

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Third Session — Eighteenth Legislature
1st Day

Thursday, November 18, 1976

3:00 o'clock p.m.

This being the day appointed by Proclamation of his Honour the Lieutenant-Governor, dated October 19th, 1976 for meeting of the Third Session of the Eighteenth Legislative Assembly of the Province of Saskatchewan, and the Assembly having met:

Mr. Speaker informed the Assembly that he had received a communication from the Private Secretary of His Honour the Lieutenant-Governor stating that His Honour would open the Session at three o'clock p.m. today, Thursday, the Eighteenth day of November, 1976.

3:03 o'clock p.m.

His Honour the Lieutenant-Governor entered the Chamber and, having taken his seat upon the Throne, was pleased to open the Session with the following Speech:

Mr. Speaker,

Members of the Legislative Assembly:

It is my privilege to welcome you to the Third Session of the Eighteenth Legislature of Saskatchewan.

THE ECONOMY

Saskatchewan's economy continues to be strong in 1976.

The rate of growth is moderating but growth remains satisfactory.

This year's wheat crop of over 550 million bushels is the largest in the province's history.

Our labor force continues to increase and our unemployment rate remains among the lowest for the provinces of Canada.

Investment expenditures in Saskatchewan during 1976 are expected to set new records.

However, there are clouds on the horizon. Agriculture is still the most important industry in our province and recent declines in grain and hog prices give cause for concern. Despite the record wheat crop, farm cash receipts and net farm income are expected to decline this year. These developments may well have some adverse effects in other areas of our economy.

Notwithstanding these possible difficulties, Saskatchewan people can approach 1977 with modest confidence.

INFLATION

Inflation remains a cause for concern. Rapidly-rising prices pose a particular threat to the well-being of people on fixed incomes and others who have little or no control over their gross income.

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While the need to wage a battle against sharply-rising prices remains clear, the measures adopted by the Federal Government have failed to distribute the burden of this battle fairly.

My Government did not adopt the federal anti-inflation program but introduced a provincial program involving restraints on rent, on charges made by the provincial and local government bodies, and on wages and salaries paid by provincial and local governments. A surcharge has been imposed on higher incomes and restraint on government spending has been introduced.

You will be asked to consider amendments to The Residential Tenancies Act, 1973 to improve the operation of the rent restraint program.

FEDERAL-PROVINCIAL RELATIONS

Important questions for Saskatchewan and for Canada are now under discussion between the federal and provincial governments.

My Government is deeply concerned about the announced intention of the Federal Government to withdraw the revenue guarantee and to change in a fundamental way the basis for sharing the costs of medical care, hospital insurance, and post-secondary education.

Ceilings have already been imposed on the federal share of the costs of medicare and post-secondary education. Notice has been given to terminate the current agreements by which the costs of hospital care are paid.

The Federal Government proposes to replace current arrangements with a formula entirely divorced from actual costs of operating these basic social programs.

The likely result will be twofold:

1. Increases in costs of these programs will fall largely on provincial taxpayers; and
2. Programs in poorer provinces will fall further and further behind those offered in richer provinces.

My Government will continue to press for federal-provincial arrangements which guarantee a high quality of service for all Canadians wherever they live and which spread the risk of cost increases fairly between federal and provincial governments.

The withdrawal of the revenue guarantee will mean a loss of \$37 million a year for Saskatchewan, and equivalent of five personal income tax points or over \$100 per taxpayer. The Federal Government proposes also to make the change in the method of calculating the revenue guarantee retroactive to 1974 and 1975. This establishes a most undesirable precedent.

My Government recognizes the huge federal deficits of recent years call for action to effect cuts in federal spending. It is regrettable that this objective is being pursued by cutting large sums from what would otherwise have been paid to provincial governments.

My Government is also participating in the ongoing discussion on the patriation of Canada's constitution. In recent weeks, the provincial premiers have reached agreement on a number of items which would be desirable in a new constitution. My Government awaits further consultation with the Federal Government on this matter.

AGRICULTURE

In recent years, while grain producers have enjoyed almost unparalleled prosperity, Saskatchewan's cattle producers have been caught in a serious cost-price squeeze.

My Ministers believe that some measure of price stability for the beef industry can only be provided through a national program. They have repeatedly requested federal action. No such action has been taken. In the absence of an effective national program, my Government has moved to assist cattle producers.

In 1974, the Calf Cash Advance Program was introduced and \$35 million in interest-free loans was provided to over 12,000 producers. In 1975, the program was extended. Almost 14,000 farmers borrowed \$41.8 million.

This October, my Government announced new measures to assist cattle producers. The cash advance was made available for another year and a one-time cash grant of \$50 per cow was made available to cow-calf producers.

