

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Third Session — Eighteenth Legislature**  
**45th Day**

**Monday, April 25, 1977**

The Assembly met at 2:00 o'clock p.m.

On the Orders of the Day

**WELCOME TO STUDENTS**

**MR. W. J. G. ALLEN (Regina Rosemont):** — Mr. Speaker, I would like to introduce to you and through you to the Legislature this afternoon a fine group of 60 students from Wascana School in my constituency. I should say that this particular school borders on Elphinstone constituency, the constituency of the Premier and many of the students are from his riding as well.

I would like to welcome them all to this Legislature this afternoon and hope that they have an interesting and informative time and I look forward to meeting with them a little bit later.

**HON. MEMBERS:** — Hear, hear!

**HON. A. E. BLAKENEY (Premier):** — Mr. Speaker, may I add my welcome to that of the Member for Rosemont. I would think about half of the students from Wascana School come from the constituency of Elphinstone. I know that many students from that constituency attend Wascana School because I have two children going to that school. I know that it is a very fine school and I join with the Member for Rosemont in welcoming them to this Assembly.

**HON. MEMBERS:** — Hear, hear!

**MR. E. C. MALONE (Regina Lakeview):** — Mr. Speaker, on behalf of my colleague, the Member for Assiniboia-Gravelbourg (Mr. Nelson) who can't be here today, I would like to introduce through you to the Members of the Legislature 15 Grade Eight students from Mossbank School. They are led here today by their teacher, Sharon Lewis. I hope they will find our deliberations both educational and enjoyable and I hope to meet with them later and have a drink with them.

**HON. MEMBERS:** — Hear, hear!

**MR. S. J. CAMERON (Regina South):** — Mr. Speaker, if I may I would like through you to introduce to Members of the Assembly a group of Grade Five students from the Ethel Milliken School, in the company of Mrs. Arnold and Mrs. Friesen. I know all Members will want to join with me in welcoming them here this afternoon.

**HON. MEMBERS:** — Hear, hear!

**QUESTIONS**

**DROUGHT CONDITIONS IN SASKATCHEWAN**

**MR. A. N. McMILLAN (Kindersley):** — Mr. Speaker, I should like to direct a question to the Minister of the Environment with respect to drought conditions

in Saskatchewan. The Minister I am sure is well aware that the province is approaching the critical level and I would like to know what plans, if any, this Government has to alleviate some of the pressure that is going to be put on communities throughout Saskatchewan as a result of the lack of moisture in the province?

**HON. N. E. BYERS (Minister of the Environment):** — Mr. Speaker, I am sure that all Hon. Members will know that for the past several years the Saskatchewan Research Council has been involved in assessing and preparing an inventory of ground water supplies. There has been a good deal of work done both by the Research Council and the Research Council has done work under contract for the Government including the Department of the Environment to ascertain where ground water supplies exist, and the extent of those supplies. The department has a lot of information on hand and in the event that a particular community faces a water shortage because of shallow wells going dry or whatever we are prepared to make available to communities the information that is on hand to assist them in the development of alternate water sources.

**MR. McMILLAN:** — A supplementary, Mr. Speaker. I am sure the Minister is aware that over the weekend it has been reported that 40 communities in Saskatchewan are approaching the level of a critical water shortage where they might be more than interested strictly in information that is available to them. I would like to ask if the Provincial Government has undertaken to establish alternate water supplies for any of these 40 communities or in fact any communities in Saskatchewan which are approaching the critical water supply level?

**MR. BYERS:** — Mr. Speaker, to give a blanket answer that would solve the problem in 40 communities because the nature of water supplies varies drastically from community to community. Some communities rely on reservoirs, others rely on one or more shallow wells and others on deep wells. The Government, through its various agencies, is prepared to do what it can do to assist each individual community faced with a water shortage.

#### **SASKATCHEWAN STATISTICAL REVIEW - POTASH**

**MR. S. J. CAMERON (Regina South):** — Mr. Speaker, I have a question either for the Minister in charge of the Potash Corporation or the Premier, I am not sure to whom it is most properly directed. The Saskatchewan Monthly Statistical Review, which I am sure both of you are familiar with, throughout 1975 and I think into 1976, used as a matter of course to publish the potash production statistics for the province on a quarterly, monthly and annual basis. I am looking at one of December, 1975, which contains the information I am speaking of. I am looking at the same statistical bulletin for April, 1977 and I notice that these figures with respect to potash production are no longer published. My question is when was the decision made to not include those figures in this statistical review and by whom?

**MR. BLAKENEY:** — Mr. Speaker, the bulletin is put out by the Planning and Research Branch of the Executive Council I believe. The decision was certainly not made by any Minister of the Crown and

accordingly I can't tell you when or by whom it was made. I don't know whether it is a decision which decided simply to leave it out of one quarterly report in the interests of brevity and put it in only two a year or the like, or whether there has been some further decision. All I can do is take notice of the question.

**MR. CAMERON:** — Well, may I ask the Premier if he takes notice, would you also take notice then of another aspect of it. That is that the report indicates that potash production figures are no longer available. It is curious why those production statistics having been available for so long are no longer available. May I ask you in taking notice of it when you are responding to give the Legislature your justification for withholding this kind of vital information from this publication?

