felt duty bound to pay money to Mr. Dowdell because of this.

**AN HON. MEMBER:** — That's not correct.

**MR. SMISHEK:** — Mr. Speaker, I don't believe we are duty bound. I don't believe there is any legal obligation on our part based on the resignation that we have received but we are considering whether, because of the exchange program, there were expenses that were incurred by the particular person and perhaps he was inconvenienced, which might justify some ex gratia payment.

**MR. MALONE:** — Supplementary, Mr. Speaker. How can you justify paying money to this employee for "inconvenience" when according to you, the information that you have given us in this House, that Mr. Dowdell quit and left on his own?

**MR. SMISHEK:** — Mr. Speaker, I didn't indicate whether he has incurred expenses and that is which otherwise he would not have

incurred had he not come in on the exchange program.

**MR. MALONE:** — Supplementary . . .

**MR. SPEAKER:** — I think I'm going to go on to the next question. I feel that we are getting into a discussion about the severance policy of the Government. I'm not immediately aware of the urgency of the matter. The Member for Nipawin.

### **GOVERNMENT POLICY ON LENDING AGENCIES**

**MR. COLLVER:** — Mr. Speaker, I should like to direct a question to the Minister of Industry. Is it the policy of the Government of Saskatchewan through its agencies or Crown corporations that are lending agencies such as SEDCO to loan money to organizations in which senior civil servants are shareholders?

**MR. MESSER:** — I think the answer to that is, Yes. I don't know the circumstances of all of the corporations or all of the companies that SEDCO may be lending to. It may well be that in some instances a member of that corporation or members of that corporation is in a minority or perhaps in a majority sense a part of the corporation, part of the company that is seeking application for loan from SEDCO. I don't believe that there is any conflict of interest or should there be any assumption that conflict of interest would take place because SEDCO is in fact a Crown Corporation of the Government. Civil servants, be they in a major executive capacity or a minor executive capacity have no influence or no relation to that corporation. I feel that it is conjecture and assumption to allude to perhaps some wrong doing if there is a member and I reiterate, if there are members of our employees of the government involved in some of the corporations that may be getting funding from the Saskatchewan Economic Development Corporation.

**MR. COLLVER:** — Supplementary question, Mr. Speaker. If this is the policy of the Government of Saskatchewan, is the Minister aware of the kinds of conflict of interest situations that could develop in the senior civil servants who are doing business with the Government and surely the Minister will agree that borrowing money from the Government is doing business with the Government, may they possibly use their positions to influence the organization to make loans, perhaps to extend the loans, to better class terms, to perhaps extend a greater loan than is normal, and, is the Minister not aware of that?

**MR. SPEAKER:** — Order, order!

I would want to impress upon all Members the importance of not making a speech when asking a question. I see a number of examples of it today and some other days. I would encourage the Ministers to be brief in their answers to the questions which I hope will be brief as well.

### **MISTAKES IN LICENCE PLATE INSURANCE RATES**

**MR. MERCHANT:** — I wonder if I might direct a question to the Minister in charge of SGIO — I gave him notice yesterday that I would be enquiring about this matter. There were a number of problems



which arose five or six in number, Plymouth Fury was one, Nova, Ventura, where under the new rate structure mistakes were made in the amount of money that is being charged in licence plate insurance. Does the Government have any intentions through Order in Council to correct these mistakes notwithstanding the fact that they have been gazetted or will the people who own those cars have to pay the higher rate which is an improper rate?

**HON. E.C. WHELAN: (Government Insurance Office)** — In answer to the Hon. Member's question, as all Members know the rate structure was changed this year and because of discrepancies for instance, the Rolls-Royce and the Chevelle were paying exactly the same rate before; they had the same wheel base while the Rolls Royce is a very valuable car, the Chevelle was approximately \$4,000 or something like that in value. In putting together the 12 categories, somewhere along the line some errors did occur, for instance, the Nova and the Ventura are almost the same car if they're not identical, and the Cricket and the Colt are identical and yet they're in different categories. This was a human error and I understand that numerous calls were made about these particular instances and there will be an Order in Council correcting them as soon as possible.

### NURSING HOME STUDY

**MISS L.B. CLIFFORD: (Wilkie)** — A question to the Minister of Social Services. Last session I asked that a study be done into increased costs of the nursing homes and your department agreed and a committee was set up to look into this. You initially said that there would be a preliminary study that you hoped would be out by the end of March, now although we find some conflict of interest of the committee you chose, could you tell us where this preliminary study will be done or if there has been anything done and where we could find out what the results are.

**HON. H.H. ROLFES: (Minister of Social Services)** — Mr. Speaker, my indication to the House was that I expected the committee to report to me by an Interim Report. I'm not aware that I said that the report would be made public. Certainly I would hope that the final report which I expect to have in my office by the end of April, once I examine it with my department officials, will be made public.

**MISS CLIFFORD:** — Supplementary, I would just like to ask the Minister, is he aware that in the beginning of this Session there were substantial increases in many areas and that it is, indeed, a matter of urgency and that we had hoped that it would be in the House in as short as possible time?

**MR. ROLFES:** — Mr. Speaker, certainly I am aware that there have been some increases but the particular report has nothing to do with the increases that have occurred in the past. The report will have no effect on the present fees due to the cost of inflation. Certainly I think it will lend itself to future costs, operating costs and construction costs. So whether the report comes in today or next week or a month from now, it will have no bearing on the costs incurred by special care homes from the past.

**MISS CLIFFORD:** — Are you saying then, Mr. Minister that there will be no proposals that will help alleviate some of the problems that were in the past and perhaps ease the burden to the senior citizen of Saskatchewan? Are none of these proposals going to try to offer some solution so that something can be done about the high rent of rooms at this time or are you just going to work from this point on and hopefully not let them increase any more?

**MR. ROLFES:** — Mr. Speaker, I don't think that the report will have any major impact on the fees that are presently in effect. Certainly the report as indicated when I set up the committee was to have a look at the escalating costs of construction and operation. Hopefully the report will give us some indication as to how we can stop or decrease the escalating costs to senior citizens in special care homes. It may inadvertently give us some indication as to what has transpired in the past that has caused the increase in costs. Maybe by this we can slow down the increase but I say again, it's more for the future than for the past.

## STATEMENT

### QUESTION PERIOD

**MR. SPEAKER:** — The matter was raised yesterday by the Member for Nipawin (Mr. Collver), on which I want to make a brief comment with regard to the substance of supplementary questions.

I may say that I believe an examining of the record of the question period yesterday shows that the Member for Nipawin and myself were on parallel courses about how supplementary questions should be raised. Examination of the Interim Report dealing with that section makes that the obvious conclusion if you read the statements of the Member for Nipawin and my statements as well. It's interesting to note that on examining the record the Member for Nipawin was correct in one point. In fact, a supplementary question was an original question when it was called a supplementary question. I brought that to the Member's attention who asked the question.

The examination of the record also shows that a series of questions begun by the Member for Souris Cannington, about grid roads was expanded to the extent that we were talking about the policy of the MRAA with regard to flood control which I view as being an expansion of the question, by supplementary, which gets very close to the point where it might be called out of order because it certainly is on a different subject. I want to thank the Member for bringing that to my attention. I caution all Members to be sure that their supplementaries pertain to seeking more information on the substance of the question that was asked or a clarification of the answer that was given.

**MR. COLLVER:** — Mr. Speaker, before the Orders of the Day I would raise a Point of Order on today's question period.

As we understand it a question and its supplementaries take precedence, in accordance with a previous ruling of yours, over a new question. In supplementary questions I would

suggest to you Mr. Speaker, pertaining to the first question should take precedence over supplementary questions to the second, third, fourth or fifth question. The supplementary question today that I was asking of the Minister of Industry you ruled out of order and I think justifiably so. I believe you're right, I did make a speech, however, you did not rule the question out of order and when I wanted to try to ask a further supplementary on that question you recognized a new question instead of my supplementary and I must say that we're getting very confused as to which takes precedence, which comes first, the chicken or the egg, the supplementary for the first question, the supplementary from the second or third and so on.

