

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Eighteenth Legislature
29th Day

Thursday, April 22, 1976.

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

QUESTIONS

Television News on Confidentiality of Documents

Mr. E. F. A. Merchant (Regina Wascana): — Mr. Speaker, I wonder if before the Orders of the Day I might direct a question to the Hon. Attorney General. I don't know, Mr. Speaker, whether Members saw the television news involving an Hon. Member last night, but I wonder if the Hon. Attorney General viewed certain comments made at that time to be of consequence to the Government and a matter of alarm to the Government in relationship to the confidentiality of document and the way in which Opposition Members and members of the public might deal with Government and senior Government officials?

Mr. Speaker: — Order! Next question.

Survey on Rail Line Abandonment

Mr. E. A. Berntson (Souris-Cannington): — Mr. Speaker, a question to the Attorney General. Has the central office of grain-handling and transportation rationalization contracted a survey to study the impact of rail line abandonment upon Saskatchewan communities with the sample survey and data bank unit, University of Regina, Department of Social Sciences?

Hon. R. Romanow (Attorney General): — Mr. Speaker, I think the question is directed to me, but I am no longer the Minister in charge of the unit, I think it should be directed to the Minister of Municipal Affairs, so I will direct it on to him.

Mr. Berntson: — Could I direct it to him.

Hon. G. MacMurchy (Minister of Municipal Affairs): — Just to be sure I have got the question clear in my mind could you just please . . .

Mr. Berntson: — A similar question was directed to the Premier yesterday which he took notice of. The question was, has the central office of grain-handling and transportation rationalization contracted a survey to study the impact of rail line abandonment on Saskatchewan communities with the sample survey and data bank unit, University of Regina, Department of Social Sciences?

Mr. MacMurchy: — In response to the question yesterday from the Leader of

your party to the Premier, we are seeking that information. We know that there was a contract for a survey, the details of that survey I am not able to provide for the Member, so on that basis I will have to take notice and provide the information for the Member later on.

Mr. Berntson: — A supplementary, Mr. Speaker. Is there any benefit derived from a survey such as this as it relates to rail line abandonment by knowing which political party a respondent to such a survey might belong?

Mr. MacMurchy: — Mr. Speaker, I'll have to take notice.

Mr. Berntson: — Mr. Speaker, a supplementary. Would the Minister agree that a question from the survey and I quote:

We would like to know how important your community is to your family. Please list all organizations that you and any Member of your family may belong to. In listing include all organizations by name, such as Kinsmen, Masons, Senior Citizens' Club, Catholic Women's League, 4-H Club, curling club, Saskatchewan Wheat Pool, National Farmers' Union, Canadian Union of Public Employees, Board of Trade . . .

Mr. Speaker: — Order! The Member is imparting information to the House. Could you state the question.

Mr. Berntson: — Mr. Speaker, the question is would the Minister agree that this type of question is a form of political witch hunt?

Mr. Speaker: — Order! Next question.

Counselling on Confidential Information

Mr. Merchant: — I wonder if I might ask the Attorney General if in his view the following words amount to counselling of the passage of secret information and whether as a Government they might consider some way to plug that hole. Mr. Speaker, I ask you to bear with me, the quotation is not long:

It is up to us as Opposition Members not only to accept that kind of information, but to encourage people who are keeping their eyes open on the Government to release that information.

I ask the Hon. Attorney General whether the Government believes that there may be some problem with the counselling of passage of secret and confidential information and whether the Hon. Attorney General is or intends to take any steps in this connection?

Mr. Romanow: — Mr. Speaker, I am sure the Member will appreciate that the question is somewhat general in the sense that the questioner asks, do I view this as being some form of a problem. It depends on how one interprets the question 'problem'. I can say

in general terms that I personally view with some concern words that suggest encouragement that civil servants should release information pertaining to their government jobs to members of the public, be they politicians or otherwise. I will sit down and perhaps if the Member has a supplementary make it a little more clear as to what he precisely means. Members will know that The Public Service Act includes an oath of office specifically that civil servants must take an oath of office of which one part is a secrecy provision.

Mr. Merchant: — I wonder if I might ask a supplementary to the Attorney General. Those were words used by the Member for Nipawin (Mr. Collver) which were then repeated in the electronic media. I wonder whether the Attorney General may have had an opportunity to see that newscast and whether the Attorney General has taken any steps with regard to that, either to refer the words of that newscast to his department or to conduct any investigation into the use of those words by the Hon. Member for Nipawin?

Mr. Romanow: — Mr. Speaker, I did see as it so happens the television news on one of the stations, CKCK last night and did see the report that the Member refers to. I was, to put it quite frankly, somewhat surprised at the nature of what I thought were the words used and I asked this morning to obtain a copy of the transcript of the statements and I just only obtained the transcript before to see what words were used by the Hon. Member for Nipawin. So I have not had an opportunity to consider those words or to consider what action, if any, can or should be taken by myself as a Member.

Mr. Merchant: — A supplementary, Mr. Speaker. I wonder if the Attorney General would indicate why you requested a transcript of that information and whether you intend to refer that to your department for an investigation either about the impropriety or perhaps the illegality of them?

Mr. Romanow: — Mr. Speaker, with respect to the second aspect I would simply say to the Member what I said in the preceeding question, I have not made any judgements yet as to how I should handle this or how it should be handled. The basic motivation for asking for the transcript, which was the first part of the Member's question, was because I, quite frankly, was surprised at the words used. I draw to the Member's attention that there is a distinction between the use of information that may come into the hands of individuals, and statements that appear to me to actually encourage civil servants to transmit information to Members and members of the public and the result was that I wanted to be sure that what I thought I heard was, indeed, what I did hear. That is the reason why I asked for the copy of the transcript.