**MR. BLAKENEY:** — You mean not including it, I take it, rather than withholding.

### SWISS BANK FRAUD

**MR. R. L. COLLVER (Leader of the Progressive Conservatives):** — Mr. Speaker, I would address a question to the Minister of Finance. Is the Credit Suisse, the organization that was announced recently involved in the largest bank fraud scandal in Swiss history, the same organization that assisted the Government of Saskatchewan in placing the very large loan of Euro dollars which the Minister announced some two or three weeks ago?

**MR. BLAKENEY:** — Mr. Speaker, I will answer that. Yes, it is the same organization, but keep in mind that when you refer to a bank fraud what you are referring to is that one branch manager of Credit Suisse acted improperly. There is no suggestion that the senior management of Credit Suisse or that the financial strength of the organization has been significantly impaired.

**MR. COLLVER:** — A supplementary question, Mr. Speaker. In the light of the fact that no such proof of the involvement of anyone in Credit Suisse has been announced other than the fact that it is the largest bank fraud scandal in Swiss history, would the Premier outline for this Assembly: (a) if the Government of Saskatchewan has during the course of hiring its agents for these very large loans investigated fully the organizations that are acting as its agents and does it have a full time employer, or does it have any form of check on the agents who are handling these very large placements in the money markets of Europe and in fact of the United States; and (b) since there hasn't been yet any formal announcement from Switzerland as to the exact cause of the very huge fraud, that it might possibly involve other officials besides the one branch manager mentioned in the newspaper, is there any potential for the Government of Saskatchewan's continued involvement with Credit Suisse over the near future until this matter is clarified?

**MR. BLAKENEY:** — Mr. Speaker, first let me assure all Hon. Members that Credit Suisse underwrites the bonds, they don't act as our agent. Accordingly if we sell the bonds, they buy them. At least from the point of view of the taxpayers of Saskatchewan, there is no possibility that we can suffer a loss, from any

subsequent event following any underwriting. Somebody else may suffer the loss, but we do not. Accordingly there is no suggestion that we, the Government or the taxpayers of Saskatchewan, are in any way adversely affected by any subsequent activities or any activity subsequently unearthed with respect to Credit Suisse.

Secondly, I hope the Hon. Member is not suggesting that Credit Suisse is any way in financial difficulty. I can only wish that the Government of Saskatchewan had the financial difficulties of Credit Suisse. So far as anybody knows, their credit rating is still of the very highest.

Thirdly, with respect to our having agents in Europe, the answer is, in effect, No. We rely upon the advice we get as to appropriate agents to deal with, from our Canadian agents, that is Dominion Securities Corporation and on occasion, our lead bankers, the Royal Bank of Canada.

**MR. COLLVER:** — A supplementary, then, Mr. Speaker. Obviously, the Premier is suggesting that the Government of Saskatchewan does not have an investigatory group of its own resources, that investigate these groups or individuals or organizations with whom it does have these very large dealings. At this point in time, are there any moneys owed to the Government of Saskatchewan under the underwriting of that Euro-dollar issue by Credit Suisse?

**MR. BLAKENEY:** — The answer is No. May I comment on the Member's comment. I think it is inappropriate for the Government of Saskatchewan to maintain investigating agencies which would look into the financial solvencies of the Royal Bank of Canada or the National City Bank of New York, or the Bank of America or Credit Suisse, or Rothschild's or any of these other major agencies throughout the world. We really have something better to do with the taxpayer's dollar than try to find out whether the Bank of America will go broke tomorrow . . .

**MR. SPEAKER:** — Order! Next question.

### **LOANS FROM CREDIT UNIONS**

**MR. J. G. LANE (Qu'Appelle):** — I would like to direct a question to the Minister of Consumer Affairs. You are quoted as having spoken to the Canadian Association of Consumers that perhaps credit unions have become a vehicle, not for low income people, but for middle income people to finance motor homes and trips to Europe. My first question is, what do you have against middle income people going to Europe?

Secondly, you left the impression that there would be regulations requiring a greater number of loans, or a greater volume of loans to low income people through the credit union movement and what proposals does the Government have in the latter regard?

**HON. E. C. WHELAN (Minister of Consumer Affairs):** — I think I am being quoted out of context, deliberately. I think everyone in the House would recognize that in a moment. I said, to quote:

In some instances loans that should be made to low income people were being made for trips to Europe and for Winnebagoes.

I think that that's true. I think that has happened because, as I pointed out, the low income people do not have security. I suggested that prior to the last federal election, the Prime Minister of this country had indicated that they would be introducing legislation that would give a guarantee to low income people up to the amount of \$2,000, and I thought that this would change the loaning procedures of credit unions. I thought it should have been done, instead of introducing the sort of legislation that was being introduced under the Borrowers and Depositors Bill that is now before the House of Commons, that's what I said.

**MR. LANE:** — To increase loans to low income people, I would like to preface my question by stating, the credit union movement is under the jurisdiction of the Province of Saskatchewan. I think the Minister will accept that. This will place, obviously, higher lending risks upon the credit union movement. Does the Minister not admit that that should be a decision for our credit unions, and not a decision of the Minister?