**MR. SPEAKER:** — I thank the Member for his comments. However, an examination of the record will show that there were two Members on their feet trying for a supplementary, I don't know whether it will show on the record but in fact two Members were on their feet calling "supplementary" and it's impossible for the Speaker to tell which supplementary comes first. It's agreed that the supplementaries to the question should be asked when the questions are answered or thereabouts. It's possible for a Member to come in later with a supplementary but I have asked Members at the beginning of this trial period to get their supplementaries in at the same time as the question. The Member for Nipawin obtained his supplementary one question later, which I don't think is out of joint with the times. Meanwhile the supplementary that was being put forward by another Member dealt with a question that was immediately before us at that time. The fact that the supplementary question by the Member for Nipawin dealt with the previous question doesn't necessarily give him precedence over the question immediately before us. I'll take the supplementary as soon as I can and I don't think the Members should be offended if he loses one spot. I think this is a relatively minor matter and I don't intend to entertain any more comments on it at this time.

**MR. MERCHANT:** — On a Point of Order and with all due respect to the Member. What you really should do and perhaps I should stress this to the Hon. House Leader, the routine proceedings should be changed after the oral question period you could put in a period of 15 minutes which would be devoted to the Member for Nipawin to whine about the fact that he didn't do very well in the question period.

**SOME HON. MEMBERS:** Hear, hear!

**MR. SPEAKER:** — Order!

## SECOND READINGS

HON. R. ROMANOW (Attorney General) moved second reading of Bill No. 7 — *An Act to amend The Summary Offences Procedure Act, 1969.*

He said: Mr. Speaker, I have introduced in general terms a couple of bills the other day respecting the reform of the Magistrate's Courts administratively primarily as well as the Justices of the Peace. I now am going to introduce the remaining two bills with respect to that package. The remarks that I made on Monday last in introducing the Magistrates' Courts

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Act amendments and speaking to the Provincial Magistrates' Courts amendments in general are applicable in this particular case today. However, I will make just two or three brief remarks respecting each bill and this Bill that we have before us is Bill No. 7, The Summary Offences Procedure Act.

I would ask that the Members keep the comments that I will hereafter make in context with those that I made on Monday last about the general thrust of the package of amendments. Now, Mr. Speaker, there are several amendments being proposed to The Summary Offences Procedure Act. One of the amendments is basically and simply a housekeeping change. Some amendments deal with the improved procedures of the processing voluntary payment offences while others are related to the proposed amendments to the Justices of the Peace Act.

The housekeeping amendment to this Act is the amendment to Section 6 (8) wherein certain words are being added to clarify the meaning of that clause. Apparently these words were left out when the clause was incorporated into this Act from The Vehicles Act.

Several changes in wording are proposed for Section 6B in order that a revised system can be implemented for processing cases wherein a fine may be paid without the court appearance. The revised system will basically provide for centralized processing for all voluntary penalty cases. Consequently it will be necessary to direct payment of fines for voluntary penalty cases to a central office rather than to individual court offices and it will also be necessary to stipulate a due date for payment which is set for some time before the date set for court appearance in order that payments can be processed and the appropriate court offices can be notified of all convictions and non-payments before the case is to be docketed.

The rationale behind the proposal to centralize the processing of cases involving voluntary payment without court appearance is directly related to the current situation in court offices wherein the work load is mounting almost on a monthly or yearly basis and in some cases is even too great for the support staff. We hope that this reform which is part of the CJMIS system that I discussed in general terms the other day, will result in centralized processing of voluntary payments and should serve to reduce the work loads further. It should provide significant economies of scale in this aspect of administrative operations of the Magistrates Courts.

Now, Mr. Speaker, an amendment to Section 6 (5) of the Act will facilitate the implementation of this new system by providing for different tickets prescribed under the Act to be used in different areas of the Province. Consequently it will be possible to implement a new system which involves a revised form of ticket; this will be done on a day to day basis as will the entire scheme.

Mr. Speaker, as I mentioned earlier, it is proposed that court costs should be eliminated in summary conviction proceedings. I think the reasons that have been advanced in this area have been clearly done so by earlier comments so I will simply state now that this part of the package and repeat the general view that in my opinion there no longer exists any rationale for the imposition of court costs.

The proposed amendment to Section 6B of this Act removes any reference to court costs as they relate to cases of voluntary payments of fines without court appearance. The deletion of Section 7 of the Act takes away the specific authority for imposing court costs on summary conviction proceedings pursuant to provincial or municipal offences. It is intended that an Order in Council will be made pursuant to Section 772(2) of the Criminal Code of Canada specifying that no court costs shall be taken in summary conviction proceedings pursuant to federal offences.

The last amendment to this Act involves the deletion of Section 8 and 9 which presently provide a mechanism whereby JPs can be paid for their services even if they do not recover their fees from court costs. As I discussed the other day, it's proposed that our JPs be remunerated on a fee for service basis for their services in the administration of justice. Consequently there no longer exists any need for these two sections which I might add are basically administratively cumbersome to apply in regard to remunerating JPs and once this system is fully set up, will no longer be relevant.

Now, Mr. Speaker, I think that fairly well outlines the basic thrust of the amendments to this Bill and I move second reading of Bill No. 7, an Act to amend The Summary Offences Procedure Act, 1969.

Motion agreed to and Bill read a second time.

MR. ROMANOW (Attorney General) moved second reading of Bill No. 8 — *An Act to amend The Justices of the Peace Act*.

He said: Mr. Speaker, this Bill relates to the Justices of the Peace Act and again all that I have said in the previous remarks in the general application apply here because this Bill must be viewed as part of the package as I have described it.

I will say a few brief remarks about this Act. The first objective of the proposed amendments to the JPs Act, like those that I have talked about earlier, is to implement or help us implement the CJMIS and to improve the administrative operations for the JPs. Like the amendments of the other Bills primarily the Magistrates' Courts, the Provincial Magistrates' Court Bills, this Act deletes the present section which statutorily set out the administrative requirements of JPs and replaces them with another section which allows for changes to be made administratively for the recording of case dispositions, fine receipts and services provided by a JP, as well as, of course, the disposition of other claimed moneys held by a JP. Once again, Mr. Speaker, by incorporating administrative requirements in this Bill in this manner we will be able expediently to make changes and improvements to the administrative operations of our JPs as required and as we are able to do so.

The second objective of this Bill is to provide for a guaranteed remuneration of JPs for their services rendered in the administration of justice. The amendment will provide for regulations setting out a schedule of fees payable to the JPs for their services as well for regulations respecting the manner in which the JPs should bill the government for those services, if I may put it in those terms. Although the schedule will essentially be at the level now provided with some changes, this amendment will provide a workable mechanism to guarantee that the fees will indeed be paid.

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Mr. Speaker, I think that these amendments should be welcomed by the Members of the House and that this will be an improvement in the role of JPs. I would simply close by commending the role that our JPs have played in the past in the administration of justice.

Mr. Speaker, I move Bill No. 8, an Act to amend the Justices of the Peace Act be now read a second time.

Motion agreed to and Bill read a second time.

HON. G. MacMURCHY (Minister of Municipal Affairs) moved second reading of Bill No. 33 — *An Act to amend The Municipal Employees' Superannuation Act, 1973.*

He said: Mr. Speaker, the amendments to the Municipal Employees' Superannuation Act are for the most part housekeeping amendments. The most important amendment of the Bill incorporates changes that will greatly increase the benefits available to rural municipal secretary treasurers. Most significantly this Bill guarantees that the monthly pension payable to rural municipal secretary treasurers will be no less than \$8 for every year of service up to 35 years. This means that a rural municipal secretary treasurer who retired after a full career of 35 years is guaranteed no less than \$280 per month. Previously the most that any superannuated secretary treasurer could be certain of was \$110 per month and that applied only in cases where the superannuate reached the maximum years of service, so that \$280 per month will be an increase of 155 per cent for those with a maximum service of 35 years and an even greater percentage increase for those with less than the maximum years of service. For example, a secretary treasurer, Mr. Speaker, who retired in 1967 with 33 years of service will up to now have been receiving \$104 per month. Under the new amendments the superannuate will now receive \$264 per month, an increase of \$160 per month or 150 per cent. A person who retired in 1971 with 34 years will at present be receiving \$145 and with this amendment will be increased to \$272 per month or an increase of \$127 per month.