Mr. Merchant: — A supplementary, Mr. Speaker. I wonder if I might direct as a last question, either to the Attorney General or to the Premier, whether in the opinion of the Government this and the leak, or the encouragement of a leak of information is the sort of thing which in your capacity as a Member of the Treasury Benches you think should be referred to the Privileges and Elections Committee to investigate in a more formal way?

Mr. Romanow: — Mr. Speaker, I can only answer the Hon. Member that this information is still very recent. As I said I was engaged in other matters this morning and I just happened to have the material forwarded to me by my secretary a few moments ago. I think that it is safe to say that the matter is still under consideration certainly by myself and have not had an opportunity to discuss it with my Cabinet colleagues yet.

Mr. R. L. Collver (Leader of the Progressive Conservatives): — A supplementary question, Mr. Speaker. If the Attorney General has perused that particular document he might have noticed that in that document it was suggested, or in the statement it was suggested that if there were wrong doing on the part of the Government, if someone noticed wrong doings — and I ask this question: if a civil servant discovers in the course of his duties, wrong doings on the part of the Government or what he determines to be wrong doings on the part of the Government, is it not his duty to draw that matter to the attention of the Opposition parties?

Mr. Romanow: — Mr. Speaker, obviously I answer that in the negative. Quite obviously the word ‘wrong doing’ has such a wide interpretation that is open to it, but this is one of the reasons why this statement has to be perused because from my very brief perusal of it, the Hon. Member for Nipawin is quoted as saying, “The governments are doing things to the detriment of the people and it is up to us as Opposition Members, not only to accept that kind of information, but to encourage people who are keeping their eyes open on the Government to release that information, to make it public and open to the people.” There is, it seems to me, quite a significant distinction in the statements that are made here and the nature of the question that was asked by the Hon. Member. So, in general terms, I have to respond to him and say, no, I don’t think it is the duty of civil servants to do it in that sense.

Mr. Collver: — A supplementary, Mr. Speaker. How would the Attorney General suggest then that the Opposition parties obtain information such as the information pertaining to the Skyshops affair in Ottawa, the judges affair in Ottawa and so on? How else except that civil servants notice that this kind of wrong doing is happening and draw it to the attention of Opposition parties . . .

Mr. Speaker: — Order! I think the questions are getting into a debate about an issue. I will take the next question.

Mr. E. C. Malone (Regina Lakeview): — A supplementary, Mr. Speaker. How would the Attorney General suggest the Opposition obtain information in connection with allegations of bribery? Is he prepared to answer that?

Mr. Speaker: — I think that is in the same category. Member for Thunder Creek.

Number of Claims Under the Agricultural Implements Act

Mr. W. C. Thatcher (Thunder Creek): — Mr. Speaker, I should like to direct a question to the Minister of Agriculture.

Mr. Minister, under The Agricultural Implements Act 1974, would the Minister be prepared to inform this House as to the number of claims from farmers in the year past and the dollar value of these claims?

Hon. E. Kaeding (Minister of Agriculture): — Mr. Speaker, I think he would have to identify whether you are talking about the number of actual complaints or whether you are talking about claims for compensation.

Mr. Thatcher: — Mr. Speaker, I think they are identical. I will let the Minister answer in whichever way he prefers, whether you want to call it complaints, but also I should like to know the dollar value that finally resulted in payouts from this board.

Mr. Kaeding: — Yes, the figure I have on that is that there was \$5,341 paid out of the compensation fund last year.

Mr. Thatcher: — Would the Minister indicate the dollar value of the assessments made against the companies in order to fund this board?

Mr. Kaeding: — Yes, there is a general assessment on the implement companies, on the vendors, and this amounted to \$17,500.

Mr. Thatcher: — Would the Minister indicate to the House whether each individual machine company which is assessed, whether they are assessed generally or are they assessed in accordance with some sort of prorationing figure against the number of claims which may be pertaining to them, in essence if Massey Ferguson gets, say 40 per cent of the claims or complaints against them, are they assessed 40 per cent of the dollar value?

Mr. Kaeding: — The figure which I quoted is a general assessment which is made against all vendors on the basis of the dollar value of sales which they have. There is also consideration being given to a special assessment which would apply against machine companies on the basis of the percentage of claims that their companies had. And this we think would be a reasonably fair assessment on the basis that some companies appear to be, say major offenders.

Mr. Thatcher: — A supplementary question, Mr. Speaker. In view of the fact of the information that the Minister has given us and the great discrepancy between the assessments and the amounts of the claims that have been paid out, would the Minister agree that this general assessment against the companies is really just an indirect form of taxation?

Mr. Kaeding: — No, I wouldn't agree to that. The thing that has happened is that this is a new program and the board was not set up to handle compensation claims properly until last year. And some of the claims are just now being processed which are about one year old. I think as the compensation claims catch up to the assessments that they will probably balance off fairly closely.

Mr. Thatcher: — Mr. Speaker, is the Minister aware that the Government of Saskatchewan is being sued by the companies involved? Does the Government of Saskatchewan intend to fight this in court, in essence, will you take this all the way to the Supreme Court or will you battle the companies, in other words?

Mr. Kaeding: — Yes, there is a case in court now regarding whether we have the right to make certain assessments and that is now proceeding.

Refer Question of Confidential Documents to the Committee on Privileges and Elections

Mr. D. G. Steuart (Leader of the Opposition): — Mr. Speaker, I should like to direct a question to the Attorney General. In view of the information that he has, that has just come into his possession, regarding the transcript of the remarks by the Leader of the Conservative Party, the Member for Nipawin. Would he be prepared to consider the suggestion that this whole question, including the larger question raised by the Finance Minister of attempts to obtain copies of the Budget before it was presented and any inducements offered to do this, would he take under consideration the advisability of referring this to the Committee on Privileges and Elections and if he would, I would be prepared to not proceed tomorrow with the resolution that I have on the Order Paper, asking the Attorney General's Department to investigate into this whole matter?