**MR. WHELAN:** — As a matter of fact, it has been a decision of the credit unions, and they are embarking on this kind of program. I am sure the Hon. Member will know that in several large centres in this province, there are already credit unions which are making loans to people without security. But the point that I made was that people right across this country, consumers right across this country would be able to get loans if they were in the low income group, if the \$2,000 guarantee that was promised by the Prime Minister two weeks before the election at Beauceville in Quebec, had been forthcoming, because the credit unions would have been able to supply the money, and the people that needed the money would have been able to get it. I don't think a credit union can undertake to make these loans without a guarantee.

The Prime Minister at that time, just before the election, said that it would be similar to the student loan program. I said I thought it should have been carried out.

## ENERGY AND RESOURCES DEVELOPMENT FUND

**MR. E. C. MALONE (Leader of the Opposition):** — Mr. Speaker, I should like to direct a question to the Minister in charge of the Potash Corporation. I can't recall in the Attorney General's announcement on Friday, as to the percentage of the money that is going to be used to buy Sylvite and how much is going to be borrowed, and how much is coming from the Energy Fund, but I assume a portion will be borrowed and a portion will be taken from the Energy Fund. I wonder if he would tell this House, how much comes from the Energy Fund, how much will be left in the Energy Fund, how much then will be borrowed? Will you please tell us where this money is being borrowed from and at what interest rate?

**HON. W. E. SMISHEK (Minister of Finance):** — Mr. Speaker, I am surprised at the short memory of the

Leader of the Opposition. I think he asked that question several times. I have already given him the information. In the case of Sylvite, we did tell the Member some time ago when the question was first raised, that out of the \$144 million, \$108 million will be taken out of the Energy and Resources Development Fund and \$36 million will be borrowed, and has already been borrowed for a total of \$144 million. The ratio of equity to debt will be three to one.

**MR. MALONE:** — A supplementary question to either Minister. Now that this transaction has been completed, what is the next goal for the Potash Corporation in its series of takeovers? Can we assume that you will now be starting negotiations extensively with Alwinsal? And if so, when are those negotiations going to commence?

**MR. SPEAKER:** — I'll take the next question.

### **NATURAL GAS EXPLORATION**

**MR. R. A. LARTER (Estevan):** — Mr. Speaker, I would like to direct this question to the Minister in charge of Saskoil.

I believe it would probably have been more appropriate to the Minister in charge of Sask Power. But I would like to ask: in light of the article in Friday's Leader-Post regarding the natural gas supply application in Alberta by Saskatchewan Power, reduced as recommended by the Alberta Natural Energy Resources Conservation Board, from 197.1 billion feet to 126 billion and there was forecast the export to Sask Power in the next 15 and one half years, I should like to ask the Minister if this announcement is going to change certain attitudes towards upping exploration in Saskatchewan?

**HON. E. L. COWLEY (Minister in charge of Saskoil):** — I don't believe so, Mr. Speaker.

**MR. LARTER:** — A supplementary. Is it your intention to pay your Saskatchewan producers at the same rate as you pay the Alberta natural gas producers?

**MR. COWLEY:** — No, Mr. Speaker.

**MR. LARTER:** — Final supplementary, Mr. Speaker. What incentives are you going to offer for the gas exploration in light of this announcement such as uncapping some of the wells in western Saskatchewan?

**MR. COWLEY:** — Mr. Speaker, there are no announcements to make with regard to this at this time. Government policy will be announced in due course.

### **DROUGHT CONDITIONS IN SASKATCHEWAN**

**MR. A. N. McMILLAN (Kindersley):** — Mr. Speaker, I should like to direct a question to the Minister of the Environment. I should like to know if the only plan that the Government has to provide assistance for drought

stricken communities in Saskatchewan is to refer them to the Saskatchewan Research Council?

**MR. BYERS:** — No, Mr. Speaker.

**MR. McMILLAN:** — Supplementary then, Mr. Speaker. Could the Minister provide me with some information about other programs or plans or suggestions that this Government has for drought-stricken communities that might help them undertake measures to alleviate their problems?

**MR. BYERS:** — Well, Mr. Speaker, as I have indicated to the Members before, that if a community (and I refer here to an urban community) is faced with a water shortage, then we are prepared to provide them with the assistance, the data that is on hand, to assist them in locating another water source. Secondly, I thought all Members were aware, particularly those from rural ridings, that the Department of Agriculture does have pumping equipment and pipes and hoses which can be made available either to farmers to urban communities to replace their water supplies if water can be pumped a reasonable distance to recharge a reservoir or whatever. That equipment is available where it is feasible to use that method. Thirdly, since our Government came to power we have substantially improved grants available to urban governments under The Municipal Water Assistance Act administered by the Minister of Municipal Affairs. I think if he will check the figures that in the last year of the last Liberal Government there was about \$250,000 allocated in the budget for that purpose. There has been \$850,000 in that budget since 1975.

**MR. McMILLAN:** — Final supplementary.

**MR. SPEAKER:** — Order! I will take the Member for Souris-Cannington.

**MR. E. A. BERNTSON (Souris-Cannington):** — Mr. Speaker, a question to the Minister of the Environment. In light of the fact that several farmers are in fact out of water, and now hauling water from towns and villages, causing them a hardship, how long will it take the Minister's department to provide this geological data as it relates to deep water?

**MR. BYERS:** — Mr. Speaker, if individual farmers want information, and if we can provide it, we will provide it in the normal turn-around time of a phone call or a letter.