These programs underline my Government's commitment to maintaining a firm agricultural base for our province's economy.

The development and preservation of the family farm is still an important priority for my Government. The Land Bank Program has assisted more than 1,500 young farmers to set up viable farm units. Amendments will be proposed to The Land Bank Act, 1972 which will improve the operation of the program.

RESOURCES

The strength of the Saskatchewan economy in the decades ahead will depend to a great degree on revenue from our natural resources, particularly our mineral resources.

In the development of these resources, my Government has insisted that substantial benefits should accrue to the people of Saskatchewan. This objective will continue to be pursued. If steps previously taken to ensure Saskatchewan citizens of a fair return for their resources are judged to be invalid, you will be asked to consider measures to remedy this situation. My Government is determined to ensure that Saskatchewan received adequate revenues from resources.

A year has passed since plans were announced to regain for Saskatchewan a greater measure of control over the province's most important non-renewable resource - potash.

Today the Potash Corporation of Saskatchewan, a Crown enterprise, is producing potash and selling it to customers in the United States and overseas. This has been achieved through the purchase of the Duval mine near Saskatoon. That

mine, a wholly-owned subsidiary of the Potash Corporation, has been renamed PCS Cory Limited in recognition of the district in which it is located. My Ministers will, at this Session, table a report which contains the independent evaluation of this mining property by a distinguished mining consultant.

The bulk of the capital funds required for the Duval purchase was provided from oil royalty revenues accumulated in the Energy and Resource Development Fund.

Negotiations are currently under way with other potash companies.

My Government has been concerned with the action of the Justice Department of the United States in alleging that conduct of Canadian companies and officials of the Government of Saskatchewan constitutes a criminal conspiracy. One clear implication of these events is that Canadian corporations may be constrained from complying with Canadian law because shareholders of these corporations reside in the United States. This my Government finds most difficult to accept.

In order to maintain a stable and continuous supply of natural gas, my Government has taken steps to provide for additional production of Saskatchewan's natural gas for use within the province. You will be asked to approve legislation to establish a natural gas pricing and development board which will make recommendations respecting the price paid to producers and the schedule for development of reserves.

To encourage new techniques for the recovery of known oil reserves, my Government has announced a new system of crude oil royalties and taxes.

Saskatchewan has significant reserves of heavy crude oil in the Lloydminster area. At the present time, these reserves do not play a major role in Canada's energy supply because of difficulties associated with production and use.

Recently, my Government entered into a \$16.2 million shared-cost program with the Federal Government to develop new methods of recovering heavy oils from Saskatchewan fields. My Ministers are hopeful that new techniques in production will lead to the development of these important oil reserves.

Saskatchewan, like other areas in Canada, faces an ever-increasing demand for electrical power. My Government is carefully analyzing the assessing the province's power needs and is planning for the future.

Another unit is being added to the Boundary Dam Power Station at Estevan.

The Poplar River project is on schedule and work will continue to develop the mine and plant using Saskatchewan's lignite coal resources to add to the province's energy resources.

Work is proceeding on engineering designs and estimates for the Nipawin project on the Saskatchewan River.

A Board of Inquiry will be appointed in the near future to review the social, economic, and environment implications of a power project on the Churchill River.

TRANSPORTATION

The maintenance of an adequate rail and truck transport network remains a major challenge for my Government.

The Hall Commission inquiry into rail line abandonment generated wide interest and concern. In its submission to the Commission, my Government outlined a plan to reorganize and improve Saskatchewan's rail network. My Ministers await with great interest the report of the Commission and the response of the Federal Government.

Of equal concern is the question of the Crow's Nest freight rates on which our farmer-owned elevator system is based. My Government will oppose any effort to remove from the statute books of Canada the Crow's Nest freight rates - western Canada's sole freight rate advantage.

Many Saskatchewan communities rely on the railway companies for trucking services. My Government will continue efforts to ensure that the railways are not permitted to avoid honoring their legal obligation to provide this service.

There is growing pressure to shift grain shipment from rail to road. Such a change would transfer the heaviest burden of costs from the Federal Government and the railway to Saskatchewan taxpayers. Our road network does not have the capacity to handle such a shift. In order to forestall excessive damage, roads and highways will be classified on the basis of eights they are able to carry.

My Government has completed a new airport at Meadow Lake, and work is beginning on airports at Hudson Bay and Buffalo Narrows. My Government in co-operation with the Government of Canada has constructed a modern new airport at La Ronge.

COMMUNICATIONS

For many years now telephone service to great numbers of people in rural Saskatchewan has been the responsibility of hundreds of rural telephone companies. In the coming year, my Government will launch a new program designed to bring the benefits of advanced technology to these people.