Would he be prepared to consider, I just say at this time, consider, I don't mean today, but after he was perused that, referring this whole question to the Committee on Privileges and Elections?

Mr. Romanow: — Mr. Speaker, I cannot give the Member a specific answer to the suggestion that he has made. As far as I am concerned, again the question is in the same category as I have answered the others, namely, I should like to consider the material that is before us. I would simply close by saying that, as I am sure the Leader of the Opposition knows, it is open to any Member by way of resolution to ask the matter be referred to the Committee on Privileges and Elections, not only the Attorney General. I would like to have more time to consider what position should be taken.

Mr. Steuart: — A supplementary, Mr. Speaker. Well I am taking that on the positive side that he will not rule out the possibility of it being referred to this Committee and I think that it is a matter that should be referred to this Committee. I wonder if he would be prepared to table that transcript or at least read it into the record or table a copy of it?

Mr. Romanow: — Mr. Speaker, I have no objection to tabling a photocopy of the transcript that I have as soon as I can delete the expletives that I have marked personally for my own.

Guaranteed Annual Income

Mr. G. Lane (Qu'Appelle): — Mr. Speaker, I should like to direct a question to the Minister of Social Services with regard to the Guaranteed Annual Income which seemingly has been agreed upon, but denied by the Minister.

On page 25 on the guide to the guaranteed income it indicates that the total cost of the support supplementation the federal share will vary from province to province, but would average above 70 per cent. In the poorest province the federal share of these additional expenditures may be as high as 90 per cent. Approximately what will be the federal share of the support supplementation as it applies to the Province of Saskatchewan? What are the discussions in this regard and what figure are you looking at?

Hon. H. H. Rolfes (Minister of Social Services): — Mr. Speaker, I can't answer that question with any definitive statement for the simple reason that those negotiations are still being pursued at the present time. But I would estimate — and this is only an estimate — possibly about 60 per cent from the Federal Government.

Mr. Lane: — Mr. Speaker, that is below the national average, is there reason for that?

Mr. Rolfes: — Well, it is below the quotation that you made. I am not saying that it is below the average. My understanding was that the average, national average, would be around 60 per cent.

Mr. Lane: — A supplementary question. The same guide on page 18 indicates that benefit levels for recipients will be somewhat higher than under existing welfare programs. Approximately what is the average increase of the proposals as far as they apply to the Province of Saskatchewan, the proposals that you are contemplating?

Mr. Rolfes: — If you are referring to — maybe I should use the figure of 1.4 x OAS, is my understanding. 1.3, 1.4 times that figure. But it is a very complicated formula and certainly if the Member has studied it he will find that as you go up the scale of income, the costs go down as far as the federal share is concerned, but there is a turning point. Maybe we can get into that in Estimates. I am glad to see that the Member is saying that it is only a guide because agreements that we have made in principle are still under negotiations. There is no firm commitment made by the feds on this.

Mr. Lane: — By way of further supplementary. The guide also indicates that in most provinces the reduction rate will be more

advantageous to recipients than rates in current welfare plans. As an average and as an estimate how much better off will the social assistance recipients be in Saskatchewan under the new proposals you are considering and under the existing scheme?

Mr. Rolfes: — I hate to venture a guess on this but I would think probably about 1.2; I could be wrong on this. It has to be remembered that Saskatchewan is in a very unique situation in that we have a Family Income Plan which is considerably higher for large families than it is for lower families and will be directly tied into the Income Security Supplementation Program that you are referring to. But Saskatchewan is the only one, that I am given to understand, that has that type of a program, therefore, there would be people who would probably suffer a decrease if that proposal were accepted. That is also under negotiations at the present time.

Mr. Lane: — By way of final supplementary. Would the Minister not admit that in fact under the proposals set out in this guide and what you have said today, with the family income and the present systems levels in Saskatchewan, that in reality the Government opposite is creating a disincentive to work and in reality is creating a welfare state, and I think this guaranteed annual income which is proposed will create a welfare state?

Mr. Rolfes: — Let me say that the Member is absolutely dead wrong on that. He is dead wrong. If he had studied the proposal made by the Federal Government and agreed to in principle by the provinces, it is a program which will give the people the incentive to go to work. It has been confirmed by all the Ministers, all provincial Ministers, that that must be a principle incorporated in any guaranteed annual income, that the incentive must be there for people to go to work. I think that we can get into that here. However, it is a rather complicated formula, but I have the draft and if the Member wishes to sit down with me, we could go through it and I think that we could prove to him that it will include incentives for people to go to work. All the Ministers accepted that.

Rat Controls

Mr. R. A. Larter (Estevan): — Mr. Speaker, a question to the Minister of Agriculture. In light of the Wednesday morning talk show on open line show on CKCK, in which a respected Regina veterinarian reported, first, in moving a dog kennel recently that there were a number of rats found under it and that a serious infestation of rats exist in Regina and throughout the province. Will the Minister inform this Assembly what emergency measures are being considered by the Government of Saskatchewan?

Mr. Kaeding: — Mr. Speaker, there are no emergency measures being considered by the province. I don't think rats are new in the province. The problem is serious in Saskatchewan. There are a lot of rats around, however, we do have programs which are available to municipalities, to municipal governments whereby they can get assistance to carry on rat control programs. We think that if municipalities think it is urgent then they should be making requests.