#### **ESCAPEES FROM REGINA CORRECTIONAL CENTRE**

**MISS L. B. CLIFFORD (Wilkie):** — Mr. Speaker, a question to the Minister of Social Services. What investigation has been done by your department concerning the prisoners who escaped from the Regina Correctional Centre, and what, if any, measures of additional security will be added on to your present measures?

**HON. H. H. ROLFES (Minister of Social Services):** — Mr. Speaker, I believe that six of the eight escapees are back in custody, two remain at large. I have not been in

contact with my department this morning to see what the latest proposals are but my understanding is that the police are hard at work at trying to recapture the other two.

I think most people are aware that the native project committee was doing some work with the people in the correction centre. They were in a room that did not have as tight a security as it should have had and they were able to escape through a transom in the room. This has been reinforced and they have taken precautions that this will not happen again.

**MR. S. J. CAMERON (Regina South):** — Mr. Speaker, according to reports the guard who stood by impotent while the escape was taking place was armed with neither gun, nor radio, nor baton, nor whistle. Does the Minister propose to arm the guards in any way with some sort of device that will allow them to do something else but stand there impotently when people are escaping?

**MR. ROLFES:** — Mr. Speaker, I will have to take notice of the question. I don't know if a whistle would help in preventing them from escaping.

**MR. J. G. LANE (Qu'Appelle):** — Has there been any investigation of the particular incident by your department with a view to determining why the escape actually occurred when there was at least one guard present, whether that guard was able to take any action? Secondly, an investigation by your department as to the position of the guards in the correctional centre in light of your previous activities of not standing behind the guards?

**MR. ROLFES:** — Mr. Speaker, I will have to take notice of the first question and the second question is completely filled with falsehood as has been the custom of the Member for Qu'Appelle. He simply bases his facts on (I hate to use the word 'lies') complete falsehoods.

### **OMBUDSMAN'S REPORT**

**MR. R. KATZMAN (Rosthern):** — A question to the Attorney General. In the Ombudsman's Report there was a comment about a fishing lodge in the North, and there was a letter referred to you on October 4, 1976 from the department asking you to pay. When will you be paying that amount, please?

**HON. R. ROMANOW (Attorney General):** — Mr. Speaker, I believe the Order in Council has gone through Cabinet and it is now a matter of the administrative details for the payment of the cheque.

### **ALWINSAL POTASH MINE**

**MR. E. C. MALONE (Leader of the Opposition):** — I would like to ask a question about Alwinsal but apparently that is out of order, so I will ask a question of the Minister of Municipal Affairs on another subject.

I have, Mr. Minister . . .



**MR. SPEAKER:** — Order, order! I wish the Member would let me rule his questions out of order and not rule them out himself, because he gives the impression that I am ruling it out before he says it.

**MR. MALONE:** — Well, I will try again to the Minister in charge of the Potash Corporation then, if I may. Mr. Minister, I have a question about Alwinsal. Now that the Sylvite mine has been taken over and negotiations have been concluded, is it the intention of the Government to move next to open negotiations in a really meaningful way with Alwinsal, as distinct from other mines, and if so could the Minister tell this House as to when those negotiations will commence and where?

**MR. COWLEY:** — Mr. Speaker, the next set of what the Member calls ‘meaningful negotiations’ will likely take place with Alwinsal. I believe they are scheduled for next week and I believe the location of them is at the head office of one of the partners, which is in Paris. Whether or not they will be conclusive and whether we may be into a set of meaningful negotiations with someone else before they are concluded, I can’t say, but they are the next meaningful discussions, using the Member’s words, and are scheduled to take place next week. I’m not sure of the exact date, but it is sometime next week.

**MR. MALONE:** — While the negotiations are taking place with Alwinsal, will the Government be also negotiating with other mines or mine owners in the province? Or will you be restricting your negotiations to that one particular mine at least for the time being?

**MR. COWLEY:** — In the immediate future I think there is nothing else scheduled in terms of again, ‘meaningful negotiations’, as the Member puts it. Evaluations will be continued and there will be some in-house work done on one of the evaluations which we have now received. It may be that before we conclude the Alwinsal negotiations, or perhaps before they break off with no conclusion reached, we will be into further negotiations, but they aren’t scheduled at this time.

**MR. MALONE:** — The last supplementary, Mr. Speaker. It became very clear in the Sylvite negotiations that you had made your financial arrangements, as far as borrowing money was concerned, some time before the deal was concluded or completed. My question to you at this time is: have you made financial arrangements with lenders, both in Europe or outside of this country, to facilitate the purchase of Alwinsal, or indeed any other mine, and if so, how much money has been borrowed?

**MR. COWLEY:** — Well, Mr. Speaker, we try to keep in contact with the Department of Finance with a rough idea of where our negotiations are heading and what, in a general sort of a way, the likely sums or magnitudes of funds required will be. Having done that the Department of Finance tries to schedule its borrowings, etc., in such a way as would make the most economic sense from the province’s point of view. We have, I believe, and the Minister of Finance could probably comment on this if the Member wants,

part of the money which was borrowed for the Potash Corporation of Saskatchewan has been used for Sylvite. There is an excess of funds in that particular borrowing that the Department of Finance did for us that is still being held by the Potash Corporation of Saskatchewan. It would be likely that some, or all that might be applied to the next purchase, whatever it is. To that extent we are ahead, if you like, in our financing. We have received no other funds although, again, if a month from now the Department of Finance advises us that there is some money around at a reasonably attractive rate and it fits into their borrowing plans for us, we indeed might have some ahead without having concluded a deal with Alwinal or anyone else.

