

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Eighteenth Legislature
24th Day

Wednesday, April 14, 1976.

The Assembly met at 2:30 o'clock p.m.

On the Orders of the Day

WELCOME TO STUDENTS

Mr. A. Thibault (Kinistino): — Mr. Speaker, it gives me great pleasure today to introduce a fine group of children. They are Grade Eight students from Middle Lake. They are led here by some of their parents, Mrs. Barbra Nienaker, Mrs. Rose Baker, and Pastor Mil Murray, and Mr. Kurt Demmert, and their teacher, Mrs. Sharon Doecker.

They visited the museum this morning and they are going to see the RCMP later on this day. I will be meeting them at 3:00 o'clock. I hope that their stay here today is going to be very educational and that they will take home with them very pleasant memories of their trip to Regina.

They are seated in the Speaker's Gallery, Mr. Speaker.

Hon. Members: — Hear, hear!

Mr. E.F.A. Merchant (Regina Wascana): — Mr. Speaker, I should like to introduce to you a group of students from Peart School who for some reason are behind me in the west gallery. They are with their vice-principal, Terry Appenheimer. This is the school in which my wife teaches from time to time when she teaches and where she will presumably be teaching if she goes back, if she goes back and talks to the man in charge soon and goes back to earning some money for me.

I know that all Members of the House welcome them to the House today.

Hon. Members: — Hear, hear!

Mr. J. Wiebe (Morse): — Mr. Speaker, I, too, am very pleased to introduce to you and through you to the Members of this Assembly approximately 20 Grade Seven and Eight students from the public school at Success. It is my understanding that this is the first time that Success School has had any students attending the Provincial Legislature and I welcome them here.

They are accompanied by their principal, Mr. Dave Sullivan and also their bus driver, Mr. Roy Oldenburger. They have had an extremely busy day. I understand they haven't even had time for lunch. They will be having lunch at 3:30 o'clock this afternoon. I look forward to meeting with them at 4:00 o'clock later on today and wish them a good trip home.

Hon. Members: — Hear, hear!

April 14, 1976

Mr. H.H.P. Baker (Regina Victoria): — Mr. Speaker, I, too, should like to welcome the students from Peart School with their teacher. It's a very fine facility there and one of our newer schools. It is in my neighborhood and I don't know if some live in my constituency or not but my nephew is in the group there to my right. I don't know if Mr. Merchant will have much success from the standpoint of political persuasion or not some day.

But I do want to welcome you and I hope you gain much from the proceedings here this afternoon. We are pleased to have you with us.

Hon. Members: — Hear, hear!

QUESTIONS

Renfrew Teachers

Mr. Merchant: — Mr. Speaker, I direct a question to the Hon. Attorney General. Some days ago I asked the Attorney General about the intervention of this Government in the Renfrew Teachers' case, the case that will deal with the question of whether the Federal Government's Anti-inflation program is constitutional. I wonder if the Attorney General would now indicate to the House whether the Saskatchewan Government as an intervenent will be supporting the right of the Federal Government to carry on their Anti-inflation program or whether our intervention is for the purpose of taking the position that the program is an improper program and not a constitutional program?

Hon. R. Romanow (Attorney General): — Mr. Speaker, no decision has been made as yet finally with respect to whether to intervene or not to intervene. Once that decision is made, then will follow the subsequent decision, namely, the posture to be taken by the Provincial Government. I would simply say that the matter is not quite as simple as the Hon. Member for Wascana presents it in the light of the Peace, Order and Good Government clause, emergency doctrines and so forth in provincial powers. We are looking at all of that and we will be making a statement, hopefully, on the matter within the next two or three days.

Mr. Merchant: — A supplementary, Mr. Speaker. Correct me if I'm wrong, but is the Attorney General saying that you have not as yet applied to the Supreme Court of Canada to intervene and you have not been accepted as an intervenent?

Mr. Romanow: — Not yet.

Mr. Merchant: — Mr. Speaker, I wonder if the Attorney General is aware of certain press reports and whether the Attorney General will be taking steps to deal with those press reports. I am looking at a CP story which says that five provinces, Ontario, British Columbia, Alberta, Saskatchewan . . .

Mr. Speaker: — Order! Next question.

Flood in Estevan Area

Mr. R.A. Larter (Estevan): — Mr. Speaker, to the Minister in charge of EMO. Is it the policy of this Government to assist in a disaster such as the recent floods in the Estevan area after the RMs live up to their required commitments?

Hon. G. MacMurchy (Minister of Municipal Affairs): — Mr. Speaker, I think that I indicated to the Member for Souris-Cannington that we would be announcing our policy with respect to the flooding situation in due course.

Mr. Larter: — A supplementary. What I was trying to get at, Mr. Minister, was that we have been led to believe that after the RMs do live up to their commitment, the two mill commitment on floods, that there is a possibility of getting some help on dyking to prevent floods in the future. I wonder if this would be part of that program?

Mr. MacMurchy: — I really can't indicate specifically to the Member the policy at this time but, hopefully, I will be able to make an announcement both for the Members opposite and for the people involved in the flooding very, very quickly.

Deputy Minister for Department of Urban Affairs

Mr. D.G. Steuart (Leader of the Opposition): — Mr. Speaker, I should like to direct a question to the Minister of Municipal Affairs. Is it a fact that you have already engaged the services of a Deputy Minister for the Department of Urban Affairs in spite of the fact that the Bill is not even into second reading and has not passed this House?

Mr. MacMurchy: — No.

Mr. Steuart: — Have you not taken on, as a matter of fact you have taken on Mr. Brooks in your Department and that his duties will be as a Deputy or the head of that Department?