Sask Tel will assume full responsibility for providing telephone service to the subscribers of those rural telephone companies which vote for the voluntary transfer of their assets to the Corporation. This will result in improved standards of maintenance for Saskatchewan's telephone system.

Over the past few months, my Government has attempted to ensure access to cable television for the people of Saskatchewan. The coaxial cable now being installed by Sask Tel can supply Saskatchewan communities with cable television at equitable and reasonable rates.

The Canadian Radio-television and Telecommunications Commission has insisted that those licensed to provide cable television should own at least part of the equipment. This would result in a duplication of equipment, higher costs and a possible loss of services for smaller communities.

My Government wishes to provide the largest possible

number of citizens with a greater range of television programs without such wasteful duplication.

You will be asked to approve legislation relating to provincial aspects of cable television service.

HEALTH AND SOCIAL SERVICES

My Government is committed to maintain Saskatchewan's position as a leader in the delivery of health care.

During the past year, the Children's Dental Program and the Prescription Drug Plan have become firmly established as part of North America's most comprehensive health insurance coverage.

Modest restraints in health spending have been accomplished without major cuts in services. No Saskatchewan hospitals have closed their doors.

Legislation will be placed before you to provide further protection to the public in respect of the exercise of statutory powers by certain health professional associations.

You will be asked to approve legislation which will regulate the practices of denturists and ophthalmic dispensers in Saskatchewan.

The Department of Social Services is continuing to develop community and preventive social services for the benefit of Saskatchewan people.

Within the next few months, the Child Protection Program will be expended to include a child-protection registry. Education programs will be developed in a continuing effort to reduce child abuse.

LABOUR

To assist low-income workers my Government has announced an increase in the minimum wage from \$2.80 to \$3.00 per hour, effective January 1, 1977.

The rapid advance of technology has created the potential for new hazards to working people both from accidents and from work-related diseases. Thousands of Saskatchewan workers have already benefited from the Occupational Health and Safety Program. To improve the protections for working people, you will be asked to approve amendments to The Occupational Health Act, 1972.

During the forthcoming Session, you will be asked to consider and approve a revision of The Labour Standards Act, 1969 which will bring existing legislation up to date and add new provisions relating to overtime and maternity leave.

CONSUMER AFFAIRS

As further protection for Saskatchewan consumers, you will be asked to approve a new Consumer Products Warranties Act.

A White Paper on Trade Practices will be placed before you.

CRIMINAL JUSTICE

In 1974, a Corrections Co-ordinating Committee was set up. This Committee has now been directed to examine the entire criminal justice system in our province.

The Committee will advise my Government on policy matters involving sentencing, corrections, policing and the judicial system. Its objectives are:

- (1) to make the criminal justice system more responsive to the needs of society; and
- (2) to co-ordinate the operation of the various parts of the system including the police, the courts and the corrections program.

The emphasis of the Committee will be on the prevention of crime, and my Government looks forward to receiving position recommendations from the Committee in this area.

CULTURE AND RECREATION

Over the past several years, my Government has expanded the cultural and recreational opportunities available for Saskatchewan people. You will be asked to consider a new Cultural and Recreational Facilities Capital Fund Act which will provide for capital financial assistance to communities for the construction of cultural and recreational facilities.

EDUCATION

At the forthcoming Session, my Government will table a White Paper which will outline proposals on the consolidation, modification and revision of School Law. My Ministers invite the reaction of Members of this House and the public to these proposals.

Saskatchewan has achieved significant progress toward the development of an integrated system of post-secondary educational opportunities readily accessible to all people of this province. Enrolments in Community Colleges rose to 73,000 in 1975-76, almost three times as high as the previous year's enrolment. 5,535 classes were offered in 582 locations in the province.

Further emphasis will be given to the development of new post-secondary educational programs.

ENVIRONMENT

My Government will continue to give high priority to finding permanent solutions to the problems of flooding.

Under the Qu'Appelle Implementation Agreement, flood control works have been constructed at Regina, Lumsden and Tantallon. During the coming year, work will proceed to reduce the flood hazard at Moose Jaw and on agricultural land in the Qu'Appelle Valley.

Amendments to The Water Resources Management Act designed to control future development in the flood plains will be placed before you.

HOUSING AND URBAN AFFAIRS

In recognition of the problems faced by many of our urban centres my Government established an Urban Affairs Division in the Department of Municipal Affairs. In the following months, policies and programs will be implemented to assist in accommodating industrial growth and to strengthen the viability of business districts. A major effort to co-ordinate senior government services in response to local planning and local requirements will be undertaken through the Urban Affairs Division.

My Government will also be providing assistance for those in smaller communities.