### **POINTS OF ORDER ON THE QUESTION PERIOD**

**MR. CAMERON:** — Before the Orders of the Day, Mr. Speaker, I wonder if I might take a matter of Order with you. Mr. Speaker will recall that I raised this matter last week. I have earlier, several days ago, asked questions of each of the Minister of Industry and Commerce and the Attorney General, both questions they took notice of. The one to the Minister of Industry and Commerce about the details of financing a plant in Moose Jaw, which is now becoming old news. The question of the Attorney General was whether or not a study had been done re Mr. Huggett, which he confirmed had been and he would consider tabling the document, that he would take notice of the Question. Again, several days have drifted by, Mr. Speaker, without response from either Minister to the two questions and I wonder if Mr. Speaker has it in his power to determine what is a reasonable period for the Ministers to respond to questions, having taken notice of them in the first instance?

**MR. SPEAKER:** — No, the Speaker does not have that within his power.

**MR. ROMANOW:** — Mr. Speaker, I don't know if that solves it, but I think if the Member will look at the transcript - I stand to be corrected - but I don't believe that I took notice of those series of questions.

**MR. SPEAKER:** — During the Oral Question Period, there might from time to time be a slip and a Member may think that he has placed a question and another Member may think that he doesn't have to answer it because there is no question. I think Members will just have to reinforce it by asking the question again or, in fact, placing a written question on the Order Paper. That might be the easiest solution to it.

**MR. McMILLAN:** — Mr. Speaker, on a Point of Order, I should like to know on what justification you have had on two particular instances of the questions that I raised to the Minister of the Environment restricting me to one supplementary on both questions.

**MR. SPEAKER:** — The Member raised questions about a lack of moisture in the province and allusions to a drought. The second question was about drought-stricken communities in Saskatchewan. I wasn't impressed for two reasons. I wasn't impressed with the urgency of the matter and I felt that the question was far too general. It was a general question and it wasn't dealing with any specific community which has the problem at this time and consequently

I restricted the Member to one supplementary the first time and one supplementary the second time and went on to the next question.

However, if the Member had raised the matter again I would probably would have let him ask another question later on.

**MR. McMILLAN:** — Unfortunately, of course, due to time restrictions I was unable to do that. I should like to ask the Speaker to consider the fact that any community in Saskatchewan that is facing a lack of water or drought must be considered a question of urgency. Secondly, regarding your statement of whether the questions were too general, certainly any question to the Government asking it of any specific plans that it has to try to alleviate problems, when they regard a matter of urgency in Saskatchewan, surely cannot be considered too general. I only want to bring to your attention and I hope that in the future you will consider those remarks when you are deciding whether or not a speaker will be allowed more than one supplementary question.

**MR. SPEAKER:** — At all times I will try and observe the general rule I provide for myself in the Question Period. If the urgency is apparent on the surface and it is homing in on a specific item, I will attempt to allow the Member to continue with more supplementaries, but if I am not impressed with the urgency I will then try to get some other Members in on the Question Period.

## SECOND READINGS

Hon. G. MacMurchy (Minister of Municipal Affairs) moved second reading of Bill No. 104 - **An Act to amend The Vehicles Act (No.2)**

He said: Mr. Speaker, I am pleased to introduce what is undoubtedly one of the major Bills of this Session. This legislation provides for the mandatory use of seat belts, under specified conditions and for several other safety related amendments to The Vehicles Act.

Under this Bill, Mr. Speaker, Saskatchewan will become the fourth province to pass a law requiring the wearing of seat belts. The Province of Ontario has had similar legislation in effect for more than one year. Quebec has a law in force, too, and in British Columbia a very tough seat belt law has received second reading.

This Act has one purpose to reduce the number of deaths and injuries caused by vehicle accidents. In an average year in Saskatchewan, Mr. Speaker, 300 people are killed, 10,000 more are injured in traffic accidents. There is a 50/50 chance that anyone will be involved in an accident in his lifetime and it is virtually certain that every family will have one of its members involved at some point.

Wearing a seat belt will not prevent an accident, but it is very likely to prevent death and injury resulting from accidents. In Ontario only one-twentieth of one per cent of drivers, who had accidents while wearing seat belts, were killed while there were four-tenths of one per cent of unbelted drivers who died. Among passengers only 9.6 per cent of those wearing seat belts were injured in contrast to nearly 14 per cent of unbelted persons who were hurt.

In short, then, the use of seat belts means an eightfold increase in the chances of surviving an accident and a 50 per cent increase in the likelihood of escaping uninjured. Translating these figures to Saskatchewan means we could prevent the death of 50 to 100 people every year and reduce the injuries for some 5,000 more. Now, Mr. Speaker, the question may be asked: is it necessary to make seat belt use mandatory to save those 50 or 100 lives? I believe the answer has to be, yes, it is necessary. Seat belts have been promoted as a safety device in Saskatchewan cars since 1952. Belts have been installed in every new car sold in Canada since 1964. Many millions of dollars have been spent on advertising, public relations, safety education. This expenditure of money both public and private has produced a highly favourable attitude in the public mind toward seat belts, but in the one area where it counts, the percentage of people who actually buckle up, the effect of all these efforts has been very, very slight.