Mr. MacMurchy: — Mr. Speaker, we have taken on Dr. Harold Dyck who is advising us on urban development.

Mr. Steuart: — Supplementary, Mr. Speaker. Are you saying that you will not need a deputy minister of the new department?

Mr. MacMurchy: — I didn't say that.

Mr. Steuart: — Will you tell us if he will be then. I asked you the question, will he be the Deputy Minister?

Mr. MacMurchy: — We have yet to make a decision on the Deputy Minister of Urban Affairs.

Mr. Steuart: — A final supplementary. Will you be giving Saskatchewan people an opportunity to obtain this position if and when this Bill is passed.

Mr. MacMurchy: — We will look around in Saskatchewan when the time comes to make the appointment.

Teachers' Salary Agreement

Mr. W.H. Stodalka (Maple Creek): — Mr. Speaker, a question to the Minister of Education. Teachers are presently voting on a settlement negotiated between themselves and the Government and the Trustees' Committee that calls for an increase of 19.9 per cent without annual increments and probably between 22 and 23 per cent if the annual increments are included. Due to the fact that the figures exceed the \$2400 guidelines by providing over \$3,300 per year for teachers with degrees as a maximum, will this tentative agreement which exceeds both the percentage and the maximum federal guideline, have to be submitted to the Saskatchewan Public Sector Price and Compensation Board for approval?

Hon. E.L. Tchorzewski (Minister of Education): — Mr. Speaker, first of all may I make a correction on some figures that the Member uses. I am not commenting on the contract which is now in the process of being ratified but he stated that increments cost somewhere from two to three or five per cent. It shows that in fact the cost of increments is negligible because of the people who retire on the higher end of the salary classes and so on. But there is not that kind of percentage increase because of increments across the province.

The Member's question was whether the contract would be referred to the Provincial board, the answer is, yes.

Mr. Stodalka: — A supplementary, Mr. Speaker. Is it also not possible that due to local agreements that are being negotiated at the local level that there could possibly be another increase of five to ten per cent depending on the demands of the local committee?

Mr. Tchorzewski: — I have no knowledge of what local agreement settlements are shaping up, so I cannot really say yes or no to that question, Mr. Speaker.

Mr. Stodalka: — A final supplementary, Mr. Speaker. In view of the fact, Mr. Minister, that school boards didn't anticipate such a large increase, which I would estimate is going to be anywhere from 25 per cent up by the time your final agreements are concluded, is the Minister contemplating any further funds for school boards.

Mr. Tchorzewski: — At this time, no, Mr. Speaker.

Youth Employment Service

Mr. R.H. Bailey (Rosetown-Elrose): — Question to the Minister in charge of Youth and Culture. Why were local government boards not informed of the new policy under the Youth Employment Service at the same time that the applications were forwarded to the local government boards?

Mr. Tchorzewski: — The local government boards were informed at the same time as the application forms, as far as I know, were forwarded because the brochures should have gone along with the application forms.

Mr. Bailey: — A supplementary question. This didn't happen in our particular case. Is the Minister aware of the problems that the new policy under the Youth Employment Service is now causing local government boards across the province?

Mr. Tchorzewski: — If the Member would tell me what problems I might be able to comment on them.

Mr. Bailey: — A supplementary, Mr. Speaker. The policy has been changed and literally the policy, is the Minister aware that the new policy pretty well wipes out any opportunities for local government boards to make use of young students which they have formerly done in the last few years?

Mr. Tchorzewski: — No, I am not aware of that, Mr. Speaker. The terms of the criteria have certainly been changed and I agree with that. Local governments employ students every summer for purposes of increasing and providing opportunities in the areas of culture and recreational activities so, therefore, local governments certainly can qualify under those criteria.

Mr. Bailey: — A supplementary question, Mr. Speaker. Is the Minister aware most of the use that was put to Youth Employment Service in the past were for students to become actively engaged in work in helping local government boards which had nothing to do with the cultural aspect?

Mr. Tchorzewski: — Mr. Speaker, in the last two or three years local governments have been able to employ students under the youth subsidy by the Youth Employment Service for functions and purposes other than recreation. This year the criteria has been changed because there is only a certain amount of funding because of the restraint program and so the Member is correct.

Amendment to The Election Act

Mr. E.C. Malone (Lakeview Regina): — Mr. Speaker, I don't like to interrupt the Attorney General when he is reading about his stock portfolios in the newspaper but if he would give me his attention for a moment I should like to ask him a question. I hope your stocks are

going up, at least those types of stocks.

The Attorney General indicated some time ago that he was going to bring in amendments to The Election Act especially as it affects election spending and election expenses. My question to him is, is such legislation planned for this Session and if so when can we expect to see the Bill?

Mr. Romanow: — No, no legislation for this current Session.

Mr. Malone: — Would the Attorney General then agree with me when I say that it is most difficult for parties other than the NDP to conduct any kind of electioneering at all at this time because we don't know the rules of the game and that you are the only party that knows the rules and have been taking advantage of it by having ads in newspapers about potash and so on, and we can't react because we don't know what . . .

Mr. Speaker: — Order! I think the Member is putting a debate.

Swift Current Government Building

Mr. D.M. Ham (Swift Current): — A question for the Minister of Government Services. Has your Department and the construction companies involved with the Swift Current Government Building reached a settlement on cost and are the costs being shared?