Now, Mr. Deputy Speaker, certainly these increases will make a great difference to those who have been struggling to keep up with inflation on low fixed incomes. The new minimum will be of special value to those municipal secretaries who retired on small pensions because their salaries were low during the contributory years of service.

This \$280 minimum will apply to provide increases to those already receiving pensions as well as those who retire in the future.

I have some experience, Mr. Deputy Speaker, with this minimum approach, experiences the same as with the teachers pension plan negotiated as part of the 1974-75 teacher collective bargaining agreement is that it has meant a great deal to superannuated teachers of Saskatchewan, has provided extra dollars where they were really needed and were very much appreciated and I know and I think all Members will agree that the same would be true of our rural municipal secretary treasurers.

This major change to the Municipal Employees Superannuation Act arises directly out of representation by the Saskatchewan Association of Rural Municipalities. At their convention in Saskatoon in April 1975 a motion was passed proposing the \$8 per month per year of service level of pension and proposing that that plan be financed on a 50-50 basis by the Saskatchewan Association of Rural Municipalities and by the Provincial Government. It was proposed that each municipality be assessed an annual amount for contributions to the plan. We were happy to have accepted this proposal by the SARM. It not only brings the pensions of secretary treasurers retiring now and in the future up to that of teachers', but it also puts Saskatchewan ahead of any other province in its superannuation benefits for retiring rural municipal secretaries.

A pension plan for rural secretary treasurers was first established, Mr. Speaker, in 1930. In 1951 a plan was established for school units and school district employees as well as some urban employees. The two plans were blocked together in 1956 and in 1959 when The Municipal Employees Superannuation Act was passed. In 1973 the former Act was repealed and a new one was passed providing pensions based on the six highest years of service rather than the amount paid into the plan, as had been the case under the 1959 Act.

The Saskatchewan Association of Rural Municipalities has traditionally had a special reserve fund to supplement the pensions provided under the Act for rural secretary treasurers. Under this fund each municipality agreed to pay up to \$150 per year with the Government contributing \$15,000 per year to ensure that every retiring secretary treasurer received at least \$45 per month. This fund grew to the point where by 1970 it was able to support a minimum guaranteed level of \$110 per month for retiring rural secretary treasurers.

It should be noted that the fund applied only to rural secretary treasurers and not to all municipal employees. The SARM proposal for a minimum number of dollars per month, per year of service is an outgrowth of these earlier special funds for rural secretary treasurers. The new benefits will mean a loss to each municipality of a little over \$100 for a total cost to the Saskatchewan Association of Rural Municipalities of about \$30,000 and a cost of about \$30,000 to the Government of Saskatchewan.

We are pleased, Mr. Speaker, to co-operate in this joint plan with the municipalities. I am convinced that the benefits to the rural superannuates will be well worth the cost. In addition, Mr. Speaker, this Bill provides amendments which will permit voluntary contributions for those who are part of the previous plan, but who are not allowed by the 1973 Act to make additional contributions.

On the housekeeping side, it ensures that any benefits for which an municipal employee might have been eligible under the previous Act, are transferred to the new Act.

Mr. Speaker, I am pleased to move second reading of this Bill.

**MR. G. LANE: (Qu'Appelle)** — Mr. Speaker, I should like to respond to the remarks of the Minister. No doubt this is an improvement. I think,

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however, that we are falling back into a trap when the Government insists on patting itself on the back. We are going to be before this Assembly in another four or five years to bring in further amendments. The same thing will apply to retired teachers and certain other retired groups of people.

There has been a demand from these groups and from the municipal employees that we consider such tactics as indexing their pensions. And this is not done in this case as it is done for the senior citizens old age pension. I think that an absolute minimum in these times of inflation that any superannuation bill being brought forward by the Government opposite should be indexed to take into account inflation.

I know that certainly the Minister opposite and the Cabinet would endorse that because I believe that to be the position of the federal counterparts of the New Democratic Party.

I think that some time in the not too distant future the Government opposite is going to have to come to grips with the problem of pensions; it is going to have to come to grips with the problems of superannuates who are affected by government pensions, so that we can present to the people of the province a comprehensive program, which will ensure freedom from economic hardship and will ensure once and for all an adequate pension without the necessity of a regular or irregular review of their pensions every four or five years. They must come begging to the Assembly, to the Members of the Assembly, to get an increase in pension, an increase which is much needed. I urge upon the Minister to start to look beyond the immediate solution to try and find some, if there is one, comprehensive solution to the status of superannuates who are affected by government pensions.

Mr. Speaker, I am waiting further comments from the Municipal Employees affected and beg leave to adjourn debate.

Debate adjourned.

MR. MacMURCHY (Minister of Municipal Affairs) moved second reading of Bill No. 34 — *An Act to amend The Saskatchewan Housing Corporation Act, 1973*.

He said: Mr. Speaker, the amendments proposed in this Bill are of a housekeeping nature, made necessary by the increased activity of the Government in the field of housing. They are amendments to The Saskatchewan Housing Corporation Act, 1973.

The amendment to Section 18 of the Act will implement a new streamlined procedure for the incorporation of the administration of public housing authorities.

Essentially the amendment provides that the public housing authorities can be now incorporated and the substitution of new members can take place by ministerial order, rather than by order in Council, which is not only somewhat awkward, but in many, many cases it is at times very time consuming.

Public rental housing is a joint federal/provincial municipal program cost shared 75-25 respectively for both capital expenditures and for ongoing operating costs.



Completed projects are administered by the Local Housing Authority whose members are chosen from among the local community upon the recommendation of a nominating committee made up of local federal-provincial and municipal representatives.

Housing Authorities are responsible for the maintenance of public housing projects in their respective communities as well as making sure that all units are occupied by those persons most in need of rent geared to income housing.

Mr. Speaker, the need for a streamlined procedure for the appointment of members to each Housing Authority arises from the fact that this Government's commitment is to supply public rental accommodation and supplied by a significant increase when it took office. When we came to power there were 1,372 public housing units in the province. Since then there have been 2,435 starts; 3,133 are completed and occupied and some 1,280 starts are expected to be approved in the year 1976. Senior Citizens' rental accommodation accounts for 58 per cent of the rent year to income accommodation in the province. There was a time prior to this Government taking office when only 7 per cent of the units were being built for senior citizens, people, we feel most in need of decent affordable accommodation. All of this simply points to the fact that the administration of public housing projects has increased and increased significantly and Housing Authorities must be kept as efficient as possible to cope with the expanding duties that they are being charged with.

We feel that the present system of appointments by Order in Council has been, in cases, time consuming, has meant that sometimes lengthy vacancies have hindered the effectiveness of the Housing Authorities.

So, therefore, Mr. Speaker, with this amendment we can assure that appointments of members to Housing Authorities are not delayed and as a result will allow for more efficient management of our public housing projects.

Mr. Speaker, this Government is committed to doing everything that it can to lessen the shortage of housing accommodation and more important, to provide reasonably priced serviced land for residential development. The amendment to Section 41 of The Saskatchewan Housing Corporation Act will facilitate a long-term planning in the area of capital borrowing for housing and land programs, rather than substituting yearly amendments to the Act to accommodate this Government's priority in the field of housing.