First Ministers' Conference

Mr. Malone: — A question to the Premier, Mr. Speaker. I was pleased to see in last night's Leader-Post that the Premier has finally publicly stated that Saskatchewan will be seeking the full world price for oil produced in this province. However, I was surprised, shocked and disappointed to see that the Premier would not be attending the First Ministers' Conference when this problem will be discussed, and putting forth Saskatchewan's position in this regard. And this is to be considered as no criticism of the Deputy Premier that he will be going in your place.

My question to you is, is it possible for you to cancel or delay your trip to China in order for you to attend this Conference and put in Saskatchewan's view?

Hon. A. E. Blakeney (Premier): — Mr. Speaker, I have studied that possibility and in view of the fact that the purpose for the Conference is, at least as we now understand it, limited and in view of the fact that there is nothing very much new coming up at the Conference and as our position is well known and in view of the fact that I am quite confident that the Deputy Premier will represent Saskatchewan every bit as adequately as I could. I think . . .

Mr. MacDonald: — That's a . . . question.

Mr. Blakeney: — Well, I don't know on whom you are reflecting, Sir.

I think that it did not appear prudent to change the arrangements.

Mr. Malone: — Mr. Speaker, the Premier indicated that the position was well known. To my knowledge the first that I have seen of it publicly was as a result of your press conference yesterday. What steps have you taken to make the position well known to the Prime Minister and his colleagues in Ottawa? Have you had discussions recently in this regard?

Mr. Blakeney: — Mr. Speaker, the position of the Government of Saskatchewan with respect to oil prices was reviewed in some detail at the Energy Ministers' Conference last month, at which our position was put forward with clarity by the Minister of Mineral Resources. All the other provincial Ministers were there. The appropriate federal Ministers were there. There were written briefs, I think, made available to the press. There is, in fact, nothing new in our position of saying that the price of oil should go to world prices gradually and by steps. We have said that, I think, at each Energy Conference and, accordingly, I think there is nothing particularly new in the position of Saskatchewan.

Mr. Malone: — Supplementary, Mr. Speaker. Do I take it from your earlier comments about what is going to happen after this meeting that you do not feel that any final decision will be made as to the price that will be paid for Saskatchewan and Alberta oil?

Mr. Blakeney: — Mr. Speaker, I wouldn't hazard a guess as to what the final decision would be, but I think that the parameters are fairly well known. It is my view that some of the provinces will oppose; that ourselves and the Government of Alberta and, we believe, the Government of Canada will support an increase in oil prices. Certainly that was the understanding last year. The sole question is the range and I think that the variations there are relatively few and well known.

STATEMENTS

Point of Privilege — Questions Containing Personal Allegations and Correction on Closing Debate on Resolution No. 2

Mr. Speaker: — A Point of Privilege was raised yesterday to the effect that several questions during the oral question period contained personal allegations.

I have examined the verbatim transcript and find that there is no prima facie case of privilege. I did note that several questions did contain inferences to certain alleged events and did contain imputations.

I refer all Members to Beauchesne's Parliamentary Rules and Forms, Fourth Edition, page 147, citation 171 (h) and (i) which states that questions must not contain inferences or imputations.

I stress to the Members that I am not objecting to questions which are strictly requests for information or government policy upon this issue, but I do caution all Members to avoid any questions which contain inferences or imputations.

The second statement is:

On April 20, 1976, the Member for Rosthern (Mr. Katzman) rose on a Point of Order, namely, that I was allowing the Member for Quill Lakes to close debate on Resolution No. 2 after I had started to put the question.

On examination of the evidence I find that the Member for Rosthern's Point of Order was well taken. I find that I neglected to ask: is the Assembly ready for the question, which would have been the signal for the mover to rise and close debate.

I apologize to both the Members and the House for any inconvenience this may have caused.

Documentations on Allegations on Oral Question Period

Mr. B. Allen (Regina Rosemont): — Last evening, Mr. Speaker, preparing a document in which I know all Members will be interested and I now lay this document on the table.

Mr. Speaker, this document is designed to correct some of the grosser errors contained in the document laid on the table yesterday by the Leader of the Opposition. We have witnessed over the last number of weeks a total disregard to the rules . . .

Mr. Malone: — Mr. Speaker, on a Point of Order. The Member appears to me, perhaps I am anticipating, but he appears to me to be dealing with matters raised yesterday by the Leader of the Opposition, which you would not allow him to proceed with. I think it is certainly fair, Mr. Speaker, to ask you to take the same position with the Member for Regina Rosemont, when he attempts to get up and comment on those matters.

Mr. Speaker: — Yes, I was about to do that. The Member is permitted to table any document that he wishes, however, I don't believe the Member is permitted to make a statement on the matter since I have ruled that the matter is closed.

ADJOURNED DEBATES

SECOND READINGS

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. MacMurchy that Bill No. 47 — An Act to amend The Local Government Board Act be now read a second time.

Mr. G. Lane (Qu'Appelle): — Mr. Speaker, I adjourned debate the other day on this particular Bill and it was to discuss the matter further with some of the local governments that are affected by these particular amendments.

I mentioned in my remarks the other day, Mr. Speaker, that I felt that it was unfair for certain Members of the Treasury Benches opposite to criticize the Local Government Board publicly as had been done at some public meetings. Whether one agreed or disagreed with the position of the Board or some of its decisions the fact is that the Board had a job to do and I think did the job fairly and did the job within the framework which existed for the operation of the Board. The Board was acting on behalf, I believe of local governments in the past. We had a situation which had to be dealt with. I can recall, North Battleford going into default some many, many years ago and it took years for the debt to be adjusted. The town of Humboldt was in the same situation and when it approached bankruptcy or got into an untenable economic situation back, some several years ago, I'm not sure of the exact date, it wasn't until December 31, 1975 that the Local Government Board was the city of Prince Albert and I think that the reasons for its complaints are obvious. The city was in a tremendous financial mess because of an expenditure, again some many years ago, to establish a dam, the Lecal Dam, I believe it was, which became a tremendous drain on the community, a debt which took several decades to repay.