Hon. G. T. Snyder (Minister of Government Services): — Mr. Speaker, the Member refers to the Swift Current provincial office building and whatever additional costs might be involved. There has been an evaluation done. I am intending to provide the Member for Morse (Mr. Wiebe) and the Member for Swift Current with that information as they have both indicated an interest in this particular program. I think I should tell the Member that the cost of the pilings, which failed, will be the responsibility of the prime contractor. Whatever arrangement he reaches with Western Caissons will be an arrangement which he will work out with Western Caissons. There will be some additional expenditures over and above the original estimate because of the fact that a different type of piling is going to have to be used. That in itself shall represent additional cost. No more, I might add, than would have been the case if the original pilings had been substituted for the ones that will be used in the provincial office building when construction is recommenced.

Mr. Ham: — A supplementary, Mr. Speaker. Mr. Minister you are in fact assuring the House then that extra expenditures regarding the new pilings will not be involving taxpayers' money?

Mr. Snyder: — I am saying that there will be additional costs because the pilings that are being substituted for the original pilings will be more costly, by the very nature of the construction work that is involved in the type of pilings that will have to be used. The decision has been made that the original advice that was received as to the type of pilings to be used has been inadequate. Evidence has indicated that those pilings were

inadequate under the circumstances. A different kind or style of pilings will have to be used and they will be somewhat more expensive than the original pilings.

Mr. W.C. Thatcher (Thunder Creek): — A supplementary, Mr. Speaker. Will the Minister indicate whether the contractor used the pilings it specified in the architects drawings?

Mr. Snyder: — The decision was made to use the particular type of pilings, and I think we are getting into a lot of detail here, Mr. Speaker, but the kind of pilings that were used had been used on numerous other contracts and had proved to be satisfactory. The procedure involved a boring of a hole, the inserting of a tube, the insertion of wet concrete and packing the concrete in to bring into being a rounded out elephant foot at the bottom. This is the type of piling that was used in this set of circumstances. It proved not to be satisfactory, accordingly we will be going to another set of pilings, another style of pilings and these were the type of pilings that were recommended. My understanding is that the prime contractor is responsible for whatever costs that have been involved but the additional cost for inserting the new pilings will be an additional cost in terms of the overall construction expenses in the provincial office building situation.

Mr. Thatcher: — A supplementary question, Mr. Speaker. For the Minister's benefit, I shall repeat the question. Did the contractor put in the pilings as specified on the tender by the architect's drawings. Would you care to answer that?

Mr. Snyder: — Yes.

Mr. Thatcher: — If the contractor complied with the specifications of the tender, why is he being held responsible for the replacement. Obviously your architect is in error, is he not?

Mr. Speaker: — The Member is aware of the Interim Report which specifies that the Minister does not have to answer if he does not want to answer.

Mr. Thatcher: — Would the Speaker get the Minister to indicate that he is not going to answer.

Mr. Speaker: — I think he has given the indication. I can't drag it out of him. The Minister takes it on his own responsibility what he does.

Mr. J. Wiebe (Morse): — A supplementary question to the Minister of Government Services. In regard to the correspondence which I had with you last week in regard to the Government building, did you indicate earlier that you would be reporting to myself and also to Mr. Ham by letter or by statement in the House regarding your findings.

Mr. Snyder: — I indicated to my departmental officials that the Member for Morse and the Member for Swift Current should be provided with the information relative to the inquiries that I received from you I believe yesterday or the day before.

Renfrew Teachers

Mr. Merchant: — Mr. Speaker, I wonder if I might ask another question of the Attorney General along the same lines. Would the Attorney General agree with the position taken by the Premier that the Province of Saskatchewan will likely be an intervener in the Renfrew teachers' case?

Mr. Romanow: — Yes.

Mr. Merchant: — A supplementary, Mr. Speaker. Has the Government of Saskatchewan given the preliminary notice required which would keep open the right of the Government of Saskatchewan to become an intervener and if one of the five provinces who have that preliminary notice?

Mr. Romanow: — I am not sure of that. I don't believe preliminary notice has been given. I could be in error but in any event that story that you refer to originally was in error. We did not intervene nor had we given a preliminary notice at the time that CP story was written. There may have been something in the last couple of days for preserving some right on this but I don't think so. I am not sure.

Mr. Merchant: — A supplementary, Mr. Speaker. Would the Government agree that there is a danger in the anti-inflation program because of its ability to move into provincial rights. I am thinking of areas such as Consumer Affairs and other areas that are related and that in all likelihood the Government of Saskatchewan will, therefore, be taking the position that the anti-inflation program is not constitutional and is not proper?

Mr. Romanow: — Mr. Speaker, I can only repeat what I said earlier. In due course, we'll be making a full Ministerial Statement to the House and give the Member a full chance to comment on it.

Amendments to Criminal Code

Mr. S.J. Cameron (Regina South): — Mr. Speaker, a question of the Attorney General. I gave him notice yesterday of a series of questions I want to ask in connection with recent amendments to the Criminal Code. I don't know whether the Attorney General has had the opportunity yet to consider them, but I want to ask, in view of the recent changes to the drinking and driving sections of the Criminal Code, providing for roadside screening, are Saskatchewan police now being equipped with appropriate devices to have roadside screening in the province?

Mr. Romanow: — Mr. Speaker, the position is that our department has not yet been informed by the Federal Government of the approved

roadside screening device. Until such time as that device is identified and approved within the provisions of the law, the proposed law, it's difficult for us to move. We are in constant communication with the officials I am advised and we'll be taking appropriate action as we can.

Mr. Cameron: — May I follow up, Mr. Speaker, with a supplementary on that. Is it your intention in due course to draw and provide the police with guidelines on the application of that section, which as you know is open to some misuse rather readily?

Mr. Romanow: — Yes.