This is not to be taken that The Saskatchewan Housing Corporation will be committing \$200 million in this fiscal year, rather the amendment is proposed in order to take into account future demand on this Government for its capital expenditure programs for housing. The capital expenditures of the Housing Corporation for 1976-77 will increase significantly, increase significantly to accommodate the demand for municipalities for assistance in land assembly and developing serviced residential land for land banking for future development, to affect the supply of rental accommodation, other than public housing, by way of mortgage financing.

As mentioned earlier we are committed to increasing the supply of public rental accommodation for our senior citizens and for our lower income families.

In order to improve the existing housing conditions there is a residential rehabilitation program which offers low interest loans for repairs and renovations. The demand for housing by our native people has increased and this must be met. A co-operative building program has been expanded from 74 houses to hopefully 500 houses in this fiscal year. A target of 375 units, under the rural housing program, has been set for 1976 in line with our commitment to achieve 2,000 units over the next four years.

Mr. Speaker, the amendments that are proposed in this Bill are simple and straightforward, but they offer more efficient administration to the local level for public housing and within the Saskatchewan Housing Corporation for an increased capital expenditure program.

I am, therefore, very pleased, Mr. Speaker, to move second reading of this Bill.

**MR. W.H. STODALKA: (Maple Creek)** — Mr. Speaker, in viewing the Bill it would seem to me that it is a matter of a housekeeping nature and will expedite procedures in the future and probably will take cut some of the delays that might otherwise occur.

I should like to make a couple of comments about the housing programs before I sit down.

First of all, it seems to me upon reviewing most housing programs there is a weakness that I detect. It seems that there is aid and help for the person who is in the low income bracket and there is also the fellow on the other end of the bracket, who has his own money to purchase a house. But it would seem to me that there is a group that is in the middle, the group who may make themselves anywhere from \$12,000 to \$15,000. If you look through the Estimates of the various departments, even Government Services, there are a lot of people who fall into this particular bracket. It would seem that here we have a group of people who will have to pay a very extensive amount of their own income for housing payments. In fact it is almost prohibitive when you have to start thinking about paying \$500 a month out of your net cheque in order to make and pay a housing mortgage.

It would seem to me that when we are thinking about these programs, that we should also be thinking about this particular group of people. Here we have a group who are unable to purchase houses, or if they do they have to make extreme financial sacrifices in regard to the proportion of their net pay that must go towards housing.

The second thing is that I noticed that a great deal of money is being devoted towards the co-operative programs. Fine, I have no criticisms about the co-operative programs. But I think the Minister is also aware that in some of the rural areas of Saskatchewan it is difficult to be able to find a number of people who are going to be building new houses in order to form the co-operative. Many of our towns and communities, particularly the villages, just don't have that many people who are going to be building new houses in any year and can't take advantage of the particular program. So I while I realize there is one particular program to help rural homes or rural Saskatchewan, one has something to do with income, limiting the people who are making more than \$9,000. I think here we

definitely have an area, a group of people for whom housing is getting too costly. We are going to have to have some programs to help these groups of people, the middle income group, who are people who make more than \$10,000 per year.

Motion agreed to and Bill read a second time.

MR. MacMURCHY (Minister of Municipal Affairs) moved second reading of Bill No. 47 — *An Act to amend The Local Government Board Act*.

He said: Mr. Speaker, the Local Government Board was established in 1914. It goes back a long time in the history of Saskatchewan. Its job was to protect the holders of local government bond issues. The Board has continued, to the present day, its role shifting over the years to the guardian of good financial management on the part of local governments in Saskatchewan.

Cities, towns, villages, rural municipalities, school districts unit boards, union hospital districts come under the purview of the Local Government Board. Any capital works expenditures which involves borrowed funds over a period of more than one year, must be approved by the Local Government Board. As a semi-judicial body the Board is independent from government and its members are appointed for a ten-year term and can only be dismissed by the Legislature. There is no appeal to any Minister or to Cabinet, of rules made on applications and decisions made by the Local Government Board.

Mr. Speaker, during its 62 years of operation, the Board has maintained a high standard of financial stability in Saskatchewan communities. I don't think there is any question but that it is true that Saskatchewan local governments have on the whole, higher credit ratings than those of local governments in other provinces.

The role of the Board, therefore, has been a very important one. The function of financial management is as important today as it ever was. We look forward to the Board continuing its independent service; we look forward to the Board continuing to provide its service. Over the years, however, the financial world has changed and we need now to introduce changes to The Local Government Board Act, as I indicated it's an Act that was introduced in 1914. We need to look at changes which will allow it to assist local government more effectively in managing their financial resources in the circumstances of the 1970s and the 1980s.

One of the difficulties which has emerged in the operation of the board over the years is that local municipalities only learn of the difficulties when they apply to the Local Government Board to undertake a certain expenditure and are turned down. The answer has been over the period of years, Yes or No, as the case may be. There's no opportunity for the Local Government Board to sit down with the applying municipality to discuss how things might be changed in order to improve the situation. For this reason, one of the reasons we're introducing amendments which will require the Local Government Board to provide written reasons for its decision. This will give the respective local government much greater opportunity to understand their financial situation as it is seen in the eyes

of the Local Government Board. To provide an opportunity for the respective local governments to sit with the Local Government Board to discuss possible ways to improve their financial situation over a longer period of time.

Thus, Mr. Speaker, the Local Government Board will have an opportunity to assist local governments in real and positive ways on their long term financial planning, rather than acting as an arbitrary watchdog who sits in judgment, but who does nothing to provide advice or assistance.

In addition if on any particular application a local government has reviewed the written reasons provided, has discussed the situation with the Local Government Board and still does not believe that they have been given a fair decision by the Board, there is provision through these amendments for an appeal. This appeal will consist of a re-hearing by the board to give the local government an opportunity to bring to light any factors that it thinks the board has not considered sufficiently. Upon a hearing and reconsideration of the case by the Board, the second decision of the Board with respect to that particular application will be final.

These amendments we're introducing also clarify for local governments the criteria in which their applications will be judged. Under the new amendments the Local Government Board will focus its consideration of the application on financial matters. The Board will consider as it does now, the impact of a proposed expenditure on the total financial position of the local authority. In doing so it will consider the economic bases on which the loan can be supported and the economic conditions that can be reasonably anticipated, during the life of the expenditure. It will consider the effect on revenue, on taxation levels, the lifetime of the work on any financial assistance that may be available from the province or from other sources, it will consider the long-term actuarial soundness of present municipal commitments, such as pension schemes, and any other factors that relate to the local authority's ability to assume the proposed loan.

The written decision from the Local Government Board on the bases of these factors will automatically give the local authority assessment of his present and his future financial wants. If there are problems they can be brought to light in these decisions and local governments will be in a much better position than they have formerly been to take steps to correct the situation before it might well become serious. The written decisions of the Board, the more active involvement of the Board with the local government, in planning future financial matters will put a heavier workload on the Local Government Board. Because of this, Mr. Deputy Speaker, we have made provisions if it becomes necessary to increase the membership of the board from a maximum of five to a maximum of seven members. Provisions in the Act will be left as an option to be acted upon as circumstances dictate once we have some more experience with the amendments proposed in this Bill.

Mr. Deputy Speaker, the amendments to the Local Government Board Act will give the Local Government Board a great deal more scope to assist local governments with financial planning. It will bring the operations of the Board up to date. I'm sure that local governments at all levels will welcome the objective of the financial criteria. They'll welcome the written decisions, they'll welcome the opportunity for discussion, they'll welcome the opportunity for appeal if they feel it's necessary.

Mr. Speaker, the people of Saskatchewan will be assured of the continued high credit ratings of their communities through the actions of the Local Government Board.

I'm very pleased, Mr. Deputy Speaker, to move this Bill.

**MR. J.G. LANE: (Qu'Appelle)** — Mr. Deputy Speaker, we have been awaiting the proposals of the Government since the SARM convention earlier this year. I think a few comments are in order. There is little doubt that the previous board was running into a great deal of criticism for its rulings. I think on balance that the Board did comply with the mandate that the Board has had over the last several years. It guaranteed the financial responsibility of the various communities. I think it was influential in keeping the record of the name of the province a good one in the international bond markets and I don't think anyone will refute that particular statement.