You will be asked to approve amendments to The Industry and Commerce Development Act, 1972, which will facilitate the establishment of the Rural Community Business Retention Program. Frequently the owners of businesses in small communities experience difficulties in transferring their assets. It is hoped that this program will provide assistance in reducing the level of risk for new owners.

My Government has also implemented the Mainstreet Development project which assists merchants in upgrading the physical appearance of their properties. This program is currently operating in several communities.

Housing starts in 1976 will exceed the 10,500 units begun in 1975. Over 1,000 housing units for senior citizens have been started this year. This program will continue as a top priority in 1977.

Work is now underway on 300 apartments and town houses financed by the province and available for rent on the moderate income market.

The \$35 million land assembly and servicing program introduced by my Government this year has provided for the purchase of 2,500 acres in Saskatoon and the servicing of 2,500 acres in Regina. Many smaller centres are replenishing their supply of serviced lots through the 95 per cent financing program now operating.

HUMAN RIGHTS

Saskatchewan was the first province to introduce legislation guaranteeing certain fundamental human rights. In 1949 the Saskatchewan Bill of Rights was passed. The Fair Accommodation Practices Act and The Fair Employment Practices Act were enacted in 1956. In 1972, the Human Rights Commission was established.

You will be asked to consider legislation establishing a Saskatchewan Human Rights Code which will consolidate and update human rights legislation currently in effect in the province.

SNOWMOBILES

Amendments to The Snowmobile Act, 1973 will be placed before you which will more clearly define the responsibility of snowmobile operators for safety and damage to private property.

HIGHWAYS AND TRAFFIC SAFETY

For over two decades, Saskatchewan has steadily improved and expanded its highway system. Operation Open Roads and Operation Mainstreet, commenced in 1972, have now been successfully completed, giving 311 communities dust-free access to the provincial highway system.

While pleased with the improvement in our provincial highway system, my Government is concerned with the ever-rising toll of traffic deaths and injuries.

1977 will be proclaimed "Safety '77".

In the year ahead, my Government will implement a seven-point program aimed at vehicle safety, driver safety and highway safety.

- (1) Amendments will be proposed to The Vehicles Act which will make the use of seat belts mandatory and improve safety procedures for school buses.
- (2) Special attention will be focused on the problem of the drinking driver.
- (3) Programs will be introduced to improve driving practices and re-educate problem drivers.
- (4) An experimental two-year Traffic Safety Court will be established in Regina. The court will adopt an innovative approach in an effort to change driving attitudes.
- (5) Steps will be taken to encourage higher standards of vehicle safety.
- (6) A safety program will be implemented in Saskatchewan schools.
- (7) A public information campaign will be launched to acquaint Saskatchewan citizens with the objectives of "Safety '77".

The co-operation of all citizens will be sought in a concerted effort to reduce the human misery and financial loss caused by the increasing number of automobile accidents.

I leave you now to the business of the Session with the full confidence that you will favorably discharge your duties and responsibilities.

May Divine Providence continue to bless our province and guide this Legislature in all its deliberations.

ANNOUNCEMENTS

INTRODUCTION OF PAGES

MR. SPEAKER: — I beg to inform the Assembly that the pages during the present Session will be Pam Hanna, Joan Johnson, Jacqui McAfee and Vickie Reiman.

CONSTITUENCY VACANCY

MR. SPEAKER: — I beg to inform the Assembly that the Clerk of the Legislative Assembly has received from the Chief Electoral Officer, notification of the following vacancy in the representation, viz:

In the constituency of Saskatoon-Sutherland, by the death of Mrs. Evelyn G. Edwards.

MOTIONS

SPEECH OF LIEUTENANT-GOVERNOR

HON. A. E. BLAKENEY (Premier): — Mr. Speaker, I move seconded by the Hon. Mr. Romanow (Attorney General) that:

The Speech of His Honour the Lieutenant-Governor be taken into consideration on Monday next.

Motion agreed to.

VOTES AND PROCEEDINGS

MR. BLAKENEY: — Mr. Speaker, I move, seconded by the Hon. Mr. Messer (Minister of Mineral Resources) that:

The Votes and Proceedings on this Assembly be printed after first having been perused by Mr. Speaker; that he do appoint the printing thereof, and that no person but such as he shall appoint do presume to print the same.

Motion agreed to.

ANNOUNCEMENTS

INTRODUCTION OF HONORARY CLERK OF THE LEGISLATURE

MR. SPEAKER: — Members of the Assembly will have noted, no doubt, the presence at the Table today of the Honorary Clerk of this Legislative Assembly, a title earned by Mr. Bev. Koester.

HON. MEMBERS: — Hear, hear!

The Assembly adjourned at 3:47 o'clock p.m.