Mr. Cameron: — May I ask you as the last supplementary, if you might give me some indication of when you expect to have those guidelines drawn and published, in rough terms?

Mr. Romanow: — I am sorry I cannot. I don't anticipate that we will be in a position with respect to the actual device until some time into summer or later. We may be wrong on this because it does involve the Federal Government as well. Accordingly there is no sort of immediate timetable, like in terms of days or immediate weeks. They are working on them and all that I can say is that in due course it might even be some time after the sections are actually proclaimed and the devices are actually approved that these are outlined.

Mr. Cameron: — Last supplementary. May I ask whether or not you do agree with me that rather careful guidelines will be necessary, that is we have to provide the police with rather careful guidelines because the sections are indeed open from a civil libertarian point of view, to abuse?

Mr. Romanow: — Well, I would agree generally without getting hung up in the semantic words what careful means in terms of the guidelines. I believe that no matter how "careful" or otherwise guidelines are or aren't, in the end result it will, to a large extent, depend on the discretion and the abilities of the police officer on the spot.

Guaranteed Annual Income Plan

Mr. J.G. Lane (Qu'Appelle): — I'd like to direct a question to the Minister of Social Services. The National Welfare Council says that the provinces and the Federal Government are dragging their feet on the guaranteed annual income plan. Why would they make the allegation that Saskatchewan among others would be dragging its feet on the implementation of such a program?

Hon. H. H. Rolfes (Minister of Social Services): — I can simply answer the Member that we are not dragging our feet. The next meeting of the federal and provincial Ministers of Social Services is on June 1st and 2nd. The Hon. Marc Lalonde has asked us at that time to indicate whether or not the provinces would support the new income security supplementation program.

Mr. Lane: — Is the Province of Saskatchewan going to support the implementation of a guaranteed annual income for Canadians?

Mr. Rolfes: — Mr. Speaker, that question was asked the other day and I said that I personally support it. I have, however, not made a proposal to Cabinet. I haven't had an opportunity to discuss in detail with my deputy to see what changes the Federal Government has made since our February meeting, but if there are no substantial changes, my recommendation to Cabinet will be that we support it.

Mr. Lane: — Do you expect to get Cabinet support for your position?

Mr. Rolfes: — Mr. Speaker, I will announce that in due time.

Sand Infested with Leafy Spurge

Mr. L.W. Birkbeck (Moosomin): — I did have a question for the Minister of Agriculture (Mr. Kaeding) and/or the Minister responsible for the Department of Highways (Mr. Kramer). Neither one of them are in the House, but I would maybe ask the Minister responsible for the Environment, would it be the Government's policy or could they justify the use of gravel out of provincial government pits for road surfacing in the province that are totally infested with a weed, leafy spurge which is under The Noxious Weed Act?

Hon. N.E. Byers (Minister of the Environment): — Would you state the last part of your question?

Mr. Birkbeck: — Quite simply, you are using gravel out of a provincial gravel pit that is loaded with leafy spurge. You are putting it on the roads and spreading it all over the countryside. I'm just wondering, I know some of the measures which you have been taking, and I want to know if it's right to continue using gravel out of those pits until you get the problem cleared up?

Mr. Byers: — Mr. Speaker, for the most part the gravel pits from which the Department of Highways extracts gravel are owned by the Department of Highways and are used for gravel purposes on the provincial highway system. Municipalities own their own gravel supplies and their own gravel pits and to the best of my knowledge municipalities do not extract gravel from Department of Highways owned pits or vice versa. Therefore, it would seem to me that if municipal governments were transporting gravel from their pits to put on their roads, that that would come within their jurisdiction. The Department of Highways would take all precautions in moving gravel from their pits to their highways.

Some Hon. Members: — Hear, hear!

Mr. E.A. Berntson (Souris-Cannington): — Supplementary to the Attorney General. Would it fall in the jurisdiction of the RM government's to prevent the Department of Highways from hauling gravel from a government gravel pit to prevent the spread of leafy spurge in their municipality?

Mr. Romanow: — You need a good lawyer for that and I'll take notice.

Amendments to Criminal Code

Mr. Cameron: — A further question of the Attorney General with respect to recent amendments to the Criminal Code. The recent amendments provide for an absolute discharge in the case of an impaired driving charge. Can I ask him, if in Saskatchewan an absolute discharge were granted to a person charged with impaired driving, whether that person would still be subject to automatic six months' suspension of driver's licence?

Mr. Romanow: — Mr. Speaker, I thank the Member for giving me notice. I believe that if those sections are, of course, proclaimed and enacted and become law, that there is an argument which could be advanced that the six months' suspension provision of The Vehicles Act would not apply. Accordingly we are contemplating appropriate amendments to our Vehicles Act. I don't know if they will be coming in this Session. I hope so. If not certainly as soon as we can thereafter.

Mr. Cameron: — Well as a matter of supplementary just to clarify that. Do I gather from your answer that you would want to see to it that people remain subject to an automatic six months' suspension even though they were given an absolute discharge?

Mr. Romanow: — Yes, I believe that here we are looking at the licensing powers of any province, including the Province of Saskatchewan. Up to now our policy has been, both the former administration, which Mr. Steuart was a member and ours, one I think of, fairly tough approach to drinking and driving, using the licensing power. I believe that absolute discharge approach in the Criminal Code is one that I support. I think, however, when it comes to the mounting death toll on highways and the like, that that's something which we have to very carefully examine.