The Board was doing its job. What happened over the last few months, though, was I think a bad practice, all of a sudden the Cabinet Ministers, some of the Cabinet Ministers of the Government opposite, proceeded to publicly criticize members of the Board and the Local Government Board itself. Something that hadn't happened before and the Premier is one who's probably as guilty with his attacks on the Local Government Board, his attacks in a public statement in the city of Yorkton.

Now I think it was proper for the Government to bring to this Assembly, proposed changes in the operation of the Board, to take into account the legitimate concerns of local governments. But for the Government opposite to politically attack the Board and in particular its chairman, I think started and set a bad precedent. And, I think, an unnecessary precedent and I think, an unfair precedent. I think the second step that the Government took, was frankly petty, that is, pulling the rug out from under the former chairman of the Board. Again, if it was the intention of the Government to establish objective criteria under which the Board must operate or bring in changes such as written reasons, then it could have easily have done so without publicly attempting to discredit an individual who had given many years of fine service to the people of this province. I think it was unfortunate tactically for the Government opposite. There was no scapegoat and there shouldn't have been any scapegoat in the operation of local government. Objective criteria as set out here could have been done under the chairmanship of Mr. McMillan. I think it, again, unfair and an unfortunate practice that the Government entered upon.

I think that's its interesting that there was a great call among the rural municipalities for objective criteria. And yet when we go through the criteria as set out in the proposed amendment we note that the Government still had to give a broad subjective power to the Board. I'm referring to subclause (h) Section 26 wherein it says:

such other matters as in the opinion of the Board relate to the local authority's ability to assume the liability of the proposed law.

That is as broad a power as you can possibly give, and in fact, is no different than the situation that existed prior to the amendment. Certainly all that the Local Government Board will have to do now is take into account specific things and still

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come out and say we don't feel that this particular municipality is capable of managing the debt load that is the subject matter in the application.

What I'm saying, Mr. Deputy Speaker, is that there was no way around the problem, of not allowing the Local Government Board to have some pretty broad powers. We certainly didn't have to publicly discredit Mr. McMillan to put the criteria in the Bill. We didn't have to discredit Mr. McMillan to recognize the need for some objective or broad decision-making powers in the Local Government Board. Again I think it was unfortunate I think frankly it was unfair and I think it was unnecessary.

The Minister talks about the increase in the number of board members to seven. Interesting thing is, of course, is that we have had three and we have had the power to have five and we've never put in five and now we are going to seven when we have not had the maximum number that was allowed under the previous legislation.

I agree with the need for written decisions. I find it strange that the right of appeal is back to the Board itself which made the original decision and that was the situation which existed in the past. I'm informed that it was common for local governments to ask for a rehearing and to go back before the Board again. Now they are formally allowed to do it. I have some fairly strong reservations whether the Board itself that made the original decision is the proper board to be holding the appeal but I don't have any concrete suggestions as to who would be better able to do it within this particular case. I think that the activities of the Cabinet office, in particular the Premier, publicly criticizing the Board, did more to discredit the Board than anything else could have done.

Mr. Deputy Speaker, I'll have more comments to make in the particular matter and beg leave to adjourn debate.

Debate adjourned.

## SECOND READINGS

HON. E.E. KAEDING (Minister of Agriculture) moved second reading of Bill No. 26 — *An Act to amend The Dairy Products Act*.

He said: Mr. Speaker, in Bill No. 26 we are proposing some rather minor amendments to further update the Act to accommodate some new procedures.

The original Act was passed many years ago to provide for the orderly development of the milk processing industry and to provide for rules and regulations under which milk processing plants must operate to ensure high quality sanitary products to the consumer. It provides for licensing of plants to ensure that these requirements were met. And, also, provided for licensing of milk producers to ensure that their production facilities met certain minimum standards as outlined in the regulations. As the industry modernized some further amendments were made to the Act in 1967, 1968 and again in 1974.

As a result of these amendments some ambiguities have shown up in Sections 27, 28, 29 and 34, which deal with the licensing of dairy manufacturing plants and their patrons. The amendments

proposed here do not in any way change the wording of those sections but simply rearranges the sections so that they are more readable and consistent. Section 5 of the amendment provides for new procedures for testing milk at manufacturing plants. Until recently all butterfat test on milk were performed by a Babcock Tester; now more accurate and faster electronic methods have replaced the Babcock Tester. Mr. Speaker, the dairy industry in this province is experiencing a period of rapid change and expansion brought about mainly by the development of industrial milk production during the last three years. Some 400 new producers are now supplying milk to two new industrial manufacturing plants, one located at Saskatoon and the other at Yorkton.

New producers and farmer cream shippers from practically all areas of the province are developing dairy enterprises to stabilize their farming income. Milk delivered to these plants is processed into butter, cheese and milk powder. Production of industrial milk will approach approximately one hundred million pounds. Products such as cheese and milk powder which were previously imported into the province are now being manufactured here for domestic consumption. Nearly five million pounds of milk powder and over 1.8 million pounds of cheddar and specialty cheese will be manufactured in Saskatchewan this year. The additional returns to producers from manufacturing milk, together with fluid production has assisted greatly in stabilizing the farm economy of this province.

A fluid milk purchasing pool was introduced in Saskatchewan by the Milk Control Board on December 1, 1974. All fluid milk to be processed in the province is purchased by the pool and is then sold to the processors. Fluid milk pricing under the pool provides for uniform price on all milk produce.

There are two major advantages to this system. First, the returns to producers have been increased, and second, adequate supplies of milk in all parts of the province are assured. If shortages of fluid milk occur in any one area of the province the pool enables milk to be moved from areas where there are adequate supplies. It provides industrial producers with an opportunity to enter the fluid trade if the required volumes cannot be met by the existing fluid shippers.

Regulations under The Dairy Products Act set minimum standards for both milk quality and facilities. Consumers are ensured that new fluid shippers must meet these higher standards before they are permitted to ship milk to the fluid pool.

Mr. Speaker, I am pleased therefore, to move second reading of Bill No. 26.

**MR. L.W. BIRKBECK: (Moosomin)** — I had rather initially thought I might speak to the amendment which is before us. I fail to see how the Minister's remarks on the amendment to The Dairy Products Act related directly to those changes in the Act. You expounded on a bit of the history in the province in the dairy industry, of where it's at and where it's going. And I might do the same.

You look at the amendment and you say that you are only rearranging the wording. And in effect that is true. That is all you are doing. I wish you had rearranged the wording so

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that the whole thing might have read differently, instead of continuing in the same trend that you have been.

The section to allow for more accurate testing of equipment is good. And it is the only good thing I see in the amendment to The Dairy Products Act. Quite frankly, I don't have any bone to pick with the amendment because, as you said yourself you would only rearrange the wording. But it is that bad wording that I am concerned with.

The dairy industry right now in the province of Saskatchewan is looking at a lot of problems. You talk about what is being done in the province for the dairy producers. I say it has been done much too late. It should have been going ten or fifteen years ago in terms of manufacturing plants for cheese. When I first started shipping what we know today as industrial milk or manufacturing milk, I had to start shipping to Manitoba because there was no place to ship industrial milk to in Saskatchewan. I might add I started at a price of \$3.40 a hundred. It is hard to believe, but do you know I made more money then, than the industrial milk shipper is making today in Saskatchewan at present prices. My figures which I have in my records can substantiate that statement.

Having said that, there is no way that I can agree that the dairy industry is flourishing and everything is roses because it just simply is not. We are looking at a number of major problems. You are looking at an industrial milk industry which is subject to very rigid regulations in building requirements — not nearly as rigid as those required by the fluid trade. But nevertheless a lot more rigid than those of the cream shipping era. And I will agree that in that era they weren't rigid enough.