In Saskatchewan, today, less than 15 per cent of people use their seat belts regularly. By contrast, in Ontario, where the seat belt law has been in effect for 14 months, the most recent survey of use showed that upwards of 60 per cent wear seat belts regularly.

It is the considered opinion of medical experts, safety organizations and research institutions, all of which are close to the situation and knowledgeable about real life conditions, as they affect traffic safety, that only the mandatory requirement of seat belts will effectively raise and maintain the use of these lifesaving devices.

Some people, Mr. Speaker, argue that requiring people to buckle up infringes on their personal liberty, and to some extent it does. The real issue is not whether seat belt use infringes on liberty, but whether the law can be justified by weighing the gains against the losses in terms of the public interest.

The principle of this legislation is not new. People who use other modes of travel must follow rules based on the personal and public safety principles. People who fly in aircraft must submit themselves to a personal search. They must also allow their luggage and their possessions to be searched. Once aboard the aircraft they must buckle up. People who drive motorcycles must buy helmets and wear them at all times on the motorcycle. People who go out on the lake in their boats must carry lifejackets. People may also be asked to submit themselves to inoculation to ward off disease. In each case the same principle is as in this Bill and has been widely accepted. No Opposition politician has ever called for a plebiscite on inoculation or on aircraft safety rules, yet when the same principle is applied in the same way to seat belts the Opposition grasp at any straw to try to capitalize on fears of anything new.

Every individual, Mr. Speaker, should be able to expect his fellow man to help him out in times of adversity. By the same token the individual has an obligation not to impose unnecessary burdens on his fellow man. Traffic injuries and deaths are a very large burden and in many cases an unnecessary burden. When an individual is hurt or killed in an accident, he involves not only himself, but he involves his family and his friends, his employer and society at large. The total economic loss due to traffic accidents each year is in the order of \$75 million.

Among people under 30, motor vehicles are the leading cause of death.

Saskatchewan has one of the highest rates of death of any province. The average for Canada in 1974 was 27.9 deaths for every 100,000 population and in this province 33.7 people per 100,000 died last year. Over 20,000 days of hospital care are devoted to victims of traffic accidents every year. Approximately 20 persons are paralysed each year in accidents, a tragic consequence for the individual and an expensive consequence for everyone else with the cost of care estimated at about one quarter of a million dollars over a lifetime.

Many millions of dollars are paid out each year in insurance settlements, medical costs, hospital care, various forms of compensation and welfare expenses. A substantial part of this outlay, not to mention the human grief and misery it represents, could be avoided. Seat belt use is the single most effective means of reducing the burden imposed by traffic accidents. Those who speak of freedom must remember that for every privilege in a democracy there is a corresponding responsibility.

I want to read, to this Assembly, from a letter sent to Premier Blakeney by a doctor who was upset that seat belt legislation might not proceed at this Session. The letter states:

. . . the personal freedom to drive without seat belts may be compared with the freedom to drive on the left side of the road. It is a minor freedom that must be traded off for the freedom to drive a two-ton vehicle at 60 miles per hour. I am personally all too familiar with the results of road traffic accidents many of which would be prevented or lessened by the use of seat belts. You are welcome to be the guest of my department at the performance of any autopsy on a victim of a road traffic accident. I am sure my clinical colleagues would be glad to afford you the more tragic experience of participating in the care of people, usually young people paralysed or maimed in such accidents.

To reduce such tragedies we can afford to lose a little illusionary personal freedom. If your Government is unwilling to introduce compulsory seat belt legislation there is, of course, another out open to it. This is to render void all insurance apart from third party insurance, automobile, hospital and medical care insurance of those who choose to drive without seat belts. Such legislation is already in effect for those who choose to drive while drunk. It would be of interest to see if a government, which apparently places such regard on personal freedom is equally willing to assign personal responsibility for the results of such freedom.

That letter, Mr. Speaker, is signed by H. E. Emson, MD, head of Pathology, University Hospital, Saskatoon. I should like to table that letter right now.

Mr. Speaker, the writer states his case very effectively. Those who choose to posture on behalf of freedom may also be prepared to explain their commitment to personal responsibility.

Other arguments have been used to oppose seat belt legislation. It is claimed that being strapped in could be detrimental in a fire or in water. The facts show that fewer than one-half of one per cent of all accidents involve fire. In any event it

is useless to talk about leaving a burning or submerged car if the driver is unconscious because he has been thrown around inside it. The best bet anyone has to remain conscious and be capable of escape is to wear a seat belt. Those who claim that it is better to be thrown free are not supported by the facts. The vast majority of those who are thrown out of their car are seriously injured and many are killed. In any accident the best protection is the car around you and the only way to be sure of it is to use seat belts.

It is abundantly clear, from the accumulated evidence from many sources, that seat belts are highly effective and by far the best alternative for preventing deaths and injuries.