Employment of Individual in Potash Corporation

Hon. E.L. Cowley (Provincial Secretary): — Mr. Speaker, last day I took notice on a question by the Member for Regina South with respect to the employment or possible employment of an individual with the Potash Corporation of Saskatchewan. In response to those questions I wish to say, Mr. Speaker, that I was contacted by a third party with respect to this individual by telephone outlining that he had certain qualifications etc. and that he might be of some use to the Potash Corporation. The dispensation of

that was that I briefly discussed it with one of the officials in the Potash Corporation and that was the end of the matter. The Corporation nor myself have not contacted the individual and have not received an application from him.

Mr. Cameron: — Supplementary, Mr. Speaker. Has the Government, apart from the Potash Corporation itself, been in contact with the individual? Is there a likelihood of the person being hired by the Government apart from the Potash Corporation?

Mr. Speaker: — Order! That's a question that's likely to require a detailed answer, since when the Member phrases it as the Government, that means all of the Departments of the Government must be checked before an accurate answer can be given.

Mr. Cowley: — If I may respond for the Potash Corporation, the answer is no, on behalf of the Corporation.

Amendments to Criminal Code

Mr. Merchant: — Mr. Speaker, could I ask a further supplementary to the questions asked by my colleague from Regina South to the Hon. Attorney General? Would you contemplate then that someone who had received an absolute discharge on an impaired driving charge would not be subjected to a one year automatic loss of licence on the next occasion, or if someone were on a second conviction and would ordinarily lose his licence automatically for a year, would he miss a jump, if I may put it that way, and not move the following time to three years? Would he be missed from the leapfrogging effect of subsequent convictions?

Mr. Romanow: — Again, you ask if whether we contemplate, and it's in that sort of sense that I make the observation. The basic contemplation is that we maintain the licensing suspension powers under our Vehicles Act as they presently are, hoping that they will not be affected by the conditional discharge, absolute discharge provisions for the social reasons. Also for the reasons that I have outlined earlier in the question to the Member for Regina South.

STATEMENTS

Uranium Royalty Structure

Hon. E. Whelan (Minister of Mineral Resources): — Mr. Speaker, before the Orders of the Day, I should like to take this opportunity to outline for the Members of this House, the Uranium Royalty Structure which will come into effect May 1st of this year. I should like to outline the reasons for introducing a new structure at this time, as well, the process whereby we arrived at this particular structure.

First, let me outline some important aspects of the industry which will help paint a background picture against which the need for a new royalty structure can be viewed.

As oil and fossil fuel reserves began to deplete and with the radical increase in oil prices by the OPEC countries major utilities across the world began giving increased attention to alternative methods of producing the energy required for their residential, commercial and industrial uses. One method which received increased attention was nuclear generated electricity.

The raw material for this source of energy is uranium, a resource with which Saskatchewan is well blessed, but a resource of which our ultimate potential is not known. As utilities in various countries began shifting their planning from oil generated towards nuclear generated electricity for their future requirements, former demand for uranium increased as did the price of uranium. Specifically the price increased from between six to eight dollars a pound of U308, (called yellow cake), in the early 1970's until today when spot prices in the \$40 to \$50 pound range have occurred, with the long term contract price presently being between \$25 and \$30 a pound.

This radical price increase has created a situation whereby companies are able to obtain what this government considers to be excess profits on the development of some rich uranium ore bodies, profits in the excess of what they could earn in other equal risk investments.

Therefore, a year ago, a decision was made to develop a new royalty system which would return to the people of Saskatchewan what we consider to be a fair amount of this increased revenue created by the radical rise in the value of our resources.

Six months ago we set out an initial proposal for the industry's consideration and comments. In that proposal we outlined our policy objectives as follows:

- (1) To ensure that a fair share of the excess profits from uranium minerals is captured by the province as owner of the resource.
- (2) To provide the producers with an adequate rate of return on investment, bearing in mind that mineral exploration is a relatively risky proposition and that market fluctuations have been substantial.
- (3) To leave marginal production decisions as unaffected as possible.
- (4) To guarantee a minimum payment to the province in return for its resources so that resources are not given away just to maintain production.

Since that time we have been meeting with the companies in order to take into consideration the concerns of the industry. Let me say that the co-operation which we have received from the industry in developing this new structure has been excellent. Discussions which we held with those who are now producing and those who will be going into production in the near future have been most fruitful. There has been an open and free exchange of financial sales and production, as well as an exchange of views on what the future might bring in terms of the supply and demand for uranium.

These discussions have been held in confidence by both the producers and ourselves, even though, at times it was difficult. As a result of these meaningful discussions the government has arrived at the following two part uranium royalty system.

1. There will be a basic royalty of three per cent on the gross value of sales.
2. There will be a graduated royalty with the marginal rate of tax to be determined on the basis of the rate of return on monies invested in the project.
 - (a) In the calculation of the capital investment figure for the determination of the ratio of operating profits to capital investment, computed interest during the exploration and pre-production period will be included.
 - (b) In the calculation of operating profits all real costs will be deducted from gross value of the sales, for example, marketing costs, operating capital, and head office expenditures will be deducted.
 - (c) All social capital costs will either be capitalized in the investment base or will be deducted in determining the operating profit figure.
 - (d) Amount paid to the Crown as a basic royalty will be deducted from gross value of sales and the determination of operating profits.
 - (e) The amount of graduated royalty paid each year is determined with reference to a formula which is contained in the copies of the statements which I have sent across the floor. Basis for this formula is that the higher the ratio of operating profit to capital investment the higher will be the royalty rate.

However, no graduated royalty will be payable until the producer or producers have accumulated operating profits equal to their investment base. That is, the graduated royalty does not come into effect until payout has been achieved. This particular provision should be most beneficial to the industry in financing the development of resources.