You have moved in the right direction in providing an outlet for different classes of milk. But due to the fact that these dairy producers feel that milk is milk and it should all be the same price. We are running into some very difficult problems; that being the price differences between industrial milk and fluid milk. You must always have that difference in price if you are going to have a difference in the regulations.

I might just at this time relate to a question that I had asked you and your answer. Your answer indicated to me and this is a matter of fact that only those fluid milk shippers in the province are required to license. And that those industrial milk shippers may ship to a plant if they have a quota. A law is a law. I take an Act in these statutes to be a form of law. If a speeding ticket can be passed out to a person for 65 miles per hour and you are going over, okay. That isn't just for those with big cars or those with sports cars or what have you. If you look at this Act, it says 'patrons', that is the word. I think if we just take a moment and look at the Act of '68, Section 27, amended Section 5, part 2:

No patron shall supply milk to a dairy manufacturing plant unless he is the holder of a licence issued to him under authority of this Act.

Now then, I don't want to have the industrial milk shippers licensed, I want to have the licence necessity removed from the fluid industry. Or at least, let us be consistent. That was the reason for my line of questioning in the oral question



period to you, Mr. Minister, with regard to licensing of dairy producers.

I just don't know where you are going in this. If you go back in the statutes it would seem to me that due to changes in the dairy industry moving out of cream into industrial milk and fluid milk and different modes of transportation and this type of thing, even going back into the 1965 statutes, it says something to the effect that anyone that causes milk to be put into a bulk milk truck should be subject to licence. I am no lawyer but I could require a dairy farmer to be licensed under that. So definitely, I don't blame you for rewording it. Because it hasn't been clear over the years. I don't think it is clear right now because of the fact that you are not requiring all patrons of milk to be licensed.

Furthermore in the dairy industry we are looking at a whole range of problems dealing with the cost of feed being so high, the unavailability of replacement stock, bad cattle prices at the auctions which reflect on the price of our dairy cattle, which are down now compared to what they were a year or two ago. We may be looking at road restrictions that are going to require these bulk milk trucks to make more frequent pickups, haul less milk at a time and not getting this milk into the Regina shed in time. We have faced a lot of problems in that area when a whole range of dairy farmers got an extremely high bacteria count and it was traced back and proved that it wasn't the dairy farmers at all. The dairy producers have admitted this. Mr. Art George has agreed to this. He said this has happened on a number of occasions. Not to say that there aren't some legitimate high loop counts in the dairy producers and that they shouldn't be watched and governed as well.

I think we have to realize that licensing is really not necessary to maintain a very high quality of milk coming off dairy farms and through your dairy processing plants. I don't really feel that is necessary. I am looking at the magnitude of the laws which you have in The Dairy Products Act. You mentioned again to me in the House that I maybe had misunderstood and thought that the dairy farmers were licensed under The Natural Products Marketing Act. I am fully aware that they are not licensed under that Act, they are licensed under The Dairy Products Act.

With any form of licensing where a government has control over the dairy farmers or of any farmers over their production, or where they can ship or how much, is something that I don't personally agree with and neither does our Progressive Conservative caucus. These controls are unnecessary to maintain these high levels.

There is a lot more I have to say on this. What I want to try to do — I have said what I disagree with in your amendment, as it is only a continuation from about 20 years ago. It is not moving in the right direction. The only thing that is good about it is that it is clarifying what we already have which is bad. And that you have made some allowances for this new testing equipment to be used, which is good. Therefore, Mr. Speaker, I beg leave to adjourn the debate.

Debate adjourned.

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MR. KAEDING (Minister of Agriculture) moved second reading of Bill 45 — *An Act to amend The Agricultural Implements Act, 1968*.

He said: Mr. Speaker, the amendments to The Agricultural Implements Act, 1968 as proposed in Bill 45 are in the main amendments designed to standardize the terminology of farm machinery legislation in the three provinces.

The Saskatchewan Agricultural Implements Board since it was established in 1974 has been working closely with the Boards of Manitoba and Alberta in an effort to improve the services of the agricultural implement industry to the farmer users. It has become evident that a greater degree of standardization of the rules will assist industry in improving the service to farmers which is the prime purpose of the Board.

But, Mr. Speaker, these amendments will also define farmers' rights respecting the purchase of farm machinery and repairs and will more clearly define the assistance available to them through the Agricultural Implements Board. I am convinced, Mr. Speaker, that the greater the degree of standardization the greater will be the effort expended by the industry to improve their service to farmers.

These amendments will enable implement dealers to improve economies in items such as printing of sales contracts which can be uniform for all three provinces under these amendments.

Industry itself has indicated that economies and improved services can be expected through standardization merely because it would be much easier for management to instruct and supervise staff in respect to legislative requirements.

These amendments also establish definite procedures for farmers to follow in securing emergency repair parts. The specified procedure provided for in the amendments will assist in overcoming a considerable number of the problems encountered by farmers such as delays in their farming operations resulting from a lack of repair parts.

Another new section contained in the amendments is Section 16A of the amendments. This section pertains to warranties on new agricultural implements, Mr. Speaker. The Agricultural Implements Act as it presently reads does not directly specify the warranties required. The warranty is a portion of the conditional sales contract. The proposed amendments will make the warranty a specific section of the Act as well as being part of the sales contract.

Again, I should like to point out, Mr. Speaker, that all amendments proposed in this Bill have been directed towards the basic end which is to obtain standardization with Manitoba and Alberta and will result in improved conditions in the field of agricultural implement supply and service for farmers in Saskatchewan.

I believe, Mr. Speaker, that a few comments relative to the work carried out by the Agricultural Implements Board would be pertinent. The Board was established in April 1974 with an administrative staff of nine. The Board itself consists of seven members representing all the interests relative to agricultural implements. The Board operates on two broad programs which can best be termed preventive and remedial. Its object,

Mr. Speaker, is to be 100 per cent efficient in preventing problems which would result in remedial programs not being required. In the preventive field the Board is responsible for

1. Ensuring that a distributor is established in the province as a responsible representative of any manufacturer who wishes to market agricultural implements in Saskatchewan. There are presently 281 manufacturers represented by 124 distributors who provide farmers with a source of repair parts and service in the province.

2. Licensing of dealers selling agricultural implements in the province. This licensing procedure is directed to upgrading the dealer organization from the standpoint of parts and services available to farmers. There are 1,444 licensed dealers in Saskatchewan.

3. These are ongoing programs with inspectors in the field carrying out inspections both of new dealers and distributors and re-inspection of the established dealers and distributors. The objective is to inspect each dealer and distributor once each year.

In the remedial field, Mr. Speaker, the Board carries on three basic programs. I might add that I have received a good number of written and verbal complimentary statements of the work carried on by the Board in this field. As a result of the licensing requirements the Board maintains a working relationship with management of implement companies, and has been very successful in expediting the supply of repair parts. I might add, that it has been found that in a large majority of cases of farmers being held up for lack of repair parts, the problem has not been one of supply but merely a breakdown in communications. Non-supply of repair parts can result in disputes and the Board has been quite successful in mediating these disputes. Again it has been found that disputes frequently develop or are not resolved prior to Board action, simply because of a breakdown in communications.

The third and final step is one of compensation. The Board has authority to receive, judge and award compensation to farmers who have suffered a loss or damages due to non-fulfilment of warranty or non-supply of repair parts. In the fiscal year 1974-75, the Board received and dealt with 611 complaints. Some of these necessitated expediting repair parts, while others required field investigations and were resolved by mediation. It is unfortunate that all problems cannot be resolved by mediation.

The Board has been required to consider applications for compensation. From the inception of the program in April of 1974 to March 1, 1976, the Board has received 50 applications for compensation. Of these, 11 have been resolved between the parties without Board decision; seven have been rejected by the Board as the cost of the claimed loss was not due to failure to fulfil warranty or to parts supply and is therefore not within the jurisdiction of the Board. Two applications were denied by the Board. Sixteen awards were made for a sum of \$6,661. The balance of 14 applications are being processed with investigative work completed on nine of which five are scheduled for Board hearings shortly.