Those are just a few examples of what then were prime examples of financial mismanagement in local governments.

The Local Government Board was charged to prevent this happening in the future and I think it did that and I think Members of the Treasury Benches opposite will agree, that the Local Government Board was successful in that approach.

The Local Government Board, I think, though I agree the criticism was unfair and I suppose really it's not the Local

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Government Board, it's mainly the governmental officials, no matter the party, didn't amend the framework of the Local Government Board to take into account the increasing professionalism of local governments. As long as that increasing professionalism was ignored, reaction against the Board was bound to increase and was bound to grow.

I think that the changes could have been made to The Local Government Board Act without the degree of animosity that has existed between the Government opposite and I submit the Local Government Board as it exists now. Most people don't accept as fair the way that Mr. MacMillan was summarily dismissed, had his contract not renewed, just told it's not going to be renewed, I believe a month or two before, after ten years service. That was unfair. I think it was really unnecessary. I think that discussions with the Local Government Board could well have brought about some of the changes that were necessary and some of the changes that would be necessary to reflect the increasing competence and financial competence of local governments.

The Bill as tabled before this House, this Assembly, has the support of the Saskatchewan Urban Municipality Association and the Saskatchewan Association of Rural Municipalities. On that basis we feel that we cannot oppose the legislation as introduced.

I should like to take the opportunity to warn the local governments however, that they may favor this legislation, but what I believe to be the unfair and unjustified interference in the operation of the Board last fall will be continued under the amendments. I indicated in my remarks the other day that there has been provision for five members of the Local Government Board for the last few years and there has never been more than three. The proposed Bill suggests that there will now be a maximum of seven members of the Board. The fact is that we've never had more than three.

Obviously the Government opposite and I can't see any other reason for the extension intends to stack the Local Government Board. Now that's a policy decision. I think it's an unwise one by the Government opposite. If the Government wanted to possibly attain its objects without stacking, it merely had to appoint the members and to complete the complement that was available, bring the number to five and I'm sure that the Government would have had a Board that was responsive to its wishes. The number seven will, as I say, give the Government the opportunity and I'm sure that is its intention, to stack the Local Government Board.

The criteria that have been established that the Board must take into account, are interesting in that to a large extent these are already taken into account in the existing operation of the Local Government Board. The major thing that has been removed and the criterion that was much objected to by local government, was that right of the Local Government Board making the decision whether or not the particular local project was necessary. They were imposing the will of the Board upon local governments, when certainly, and I agree with the Minister of Municipal Affairs, that was a right unto local governments.

I warn the local governments that wish the stacking of the Board by the Government opposite, the unnecessary expansion from five to seven, that there will be a great deal of influence by the Provincial Government on local governments through a more

responsive Local Government Board, something that I think frankly is unwise.

Aside from the question and removing the criterion of whether a project is necessary or not, I don't think frankly that local governments are going to be much better off than they were before. I don't think with a responsive stacked Local Government Board that local governments are necessarily going to have the independence that they deserve and that they need. I have strong reservations myself about the practical effects of these amendments.

Again they are supported by the Saskatchewan Urban Municipality Association, the Saskatchewan Association of Rural Municipalities, they are much better able to make the decisions for local government than I am. For those reasons we will support the amendments.

Some Hon. Members: — Hear, hear!

Hon. G. MacMurchy (Minister of Municipal Affairs): — Mr. Speaker, I was pleased to listen to the remarks of the Member for Qu'Appelle and his conveying to the Assembly here the strong support of the Members opposite, their caucus for this legislation. I just had difficulty getting a grip on the support. I'm sure that the members of SARM and SUMA will have the same kind of difficulty and they will, therefore, take the same kind of heeds to the warnings that he put forward as the Members on this side of the Assembly will. To give one an idea of the accuracy of the Member's statements, he said in a very loud and emphatic voice and I think he repeated it twice, there has never been more than three members on the Local Government Board, and that there is some question whether we should raise the maximum number from five to seven, when it happens that at the time of the end of the termination of the past chairman's term of office, there were four members on the Board. I just point out to the Members that one cannot take the arguments of the Member for Qu'Appelle very, very seriously.

However, I am pleased, Mr. Speaker, that the Member for Qu'Appelle has indicated that he has contacted the various municipal associations, and that they are in support. As a matter of fact, I am sure that they informed the Member for Qu'Appelle that the development of these amendments came as a result of discussion with both of the associations, and they certainly welcomed the increased outline of criteria.

They very warmly welcomed the opportunity for a possible appeal and they welcomed the opportunity to receive, in writing, the reasons for the decisions made by the Local Government Board. With that and with the pleased support of the Members of the Liberal caucus and I would hope of the Members of the Conservative caucus, I am pleased to move second reading of this Bill.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. Kaeding that Bill No. 26 — An Act to amend The Dairy Products Act be now read a second time.

Mr. L. W. Birkbeck (Moosomin): — Mr. Speaker, I just want to take the opportunity to further emphasize the fact that the amendment has virtually got

no backbone to it at all. It has got about two good points in it. I'm very disappointed that the Government couldn't have taken the opportunity they had to bring in a full amendment which might have cleared up a lot of problems right throughout The Dairy Products Act. Put it in step with the times and gear it for the future. So that we don't have to keep continually bringing in amendments as changes take place in the industry.