This Bill will make their use mandatory in the front seats of all cars, which are factory equipped with them. An exemption is provided for children under five, or 50 pounds, and for persons who obtain a medical certificate to that effect. The clauses stating seat belt use will be proclaimed effective July 1, 1977 but enforcement will be set forward three months until October 1st and warnings will be issued in the three month interval. Mr. Speaker, seat belts are the keystone of the Safety '77 Program, which consists of at least six other major components all aimed at making it safer to drive in Saskatchewan.

This Bill contains clauses to reduce the speed limits on our highways. In conjunction with lower speeds, the police forces will be asked to enforce speed laws more precisely so that the drivers who now exceed the limit, but remain within a tolerance of say 10 to 12 miles per hour above it, may well find themselves being charged. Effective September 1st the standard speed limit will be 80 kilometres per hour or 50 miles per hour. Most roads directly affected are grid roads and gravelled highways.

The basic highway speed will be 90 kilometres per hour or 56 miles per hour and the speed on our four-lane highways and those now posted at 65 miles per hour will be 100 kilometres per hour or at about 62 or 63 miles per hour. These new limits follow on the precedent of lower speeds set in the United States, in Ontario and in British Columbia.

The combination of lower speed limits and the stricter enforcement should reduce the effective speeds on our roads by as much as 10 miles per hour, a significant reduction which will do much to cut accidents and the severity of injuries.

The comprehensive program of inspections is another major aspect of Safety '77. Approximately 20 per cent of insurance claims are attributable in some part to defective vehicles. In this province that works out to an annual expense of \$6.3 million in claims for accidents that proper maintenance could have prevented. By contrast in provinces where safety inspections are being used only 12 per cent of claims result from defective vehicles. If this average can be applied in Saskatchewan we stand to save \$2.5 million each year in claims not to mention the saving in deaths, injuries and suffering. The three most common defects are poor brakes, tire blow outs and lights. All of these are simple to detect and relatively inexpensive to correct.

In short, a small investment in safety checks and repairs could produce a return of millions. It is a good bargain for everyone in the province. It will form a major component of the Safety '77 drive. The program will zero in on vehicles that

are resold or involved in accidents that affect the vehicle safety. Roughly 150,000 vehicles would be involved each year.

The program of school bus inspections begun last year will be continued. Certain large truck tractors and semi-trailers are involved in more accidents than normal. They comprise only one third of one per cent of all of our vehicles on our roads but account for 12 times that percentage of claims. Surveys in other provinces show these units often have mechanical defects. It makes good sense to inspect the tractors and trailers regularly and a program of yearly checks or checks every 40,000 miles will be introduced. Inspections will be carried out by qualified mechanics or auto body repair men in private business. A certificate of road worthiness will be required before the vehicle is resold or repaired and before that vehicle may be put into use.

Now, Mr. Speaker, a fourth component of the Safety '77 package is the alcohol control measures program. About 40 to 45 per cent of our drivers in fatal accidents have been drinking before they die. The detection of a drinking driver is of prime importance. A new testing device known as the Alert will go into use in Saskatchewan as part of the Safety '77 package of which this Bill is a part. Alert is a small box that can indicate to the police officer whether or not a driver should be taken in for a breathalyser test. Motorists will be asked to stop at roadside locations to take the Alert test. This simple measure will cost very little and should produce very effective results in weeding our drivers who have been drinking and in deterring others from doing so. Once a drinking driver has been identified the machinery for dealing with him or her must be geared to produce the maximum deterrent effect and also the maximum corrective effect.

Another major element of the Safety campaign is linked to the corrective action for drinking drivers and that is the provision for sentencing offenders. Not just to a period of licence suspension and fine but to attendance at a driving while impaired course. Amendments to the criminal code of Canada make it possible for a court to impose a sentence including corrective as well as punitive measures. Facilities will be put in place to allow an offender to attend a DWI course during which the privilege of driving may not be available. As long as the course is attended regularly and the program is completed the driver will not face suspension of his licence. Repeated offenders may be sentenced to the other more vigorous treatment programs at the discretion of the court. The court will be constantly appraised of each offender's record and his response to treatment. Those who progress and improve will be encouraged to continue. Those who show no sign of improvement may be convicted and their licence to drive would then be taken away.

Many traffic offenders are not guilty of alcohol related infractions of the law. At present speeding tickets, tickets for driving faster than conditions permit, for not stopping or yielding and so on are often treated in a rather casual manner. A traffic violation is still a violation of the law and this Bill and the entire Safety '77 Program are designed to impress upon people the potential seriousness of bad driving habits.

The system of fines and demerit points does not seem to deter or correct poor drivers. In order to focus on the conditions surrounding or leading up to traffic offences a new form of court procedure will be introduced in the Traffic

Safety Court to operate on an experimental basis in Regina for a two-year trial period. Traffic Safety Court will allow a person charged with an offence to plead guilty with an explanation. The judges will assess the situation, will have at their disposal the option of a sentence to a corrective program, defensive driving, driver improvement and counselling services will be available and the staff of the Highway Traffic Board will follow up to ensure that such sentences are pursued to the greatest effort.

Innovative traffic courts have operated effectively in Ontario and in the United States. The Legislature's traffic safety committee, which reported two years ago, was favourably impressed with their result. The two-year pilot project in Regina should allow us to assess whether a similar program ought to be adopted in other places in Saskatchewan.