Although the foregoing are the main functions of the Board, related problems too, are having a bearing on the farm implement industry and have been investigated by the Board. One

such example is the matter of transportation. The Board has attempted to achieve rapid and assured transportation of emergency repair parts. The Board has been working with the transportation industry and the Manufacturers Association and have recently been advised that a new system of identifying emergency repair parts shipments has been developed on an international basis and will be put into operation immediately. The Board has been actively involved in problems related to safety in the agricultural implement field. And also in the organization of the Prairie Agricultural Machinery Institute.

Mr. Speaker, I believe the Board should be commended for carrying out its functions as successfully as it has and I am pleased to recommend the amendments to The Agricultural Implements Act as contained in Bill 45 to assist the Board in furthering its success. Mr. Speaker, I so move.

**SOME HON. MEMBERS:** Hear, hear!

**MR. E.A. BERNTSON: (Souris-Cannington)** — Mr. Speaker, I do not agree with the Minister that this Bill will standardize Saskatchewan with similar Acts across the prairies. It would seem to me that the implications of this Act will have far-reaching effects on both implement dealers and farmers. I am sure that my colleague the Member for Estevan (Mr. Larter) will have some words to say on this very topic. Since he is out stopping a flood today, I beg leave to adjourn the debate.

Debate adjourned.

## **ADJOURNED DEBATES**

### **SECOND READINGS**

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Snyder (Minister of Labour) that Bill No. 15 — *An Act to amend The Queen's Printer's Act* be now read a second time.

**MR. R. KATZMAN: (Rosthern)** — Mr. Speaker, I stood this Bill the other day because I wanted to talk to the first clause where we moved the borrowing power from \$400,000 to \$1,250,000. I think this is grossly inflationary and during the Committee of the Whole I will be moving an amendment to that figure.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Mr. Kramer (Minister of Highways) that Bill No. 31 — *An Act to amend The Highways Act* be now read a second time.

**MR. R.L. COLLVER: (Leader of the Progressive Conservatives)** — Once again in this particular piece of legislation the Government is asking for a dramatic increase in the amount that it has in its advance account for highway equipment. In the Minister's brief to the Members of the Assembly the Minister has stated that at the very most what he will require in the advance account, at the very top, this year is \$40 million. The Act

now reads \$25 million and yet we are asked, Mr. Speaker, to raise the limit or the ante in this advance account to \$50 million, \$10 million more than the Minister needs. Now in this period of inflation we think that these limits to borrowing and limits to the amount available to government organizations and its agencies for the purchase of new equipment is in effect advances or borrowing, whoever wants to look at it that way. And we believe that is inflationary. Certainly if the Minister needs the \$40 million and he seems to have justified it as far as we are concerned, he has only justified \$35 million of it, but he says he needs or could need this coming year \$40 million to do the job and we believe very, very strongly that the Legislature should set the borrowing limit at the limit of the amount that the Ministers of the Treasury Benches asked for. We certainly don't think in an inflationary period we should go 25 per cent more than the Ministers themselves ask for. For that reason we are opposed to this particular Bill, we think it is inflationary and we think it does not exhibit restraint on the part of the Government.

Motion agreed to and Bill read a second time on the following recorded division.

### YEAS — 35

Pepper	Kaeding	Thompson
Thibault	Kwasnica	Banda
Bowerman	McNeill	Steuart
Smishek	MacAuley	Malone
Romanow	Feschuk	MacDonald
Baker	Shillington	Penner
Lange	Rolfes	Nelson (Assin.-
Faris	Skoberg	Gravelbourg)
Kowalchuk	Vickar	Clifford
MacMurchy	Nelson (Yorkton)	Anderson
Mostoway	Koskie	Merchant
Whelan	Johnson	McMillan

### NAYS — 6

Collver	Berntson	Katzman
Bailey	Ham	Birkbeck

### SECOND READINGS

HON. W.E. SMISHEK (Minister of Finance) moved second reading of Bill No. 46 — *An Act to amend The Tobacco Tax Act*.

He said: Mr. Speaker, when I presented the Budget on March 24th, I announced an increase in tax on cigarettes. In a few moments I will be moving second reading to this Bill. What the Bill proposes to do is that the tax rate on cigarettes be increased from nine twenty-fifths of a cent per cigarette to three-fifths of a cent per cigarette. This means that the tax on a package of 25 cigarettes will increase from the current nine cents to 15 cents per pack of 25.

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As a smoker, Mr. Speaker, I make no apologies for introducing this tax increase. On the contrary I really invite all the Members in the House to join me in supporting this tax measure. The introduction of many and new innovative health, social education and economic programs means that the Government must seek additional sources of revenue in order to defray the additional costs. Mr. Speaker, cigarettes really are not a necessity nor are they really a luxury. Cigarettes are really a hazard. It has been demonstrated that cigarette smokers utilize health services and facilities to a much greater degree than does the population at large and particularly the non-smokers.

**MR. MALONE:** — Why don't . . .

**MR. SMISHEK:** — I'm going to try.

Not only do smokers endanger their own health they also impose a significant higher cost to health on our health system.

In the coming Estimates you will have noticed that it is estimated that tobacco and cigarettes will yield a total of \$12.8 million. The increase from nine cents to 15 cents will provide an increase in the revenue of \$4.8 million. Now it may be argued that the increase in the rate of tax will make people smoke less and that our projected revenue for tobacco tax is too high. I hope that I am right, I hope that our revenue from tobacco tax does drop and drop dramatically because if they do this means that our program to reduce cigarette consumption will be successful. It will also mean that the cost of providing health services and health care to the people will reduce.

If anyone has had an opportunity to take a look at the cost of the cancer program in the one component in the cancer program, it costs \$4.8 million but that does not include the cost of hospital services nor does that include the cost of health care provided by private physicians in respect of cancer care. Mr. Speaker, recent Department of Health federal and provincial programs, have been encouraging citizens of this province to kick the habit. Let us also provide encouragement to our young people to kick the habit as well and hopefully not get started.

I am not sure whether the price increase will prove to be a deterrent. I hope it will, but if it doesn't it will at least provide additional money for the increasing costs in the health services. Mr. Speaker, the Province of Saskatchewan isn't the only one, in recent budgets that is increasing the cigarette tax. You may have noticed that the Province of British Columbia last week in introducing their budget introduced a sizeable increase in their cigarette tax. Yesterday the Province of Ontario introduced their budget and I notice that the Minister of Finance introduced an increase in the cigarette tax. We will not be the highest province in the cigarette tax, maybe we should have increased it even higher. Our tax will be 15 cents for a pack of 25 but there are provinces now, for example, Newfoundland has got a tax of 25 cents for a pack of 25.

Hon. Members may be interested in knowing that the Federal Sales and Excise Tax at the present time is 32 cents for a pack of 25. Our tax will be 15 cents.

Mr. Speaker, I do encourage all Members of the Assembly to join with me in giving unanimous approval to this measure.

I, therefore, move that this Bill be read a second time.

**MR. C.P. MacDONALD: (Indian Head-Wolseley)** — Mr. Speaker, I am only going to make a few remarks on this, but first of all I am going to tell the Minister that I am going to oppose this Bill. I am going to tell him why, for two very specific reasons.

First of all, if the Minister could tell me that he was going to use the increased revenue from the cigarettes to advertise and educate young people and old people about the evils of smoking, I would be very happy to support it. But it is like alcohol, it is another tax they collect — millions and millions on alcohol, and less than nothing on education and rehabilitation in the Province of Saskatchewan. And similarly with tobacco tax.

All this is is another source of revenue for the Government to go on in its wild spending spree in a period of inflation. So for that reason, Mr. Speaker, if the Minister could stand up and tell me what he was going to use this specifically for, an education program to present the evils of smoking to young people and to old people in Saskatchewan, the dangers of it and to an education in the classroom, education on television and radio, then I could see some justification at this time for doing it.