In conjunction with these provisions a tax credit equal to 35 per cent of new exploration expenditures will be provided for those companies who carry out work in Saskatchewan. This credit will be allowed against graduated royalties. Mr. Speaker, with this particular royalty package and with the geological potential which exists in northern Saskatchewan, I am confident that the present high level of joint public — private exploration activity will continue and, indeed, accelerate with the discovery of each new ore body.

I would once again like to express my thanks to those in the industry for the open minded manner in which they have entered into joint ventures with the Crown and the co-operation they have shown in providing the background, fiscal and operating data so necessary to the development of an equitable tax system which treats all producers in a fair and consistent manner, while taking into consideration the wide divergence and operating conditions which exist within the uranium industry in Saskatchewan.

Mr. Speaker: — While no objection is being taken to the Minister's statement, I do want to take this opportunity to remind the Minister of the practice of the House. And the practice is that statements of this nature should be brief, factual and specific. I realize there might be some limitations with regard to getting that type of statement into as brief as possible a form, however, I think the Member should keep that in mind in the future. And also, the responses that are given to these are to be brief, strictly relevant and a debate cannot take place.

Mr. E. C. Malone (Regina Lakeview): — Mr. Speaker, I do thank the Minister for sending me a copy of the statement just prior to rising to give it. While this is appreciated, it's such a complicated type of statement I would have hoped that in matters of this nature that we could get the statement before it is made in the House so we could consider it and reply properly after the Minister makes his statement. In saying that, I do thank the Minister for sending this over to me, which has not been the practice that has been followed by other Members.

Mr. Speaker, my first reaction in reading the statement and hearing the comments of the Members, while there is reference made all the way through, the comments to co-operation with the uranium industry, there is no indication whatsoever as to whether the uranium industry has accepted these proposals. I guess they are now more than proposals, these new laws that are being imposed by the Government. It is significant in my mind that the Minister did not make any reference to this whatsoever and I've been waiting with interest, what the uranium industry has to say about these proposals.

Furthermore, Mr. Speaker, it's with some suspicion that we look on this side of the House to any government proposal in the mining industry or mineral resource industry. Their record in the oil and potash industry is anything but admirable. In fact the record is such that both of those industries are in a state of chaos at this time. I note, however, that there has been some acknowledgement in the Minister's statement as to 35 per cent tax credits on new exploration and this is certainly welcome. It would seem on a quick perusal that the provisions are not as stringent as those contained in the reserve tax for the potash industry. I think perhaps that one thing I could comment on, Mr. Speaker, is that it appears that the Government has finally learned its lesson. And that it's trying to now attempt to be fair with the uranium industry. I only wish that they could make the same attempt and do the same things with the oil industry, potash industry and other hard rock mining industries in northern Saskatchewan.

Mr. R. A. Larter (Estevan): — Mr. Speaker, on behalf of the Progressive Party, I should like to comment to the Minister. We're pleased to see that on the surface it looks as if they have come to agreement with the mines and the meeting of the mines on percentages. We'll be looking forward to seeing just what the industry has to say and, indeed, we hope the people of Saskatchewan are getting the best possible deal on our resources, and that we can give a fair return on the investment dollar and have a good working agreement with these mines.

Statement on Oral Question Period

Mr. Speaker: — Before the Orders of the Day, I have two statements which I wish to make.

Initially I want to say that I regret the undignified verbal outburst by the Member for Thunder Creek during the Oral Question Period yesterday wherein he was, then and there, insisting on an explanation for being cut off by a call for the next question.

Let me direct the Member to Recommendation No. 3 of the Interim Report.

Mr. Speaker will not entertain Points of Order during the Oral Question Period. Points of Order may be raised later on Orders of the Day.

Before Orders of the Day the Member properly asked why he was cut off. In that regard, I have now examined the verbatim transcript and confirmed my reasons for calling for the next question.

The Member for Thunder Creek was, contrary to the Recommendation of the Interim Report of the Special Committee on Rules and Procedure,

- (a) giving information
- (b) giving his opinion
- (c) doing it in the nature of debate

therefore, I passed on to the next question as is specified in the Interim Report.

The second Statement is as follows:

We proceed through the business of this Legislature on the basic premise that all Members are honourable Members.

I will concede that most, if not all, Members hold strong views and often express them strongly. That is to be expected and in fact protected. As Parliamentarians we all share a responsibility to preserve the forum wherein all Members can express their views on a continuing basis.

The office of Speaker plays a part in this noteworthy endeavor. If the credibility of the office of Speaker is devaluated, without just cause, then, in the long term, our democratic institution will suffer.

This brings me to the specific observation I want to make. On Monday April 12, 1976 the following statements were made during Oral Question Period by;

(1) Leader of the Opposition in reference to the Speaker, "I wish you would quit protecting the Government." I immediately asked the Leader of the Opposition to show from the record how I was protecting the Government. His immediate response was, "I will be very happy to do that Mr. Speaker." I report now, that has not been done.

(2) The Member for Indian Head-Wolseley said:

“Just protecting them,” which was a remark following my ruling that the Member for Regina Lakeview was debating an issue rather than placing an oral question. The Member for Indian Head-Wolseley’s remark was obviously a remark similar to the charge by the Leader of the Opposition.

(3) The Member for Regina Lakeview said, before Orders of the Day, while raising a Point of Order,

“The only conclusion that we can come to properly is that you are indeed protecting the Government from these embarrassing questions.”

Later in the same statement the Member for Lakeview repeated his charge by saying in part:

“The Government has been in our view, protected by the Chair from proper questioning.”

These most serious charges if allowed to remain will be a blot on and an irritant in our Legislative processes.