It reminds me of a line fence that needs repairing and you simply put another post in and leave old pickets hanging there. You're aware that there are fences in this province that have pickets hanging on it, they're about thirty years old. I don't want to see The Dairy Products Act get to that condition. Although I disapprove of the amendment, in the ways that I have stated when I initially spoke to the amendment and now, it still has a couple of good points in it and the rest of it is simply housekeeping. And as I said before, I'm disappointed that you couldn't have taken the opportunity to bring in a really good amendment and just hope that maybe the next time you do have the opportunity, to take a good close look at the whole Dairy Products Act. Consult a little with the people in the industry and see if you can't straighten a lot of the problems out and maybe we'll be done with it for a little while.

So, with those very few short words, we will be supporting the amendment.

Mr. J. Wiebe (Morse): — Mr. Speaker, not wanting to delay the proceedings of this particular Bill, I was absent from the House the day that the Minister moved second reading of this particular piece of legislation. And I did not have an opportunity as yet to get back to Hansard to look at his particular remarks in this regard.

I have a couple of concerns in regard to this legislation, concern regarding any individual who must, before he can operate any kind of a business, be licensed. The hair on the back of my neck stands up on end every time I hear this. I'd like to have an opportunity to peruse the Ministers remarks a little bit further and beg leave of the House to adjourn debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion of the Hon. Mr. E. Kaeding that Bill No. 45 — An Act to amend The Agricultural Implements Act, 1968 be now read a second time.

Mr. R. A. Larter (Estevan): — Mr. Speaker, in speaking to Bill No. 45, I feel that I should say something on this Bill having been a machine dealer for quite a few years and having worked over the years with the Opposition and with the Attorney General and the now Minister of Industry on some of the changes in this Act as my role in the Implement Dealers Association.

I don't particularly like to see the word 'vendor' taken out of this Bill. We worked for a number of years to get the word 'vendor' as part of the Bill. All of a sudden because we are going jointly on the agricultural machinery testing at Humboldt we are adopting some of the changes from Manitoba and Alberta.

I object particularly because it leaves an implication that

the onus falls right on the dealer instead of on the provincial distributor involved. I think that any time the dealer appears first it is the first place that you are going to go in case of trouble.

I realize, of course, that under the warranties the distributor becomes involved, but I don't agree that the dealers should be placed singly and alone on this portion of the Bill. And the dealer being the most convenient, I think he will probably bear the brunt of anything that comes up in this Act. I think there is probably going to be more onus on the dealer doing his job and getting the distributor to help him out.

I should like to expand a little on the reasoning behind these objections.

Some years ago the Department of Agriculture was controlling the licensing and the quality of dealers and they worked very hard. Many of the fellows on the road out of here, there are two under Jack Peck at one time and before that Mr. Kyle. They did a good job of closing up the poolroom operations and they did quite a job towards improving parts and service out of the various communities. By and large these departments did a good job of getting rid of marginal dealers, upgrading other dealers and generally shutting down the pool type operators. Machine dealers, generally through the province, through this program, are a much better lot today than they were a few years ago.

There were, however, many instances where dealers who were not good operators, who were not good service people and did not stock good parts were still allowed to exist and it is these dealers who have caused most of the problems in the farmer-dealer relationship today. I think that this is the reason that this Act came about, it is because of some of these operators who never did modernize and bring their service up to par.

I think the Government departments were guilty, both Liberal and NDP, in not eliminating some of these dealers who didn't stack up. These are the dealers who have caused most of the problems that have come up over the past few years between dealer and customer and what the Minister of Agriculture was alluding to today in some of the settlements.

I might also point out that at certain periods some provincial distributors were more guilty than others in poor products, poor part service and poor service training for dealer personnel. I think that this was very glaring on one or two companies at the time that the Board was set up. But this situation alluded to by the Member for Thunder Creek today, has caused the Government to punish some provincial distributors and dealers by forcing the shortcomings of the dealers on the other dealers that exist.

The customer in many cases must take part of this blame and I will explain that. Many of the people who have most of the problems are farmers who shop for many miles for the best price, then when you buy the machine at their price and name their own price and have a service problem, they wonder why their local dealer will not give him service on a priority basis. This cannot be done as the dealer's own customers must be serviced first. The dealer from many miles away, where the customer shopped, also has priorities and certainly the far away customer is not going to be one of his top priorities because it costs more to service

these goods that are further away from home. Thus, you have a dissatisfied customer and generally one of the people who causes the Government to get involved in the first place under this Act.

The second dissatisfied customer is the one who deals with a dealer that he knows does not give good service, either parts or service wise. And if this is the case he is again asking for trouble. The dealer has an obligation to maintain the best service not only by the rules, but morally as well and even to be able to live with himself in the community.

A good farm machinery dealer is indeed a real asset to a community. I think this has been proven out by many communities that have four or five good farm machinery dealers and have indicated many times how much more increased revenue these well run businesses bring to the community. A good dealer will give good service with well-trained personnel. Good over the counter parts service. A good dealer doesn't consider good parts service how fast he can get it out on the bus. It is over the counter parts service. He will live with a customer at all times, especially in times of trouble. He will loan a machine to a customer under a given circumstance and he may or may not charge rent for this unit. I think this is the case with all dealers who are operating the way that they should be.

The Agricultural Implement Act does not only assist the irresponsible distributor but also the distributor that does a good job of servicing dealers. The rules are the same for the company that spends ten times as much on research as the distributor that spends very little.

I think maybe you cleared up a point, Mr. Minister, today, you did state that the company that is letting his customers down, letting the dealers down that he is paying a little more, I am very pleased to see that.