But it is like the alcohol tax, every time a working man goes to the liquor store there is another increase in the price of liquor and what is it used for? It is used by the Government to hire more civil servants, to build more roads, to do whatever they so desire with and there is very little if any of it, just a small amount, goes towards education and rehabilitation in the Province of Saskatchewan.

For that reason I cannot support the tobacco tax. And one of the major reasons that I am not going to support it, is to try to bring to the attention of the Government the fact that when they use these kinds of taxes, to increase revenues, they have a very grave responsibility to utilize the increased funds for education and rehabilitation to try to prevent and stop smokers from the beginning. That is the first reason why I am not going to support it.

The second reason, and of course, what is going to happen is that under normal circumstances I might support it any other year but this one, an increase in taxes on usage. Because I suppose, if there is any tax that should be increased in the Province of Saskatchewan at this time, the usury tax is the one to use because they are not a necessity of life and people still have a choice, even though sometimes tobacco becomes an addiction and it is very difficult and a lot of people have tried to quit smoking, like I have, 2,342 times without success. But nevertheless in some people it is very difficult to quit. But at this particular time, in an inflationary period, it is going to have only one result, it is going to increase the cost of living of an awful lot of people in the Province of Saskatchewan. And when you look back at all the taxes that this Government has increased this year, directly and indirectly, whether it is of the services they provide in Crown corporations,

whether it is to the tobacco tax, the citizens of Saskatchewan are getting a tremendous bite out of whatever income they have to battle the problems of inflation and the problem of the rising cost of living.

For that reason, Mr. Speaker, if this NDP keep it up, the poor old working man — if they keep increasing taxes on liquor and tobacco, we are going to have the cleanest working men in the Dominion of Canada and we are also going to have the poorest.

All that I am going to suggest to you, Mr. Speaker, is that for two reasons: 1. It is a period of inflation and it is the last year that we should ever increase any tax in the Province of Saskatchewan. 2. It is because of the failure of the Government to demonstrate that this specific tax will be used for education to prevent increased smoking in Saskatchewan.

**SOME HON. MEMBERS:** Hear, hear!

**MR. R.L. COLLVER: (Leader of the Progressive Conservatives)** — Mr. Speaker, I was enlightened by the views of my colleague for Indian Head-Wolseley about why they were going to oppose the taxation increase.

Now it would be nice, it would be very nice as a matter of fact, for someone who has said, as I have, that the Budget of the Province of Saskatchewan was inappropriately calculated, and it would be very nice for someone who has said that government spending is too high and should be curtailed; it would be very nice politically for us to vote against any tax increase because politically it is a good deal for the Opposition to vote against tax increases of any kind.

However, in this particular instance and I, probably smoke double what the Minister of Finance smokes and have tried to quit triple or three or four times as many times as the Member for Indian Head-Wolseley, I must say that in this particular instance, the Member for Indian Head-Wolseley quite simply doesn't seem to understand inflation.

In a period of inflation it is incumbent upon the Government to reduce the amount of spendable money available in the hands of the people in such a way as to decrease the demand on certain products. And it seems to us that one of the products that might best be curtailed and the demand for this product might be tobacco and might be cigarettes, for these reasons.

1. No tobacco is grown in the Province of Saskatchewan. We don't produce tobacco here. 2. There are no cigarette manufacturing plants here, so there are no jobs that we are attempting to maintain in the tobacco industry. 3. The use of tobacco to all of us who use it and to those who don't use it, is a drug and by increasing the price you are attempting to decrease the utilization of that drug that is not good for the people of Saskatchewan.

I commend, as a matter of fact, in this particular narrow instance, the views of the Minister of Finance, for his comment that he hopes that the revenue from this particular source is decreased over the next year, decreased significantly. As a matter of fact I am certain that other than the Minister of Finance, the Member for Indian Head-Wolseley and myself, I am



certain to see only that portion of the tax paid to the Government of Saskatchewan and all the rest go to nil so that these people can be healthier and feel better.

I think that at this particular time it is not unreasonable for the Government of Saskatchewan to increase its tobacco tax from 9 to 15 cents. I think that it has been used across the country by all provincial governments to attempt to meet its budgetary needs and it is a means of diminishing the amount of consumption of this particular product.

So for that reason we intend to support this particular

**MR. SMISHEK:** — Mr. Speaker, I welcome the support of the Leader of the Conservative Party in this particular Bill, and in many ways regret the sort of position taken by the Member for Indian Head-Wolseley, as he knows very well, whether it be in Saskatchewan or any other provincial or federal jurisdiction taxes are not levied and earmarked for a particular program. He was a Member in government, they didn't increase the taxes and then earmark them for a specific purpose. So really he is blowing in the wind on this matter and do not propose to say much more. I think it would be a bad practice if taxes that were raised if they would have to be specifically earmarked for a particular purpose, say the gasoline tax, that somehow on a mandatory basis was specified for highways.

**MR. MacDONALD:** — . . .SGIO!

**MR. SMISHEK:** — That is not the total tax only three cents is taken as the Hon. Member knows. Again, we would be happy to remove it, Mr. Speaker, if the accidents in Saskatchewan dropped down to zero.

The Hon. Member talks about education programs. He said that he would be prepared to support it if all that money was designated for campaigns to stop smoking. I should like to refer the Hon. Member that in at least a couple of years under the Department of Health, and I know that the Department of Education funds for educational programs as well, are provided. The Health Promotion Branch, this year has \$770,000 appropriated for public health education matters and health promotion matters; in Regional Health \$5.6 million is provided. In the event that the Hon. Member is not aware, the Regional Health Services of the Department of Health have been very much involved in the anti-smoking campaigns. Perhaps the Hon. Member should find out what is going on in his community. Regional Health Boards are provided with money to designate programs. I know that the Hon. Member for Rosetown-Elrose will concur with me that in their region there was a very effective campaign with the co-operation of schools, with the support of the Regional Health Board and with the support of the Department of Health, have one of the most outstanding campaigns, which has received nation-wide recognition.

The Hon. Member for Indian Head-Wolseley talks about lack of health education campaigns, I think that Saskatchewan has been doing as well, and perhaps more, in the health promotion area and anti-smoking campaign than other jurisdictions. The involvement of the Federal Government in the last couple of years of co-operating with the provinces is welcomed, and I can

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tell him that Saskatchewan was the province that advocated the need for national campaigns in this direction.

He talks about the increase in cost of living. Well, in some respects the consumers have a choice. We know that cigarettes are the most hazardous to health based on scientific studies, that pipe tobacco, cigars, even roll your own cigarettes are not as hazardous as the tailor made cigarettes. Partly for that reason and partly because of limited revenues and the cost of administration, we chose to only increase the cost of tailor made cigarettes. When one looks at the cost of health services let me again remind him, cancer programs this year will cost \$4.4 million, substantially more than last year; hospital care costs in treating cancer patients is about three times as much as the cancer program costs; in addition there is the cost of private physicians' services in cancer care — I am not saying that all of it is the result of people smoking and that cancer cannot be just attributed to cigarette smoking only, but it has been identified as a major factor.

So, Mr. Speaker, with those remarks I move second reading.

Motion agreed to and Bill read a second time on the following recorded division.

**YEAS — 30**

Pepper	Kaeding	Koskie
Thibault	Kwasnica	Johnson
Smishek	McNeill	Thompson
Romanow	MacAuley	Banda
Baker	Feschuk	Collver
Lange	Shillington	Bailey
Kowalchuk	Rolfes	Berntson
MacMurchy	Skoberg	Ham
Mostoway	Vickar	Katzman
Whelan	Nelson (Yorkton)	Birkbeck

**NAYS — 9**

Steuart	Nelson (Assiniboia- Gravelbourg)	Anderson
Malone		Merchant
MacDonald	Clifford	McMillan
Penner		

The Assembly adjourned at 5:11 o'clock p.m.