I have invited Members many time to see me about such situations, however, the invitation has not been accepted.

Therefore, I propose the following order to assist the return to a normal legislative climate as specified in the rules established by you for the use of this Chamber:

(1) That if the Members herein named establish proof from the record of their charges I will apologise to this Assembly.

(2) That if the Members do not establish convincing proof then the onus will be on them to respond accordingly.

Mr. Steuart: — Before the Orders of the Day, I should like to reply briefly to the statement that you just read.

I made the charge that you were protecting the Government a few days ago. I didn’t realize there was some time limit on it in supplying the proof. However, I have some examples here if you wish me to read them. What I’ll consider very seriously is . . .

Mr. Speaker: — I want to interrupt the Member and say that I will not accept debate on this particular issue now. I’ve offered the Members the opportunity to come and see me and that offer stands and has always stood. I don’t intend to debate these particular statements at this time.

Mr. Steuart: — I’m not debating them I’m just — you’ve made a pretty serious charge, I want to point out two things:

(a) I am prepared to give you the proof

(b) I didn’t realize there was some time limit

(c) Who is going to be the judge, who is going to be the judge if these statements are true . . .

Mr. Speaker: — Order! Order! The Member is debating the particular issue that is before us by his statement. There is no time limit, I never said there was any time limit. And I am willing to be convinced if the Members want to come and convince me that I was in error and I will apologize for it. But I am not going to take up the time of the House, nor, is it proper at this time to take up the time of the House on this matter. My door is open, I've invited the Members to come. Members cannot deny that I have not invited them before today. I don't intend to debate that now.

Mr. Steuart: — Then I suggest, Mr. Speaker, that you make it public, you ought to have phoned me, I expected you to bring me this . . .

Some Hon. Members: — Hear, hear!

Mr. Speaker: — Order! Order! The Leader of the Opposition will realize that the slur is on my name and my office. And I'm suggesting that the Leader of the Opposition come and see me about it as he said he would in this Chamber and he hasn't done. Order! I suggest to all Members that matters of this gravity should be dealt with as soon as possible, because they are of top priority with regard to the functioning of this Chamber. My door is open, I've invited the Members to come. Members cannot deny that I have not invited them before today. I don't intend to debate that now.

POINTS OF ORDER

Question Period

Mr. Cameron: — Mr. Speaker, I should like to raise a fresh Point of Order out of today's Question Period. I asked, by way of supplementary, the question of the Minister of the Potash Corporation, about whether the Government in addition to the Potash Corporation had made any approach to a certain individual. Your response to my question, and you ruled it out of order, was because that encompassed the whole Government. Yesterday you ruled a question out of order for the same reason. I ask Mr. Speaker to bear in mind I was asking the Provincial Secretary, a Member of the Cabinet, that question. Now I want only to say that, Mr. Speaker, there are two ways in which one can interpret the rules. One is in a narrow legalistic technical way, which is unacceptable. The other is to give them a fair, large and liberal interpretation which is acceptable.

Now, Mr. Speaker, with every deference . . .

Mr. Allen: — Acceptable to you.

Mr. Cameron: — That's acceptable to the House and it is the only way the Question Period is going to operate properly. With respect, I say that the way in which my question was ruled out of order yesterday is applying the former interpretation, strict, narrow and legalistic. And the result of it is, Mr. Speaker, that it appears to us though the Government is protected from embarrassing questions.

Mr. Romanow: — Mr. Speaker, again, I want to express the opinion that I think we are getting into a very unfortunate habit, not habit but circumstances, with respect to Question Period. No doubt the Members opposite feel they are justified on this thing. Maybe this Question Period isn't working. I don't know. I simply want to say this, Mr. Speaker, that with respect to the Point of Order raised by the Member for Regina South, it certainly has been the custom of this House for the nine years that I have been in it, that when a Member asks a question, the effect of which is, has the Government hired, or contacted, I'm not using the exact words but the key word being "Government", an individual, Joe Blow or whoever he happens to be, directs it. The custom has been when the question has appeared on the written blues or whites or in any other fashion, that the Minister or the Speaker now under the new rules says, it doesn't pertain to Roy Romanow, Attorney General. It pertains to the Government as a whole, seventeen Ministers, seventeen Crown agencies, some one has to check that out and that is the Provincial Secretary.

It seems to me with respect, again, I am leery of doing this because of what the Opposition is trying to say.

Mr. Cameron: — All he need say . . .

Mr. Romanow: — He said it was out of Order, no, no. Mr. Speaker, we are talking to the Hon. Member for Regina South. The Member for Regina South is now changing the ground rules of the debate. The ground rules of the debate as he raised in his Point of Order was Mr. Speaker's ruling, not what the Minister should or shouldn't have answered, that is one issue. You are arguing on the purposes of this debate whether or not Mr. Speaker had a proper Point of Order ruling you out of order. I am trying to simply say to you, that he did have by virtue of the established tradition of this House for those types of questions. Anybody would substantiate that. Even the Leader of the Opposition, I am sure. We argue that, I say with respect, that is not a proper Point of Order to be taken in this particular case.

Mr. Lane: — Mr. Speaker . . .

Mr. Speaker: — Order! I have heard points from both sides of the House on this, I don't think I require any further comments . . .

Mr. Lane: — Mr. Speaker, with all respect . . .

Mr. Speaker: — . . . I don't require any further comments.

Mr. Lane: — You have to . . .

Mr. Speaker: — I don't have to take any further comments, as a matter of fact and the Member for Qu'Appelle knows that.

Mr. Thatcher: — May I speak to the ruling myself.