Mr. Speaker, the legitimate, sincere, dedicated farm machinery dealer has fought many years to gain the stature and respect of his farm customers. A few more controls such as adding the word dealer instead of vendor can take the dealer's stature and respectability back to such a point that this Government will force these legitimate dealers to only give the customers what they absolutely have to under regulations. This could destroy in some cases the relationship between dealers and farmers in communities by only living up to what they have to do.

I am a little disappointed in the ten day trial period. I think this is going to be creating nothing but hardship between the good dealer and the customer who has problems where ordinarily the dealer lives right with him. And in some cases you are forcing the customer in order to protect himself, to go over the dealer's head and this way you are going to undermine, in some cases, relationships that have been good relationships for many years between the dealer and the farmer.

I would also like to caution the Government and the Board not to look too favourably on the Manitoba Act as this was probably the most amended Act in North America when it was introduced. By one of the points they introduced in the two-year warranty period which I think was unreasonable, they now have a differential from three and one-half to four and one-half per cent in the price of farm machinery in Manitoba.

I am going to support this amendment. I had a talk with the Implement Dealers Association and some dealers and having lived with not only the farming contracts in this Agricultural Implements Act through the years, I do have these cautions that I feel I must offer. I believe the Act is aimed towards giving better service to the customers and for this reason I will support it.

Mr. W. C. Thatcher (Thunder Creek): — Mr. Speaker, on this Bill 45 pertaining to the Agricultural Implements Act, I am afraid that I have become suspicious of a great deal of our consumer legislation we have throughout this country. I am not suggesting we shouldn't have consumer protection legislation or agricultural protection legislation. I think there is a point in time when we can go too far, however, ultimately the consumer pays for the restrictions that will be put on. I am concerned about this Bill because it is one more step towards what they have in Manitoba. And in Manitoba, depending upon which company you are referring to, you are paying anywhere from three to four and one-half per cent higher for warranty protections.

Frankly, as a person who makes his living from agriculture and who does have occasion to buy agricultural machinery from time to time, I'm frankly not prepared to be very happy about the prospect of paying four and one-half per cent more, particularly when you can be talking in terms of a \$30,000 to \$40,000 tractor. Incredible as it sounds, a \$30,000 tractor is not all that great a tractor any more.

Mr. Speaker, in this Bill . . .

Mr. Allen: — Without the air conditioning it would be a little less.

Mr. Thatcher: — Well, if the little loud-mouthed jerk from the sticks will just be quiet, we can dispense with this very quickly, and move along.

Some Hon. Members: — Hear, hear!

Mr. Thatcher: — Mr. Speaker, this amendment 14(a) is written in terms of when an implement breaks down and how it shall be defined as an emergency. I think the Minister, being a farmer himself, would agree that something doesn't break down when it is not in use. Because of the seasonal nature of agriculture in Saskatchewan, when you are using a machine, generally you are using it because you need it. So consequently when it breaks down it is an emergency or a near emergency the bulk of the time. Consequently, I am further amused under 14 (a) moving to Section 4, when we have an emergency as far as the dealer and distributor are concerned for 72 hours during the work week. But Saturdays and Sundays and holidays are not considered an emergency. Mr. Minister you are from the farm. You know very well that holidays and Saturdays and Sundays are something for the city. On the farm you do what has to be done when it has to be done. You run a very good farm yourself, consequently you know very well that these particular things go out the window. I suggest this emergency provision was written by the Minister of Labour's department or perhaps the Mayor of Regina. But I cannot believe a successful farmer like yourself could really have thrown this in.

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Mr. Speaker, I have additional comments I should like to make on this, I would therefore beg leave to adjourn the debate.

Debate adjourned.

The Assembly resumed the adjourned debate on the proposed motion by the Hon. Mr. Robbins that Bill No. 27 — An Act to amend The Pharmacy Act, 1971 be now read a second time.

Mr. J. Wiebe (Morse): — Mr. Speaker, a few brief comments in regard to this particular piece of legislation. Let me initially say that I am pleased that the Provincial Government has finally realized the problem that has been created in rural Saskatchewan because of legislation that was on the books in previous years and is prepared now to correct that situation by introducing this amendment.

I must congratulate the Minister of Health and the Government for doing so.

The reason I say this is because rural Saskatchewan has been affected very substantially by the effects that the previous Act, before amended, had on our small communities. I am talking now about such drugs as — non-prescription drugs, SMA, drisdan and a few other . . .

Mr. Allen: — SMA isn't a . . .

Mr. Wiebe: — The Member for Regina Rosemont seems to be enjoying SMA. Have you been buying a lot the last while?

What has happened is that a lot of our rural communities have not had the opportunity to have the services of a full time pharmacist.

Under the Act as it is presently written only a pharmacist can sell these non-prescription drugs which meant that people living in our rural communities had to drive to a larger centre or to a city in order to obtain these non-prescription drugs. What this Act does, and I hope that this is my reading of the Act, that it will allow a grocery store or even a hardware store, or any other kind of an outlet, to handle essential things that are needed in rural Saskatchewan under the non-prescription drug category. And again, I talk about SMA, Drisdan and a few things like that in this regard.

While rural Saskatchewan has had to travel the extra distance in the past three or four years I am very pleased that the Government has now decided to amend that situation and correct it by introducing this Act, and you have my support, Mr. Minister.

Mr. Robbins: — Mr. Speaker, just a few brief words. I agree with the general comments of the Member for Morse with respect to this proposed Bill. Really the amendments are being brought about by reason of the fact that the Federal Government is amending the Proprietary Drugs of The Food and Drugs Act as of next April, one year from now approximately and the amendments to this Bill are in compliance with the amendments that come through that particular Bill.