Mr. Speaker: — No, the Member cannot interrupt now. I will give the Member an opportunity. I have made the statement and the statement is not subject to question. The Member for Regina South is asking me for a ruling on a decision today. And I am about to give him my comments on that.

Members will recognize that the origin of the oral question is the written question. That is, I believe quite clear, if you go back hundreds of years in parliamentary tradition. What does the written question have to do? The written question has to conform to certain rules. If it asks for information over a long period of time or covering a number of departments, it has to be converted to an Order for Return and dealt with in that manner.

Those same ground rules apply to the oral questions so that when a Member asks for an answer which will in fact require a survey of all the departments of Government, then that question is out of order as an oral question. I think parliamentary tradition will show that.

So, therefore, I reject out of hand the comments of the Member for Regina South that I am protecting the Government. The Member is confusing the restrictions that are imposed on him by the rules and me enforcing the rules in the House. In fact if the Member had submitted that as a written question, it would have been changed to an Order for Return. The Member will have to admit that that is what would happen. Therefore, it is not a proper question for this Oral Question Period.

Mr. Cameron: — I asked if he would . . .

Mr. Speaker: — I don't intend to get into the detail of the particular incident. I am just saying that we cannot survey all the departments here in the Oral Question Period. That is an impossibility.

Mr. Malone: — Mr. Speaker, on a Point of Order in connection with your statement today, I should like to advise you, that I would be glad to comment on the remarks that I made which were covered by you at any time, including right now in this House. The remarks that you brought into question were made in this House, your statement of today was given in this House, if you want me to respond about my remarks in your statement today, I will give it in this House, but I will not be giving it to you in your office, because the statements were made publicly, your statement was publicly. And I believe the people of Saskatchewan are entitled to hear my remarks publicly.

Mr. Thatcher: — Mr. Speaker, may I rise on a Point of Order from yesterday. Mr. Speaker, for the first session if anyone had challenged you during that first session, I would have been the first to stand up to defend you. I would have been the first to stand up and defend you for a good portion of this session. In addition, to a good portion of the first couple of weeks in the new Question Period. Mr. Speaker, I am not capable of theatrics in losing my temper. When I lose it, I lose it very genuinely. I wish I did have the capability for the theatrics that some of the Members across the way do, but I don't . . .

Mr. Speaker: — Order! Order! I am not going to allow the Member to continue. The record will show that the Member is debating the issue and not raising the Point of Order.

Mr. Thatcher: — Point of Order, Mr. Speaker, is that in this House we have a double standard, we have a set of rules for this side of the House, we have a set of rules for that side . . .

Mr. Speaker: — Order! The Member is debating the issue. He is not stating the Point of Order.

Mr. Thatcher: — You call the same set of rules over there that you do for here. I agree with you, questions should be brief and to the point as much as possible. But you certainly don't enforce answers, brief and to the point.

Mr. Speaker: — Order! The Member has to bring that up at the time that it occurs. You are getting into a general discussion. If the Member wants to refer to some specific answer today, I will deal with it, not after weeks have gone by.

Mr. Thatcher: — Mr. Speaker, I should like to refer to this business of a 24 hour ruling. I asked a question yesterday and you said I will give you an answer tomorrow, that is like a referee calling back a touchdown pass and saying I will take a look at the video tape and see how it went . . .

Mr. Speaker: — Order! That is not a Point of Order. The Member is not making a Point of Order now.

Mr. Lane: — Mr. Speaker, raising a matter that was raised immediately with regard to the question period. The Attorney General again has impliedly threatened to do away with this Question Period by saying, maybe this thing is working, maybe it isn't. Every time we get into a hassle as to making this thing work, the Attorney General gets up and makes threats that the Government is going to pull this Question Period and the new form of question period out. I don't think that is proper for the . . .

Mr. Speaker: — I don't know when the Attorney General said that, maybe he did say it. There are all kinds of comments in the House and some of them are quite regrettable. Maybe that is regrettable. I didn't hear it. The Attorney General or any other Member has the right to say we should do away with the Question Period, you have a right to say that if you wish. It is not a Point of Order that he says that.

Mr. Lane: — If you start letting the Ministers answer, I think the Question Period should go to an hour.

Mr. Speaker: — I am not stopping the Ministers from answering

April 14, 1976

them. The Member is confusing the rules with the enforcement of the rules now. If you don't like the rules, then you should change the rules.

Mr. Romanow: — Mr. Speaker, I want to rise on a Point of Order. That is to speak to the point made by the Member for Qu'Appelle. The remark that I said, I admit I said it. These Members attribute that I'm trying to use it as a threat. I shouldn't have said it, perhaps. In retrospect I was trying to do it in a conciliatory fashion, to say maybe it isn't working as well as it should. Everything with these fellows opposite is politics. But the simple fact of the matter is, Mr. Speaker, that the Question Period is experimental.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — I listened patiently to the Member for Qu'Appelle, just finished listening to him and he wasn't making a Point of Order. Now give the Attorney General the same courtesy.

Mr. Romanow: — I will forget it.

Some Hon. Members: — Hear, hear!

Mr. Speaker: — It is out of order as a matter of fact the same as the Member for Qu'Appelle was.

Mr. Romanow: — It is okay, Mr. Speaker, I will withdraw my remarks.

MOTION

House Adjournment

Mr. R. Romanow (Attorney General) moved, seconded by the Minister of Finance (Mr. Smishek):

That when this Assembly adjourns on Thursday, April 15, 1976, it do stand adjourned until Monday, April 19, 1976.

Motion agreed to.

The Assembly adjourned at 5:37 o'clock p.m.