He is correct when he says that it will permit the sale of

some medicinal type drugs, in other than drug stores. That perhaps is not the correct terminology, in grocery stores and in other commercial outlets. But in the main it is still true to say that pharmaceutical materials shall not be distributed except through a pharmacy or where a licensed pharmacist is employed.

Nevertheless I do think it has some value in terms of the small rural communities.

I just wanted to make that brief comment before we pass the Bill.

Motion agreed to and Bill read a second time.

The Assembly resumed the adjourned debate on the proposed motion by Hon. Mr. Smishek that Bill No. 49 — An Act to amend The Education and Health Tax Act be now read a second time.

Mr. E. F. A. Merchant (Regina Wascana): — Mr. Speaker, I wanted to say a few things about the amendment and about this legislation. I can and will be very brief, only to say that the way the amendments operate, though frankly the amendments don't make things particularly worse, the way the legislation operates in general.

What the Government really does is they transfer an expense which the Government should be bearing because the Government is picking up the profit of the tax. And they transfer that expense to small business people all over the Province of Saskatchewan. This legislation and the collection of the E & H tax is a great inconvenience to small business particularly. Now it is true that there is a graduated payment for the collection of that money, so that the smaller businessman gets a larger return to the small amount of money that he collects than the larger business. And the larger business really suffers even more as a result of having to go through the accounting and cash register expense and all of the other expenses including transferring funds, that is related to collecting this money.

It has long seemed to me curious that the Government which has a tax which collects a great deal of money should choose then to put the expense, most of the expense, of collecting that money back on the small business people of this province.

Secondly, Mr. Speaker, and I know that this is something that may ring a favourable jangle at least in the minds of the NDP, although I say certainly that I don't propose to vote these amendments. It is curious to me that an NDP Government goes on maintaining a non-progressive tax in the form of E & H tax, a tax which falls, not just equally on those who have the ability to pay and those who don't have the ability to pay, but falls very cruelly in many ways upon people who are low income earners.

Mr. Speaker, I don't propose to dwell on either of these matters. I suppose in many ways they are not particularly enunciated or made worse by the amendments. But in two ways the way the E & H tax operates and the way that it is collected, I think that it is unfair and unfair not to the larger businesses so much as it is unfair to the small men and women of this province, lower income earners of this province and the small businessmen of this province.

Motion agreed to and Bill read a second time.

SECOND READINGS

Hon. J. R. Messer (Minister of Industry & Commerce) moved second reading of Bill No. 32 — An Act to amend The Power Corporation Act.

He said: Mr. Speaker, I will make my remarks brief in regard to second reading of the Bill to amend The Power Corporation Act. It undertakes to achieve four things.

Firstly, Section 8, subsection (2) as it now reads imposes a restriction on the production or purchase and the transmission, distribution and sale in supply of gas, either natural or manufactured by requiring that these powers shall only be exercised subject to the approval of the Lieutenant-Governor-in-Council. The removal of this requirement will enable the Saskatchewan Power Corporation to engage in what we interpret to be routine transactions relating to gas in the same manner as those relating to electricity by removing the necessity of obtaining an Order in Council for such matters involving gas, natural or manufactured.

Second, Mr. Speaker, Section 10, subsection (3) requires the Saskatchewan Power Corporation to obtain the approval of the Lieutenant-Governor-in-Council for purchase of real property valued at \$10,000 and personal property valued at \$100,000. Since this Act was passed in 1950 and has not been amended since that time, the value of money has changed so that equivalent values are now approximately \$25,000 and \$250,000 respectively. These amendments will attain or set those figures.

The third, Mr. Speaker — this is going to be longer than two minutes I am afraid — the third amendment, Mr. Speaker, will change Section 24, subsection (3), Section 25 and subsection (3). As vacancies arise in the three offices designated in these Sections it is sometimes difficult to locate an official to sign expropriation documents. The addition of a fourth officer will lessen this problem and we propose to that in both Section 25, subsection (3) and Section 24, subsection (3).

The fourth change, Mr. Speaker, is Section 42, subsection (1) which limits the amount which Saskatchewan Power Corporation may borrow to \$650 million. The present borrowing needs indicate that this amount could be exceeded in 1976 and that additional funds up to something in the neighborhood of \$1 billion will be required by 1980.

Mr. Speaker, with these few short remarks, it is indeed a pleasure that I move second reading of The Power Corporation Act.

Some Hon. Members: — Hear, hear!

Mr. R. E. Nelson (Assiniboia-Gravelbourg): — Mr. Speaker, it is a little difficult to understand just what the Minister is really after here. It would appear that he is just trying to get a little more power for himself as chairman of the Board of the Saskatchewan Power Corporation and it looks a lot as if he is trying to reduce the power of the Cabinet. And I would certainly hope that the Minister isn't trying to change this Act just to build up a little bigger empire for himself.

Some Hon. Members: — Hear, hear!

Mr. Nelson: — I still hope he will make some decisions to get some of that barbed wire out of the water in Coronach without having to go to Cabinet to do it.

Now it is more difficult than ever to understand why the Minister or the Government would try to limit the Power Corporation to \$1 billion. We spent 46 days in this Legislature just trying to get a limit on the Potash Corporation and now they come in here insisting on a limit of \$1 billion for Saskatchewan Power Corporation. The Members opposite refused to even consider putting a figure into the potash bills and now want this \$1 billion put in here. I believe this change that gives the Minister more power than he has got should be opposed in principle. I think he is playing around with too much of that power now the way he dumps senior officials without ever going to the Board.

I will beg leave to adjourn the debate, Mr. Speaker.

Some Hon. Members: — Hear, hear!

Debate adjourned.

The Assembly adjourned at 9:27 o'clock p.m.