Mr. Speaker, safety is very much a matter of attitude. The long-term benefits of Safety '77 will be a greater awareness of traffic safety brought about through this Bill to the various programs of Safety '77 and through publicity and advertising. Over \$300,000 has been set aside for radio, television, newspaper and leaflet advertising. The television campaign is most prominent during spring and late fall when our people are indoors and watching television. Over the summer the emphasis will be on radio and newspaper along with travelling displays that will be present at fairs and circuses all over the province. A grass roots campaign in support of traffic safety is under way with the co-operation of the Saskatchewan Safety Council. It is underway with traffic-related organizations and businesses such as auto dealers, service stations, insurance agencies and so on. The Safety Council is actively training people to instruct in local traffic awareness programs such as defensive driving courses.

Local government is also playing a role in Safety '77. Grants of 25 cents per capita are available for communities of 1,000 people or more with a minimum project of \$200 per centre. This money will go toward many small improvements such as parking, pavement marking, signs, signals, crosswalks and studies of specific problem areas with a 50/50 cost sharing. In conjunction with Safety '77 Saskatchewan has adopted a classified system of drivers' licences much like the system used in nearly every other province in Canada. The new system is based not on the occupation of the applicant but on his skills and qualification as a driver. The old system of licences had three categories with everyone who drove anything more complicated than a car lumped into a single classification known as the chauffeur's licence. With the new system, eight classes of licence are available. This allows the drivers to be licensed in line with their experience and with their ability. People who drive more complex vehicles, such as buses and large trucks will be given medical examinations every two to five years depending on their age. Under the old system a professional driver, who intended to operate an 18 wheel semi trailer and truck could qualify by taking the driver's test in his family sedan. Today, he will be tested in the type of vehicle he wants to drive and will be asked to demonstrate a working knowledge of the equipment on that vehicle.

Classified drivers' licences permit drivers to be separated out on a basis that relates to the variety of vehicles on our roads. We expect it will form a key portion of the long term effort to improve the driving population's general skills and



knowledge of the vehicle that they may be using.

Mr. Speaker, this Bill contains a number of important clauses which are not part of Safety '77 but which are very much a part of safety generally. Section 2 provides that any doctor who treats a patient for an ailment that could make him, in the opinion of the doctor, unfit to drive must report to the Highway Traffic Board. Any such report from a doctor will be required by this law to be treated in the strictest confidence by the Highway Traffic Board. The amendment here is initiated at the request of the Saskatchewan Medical Association as a result of a resolution passed at the 1976 annual meeting.

Doctors have had a professional relationship of confidence with their patients which without this provision would require them to remain silent about an ailment that could endanger both the patient and other people who use our roads. We hope this new clause helps to resolve that conflict between the two obligations placed on doctors which will solve it in a manner satisfactory to all concerned.

A number of sections of the Bill are designed to bring our legislation into line with the legal structure of the federal Criminal Code, and to update the Act in terms of conversion of certain standards to approximate metric equivalence.

A new Clause 134(e) has been made necessary by a narrow interpretation of the existing clauses by the courts. This Section makes it clear that the police may act where noise from a vehicle is excessive as a result of the mechanical condition of the vehicle or from the way it is driven and not simply because of a faulty muffler. The Royal Canadian Mounted Police believe the problem of noisily operated vehicles has become serious enough to warrant an amendment to this law, and on this basis the Section is being revised.

Section 15 will bring our Act into line with the statutes of other provinces where right turns on red lights are concerned. Presently a car may turn right on a red light without coming to a full stop. Other provinces require a full stop and we believe in the interest of greater safety there is reason to adjust our rules to require it here as well. Only where a green arrow is in use will cars be allowed to turn right without stopping.

Section 16 is the result of research carried out at the University of Saskatchewan in Saskatoon. It has been shown that a 100-foot distance is too short to allow a vehicle following a school bus to come to a full stop after seeing the bus's red flashing lights. A distance of 350 feet is recommended and this clause will make it law. The same Section also requires the use of flashing lights on school buses only where children are being loaded or unloaded on a road where a speed limit is 35 miles per hour or greater. This amendment removes an unnecessary provision that required drivers in towns and cities to stop for flashing lights even when the children are being unloaded on the side of the road away from the traffic, as is required by school bus regulations.

Now, Mr. Speaker, Bill 104 is a major part of the serious effort of traffic safety represented by our Saskatchewan Safety '77 program and I am very pleased to move that this Bill be now read a second time.

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**MR. R. L. COLLVER (Leader of the Progressive Conservatives):** — Mr. Speaker, are you recognizing me?

**MR. SPEAKER:** — I want to ask the Member a question?

**MR. COLLVER:** — Well, I want to do that, too.

**MR. SPEAKER:** — Well, I will put the question first.

**MR. COLLVER:** — Mr. Speaker, before I commence today I should like to ask the Minister a question. There was a general hubbub when he was talking about the inspection of vehicles and was I correct in assuming that it is the Government's intention to introduce safety lanes similar to those introduced in Alberta for the protection of finding faults in vehicles?

**MR. SPEAKER:** — I should like to remind the Member for Nipawin that he should ask his questions before I put the question and if the Member rises now he is closing the debate. We should get in the habit of placing the question immediately the Member sits down. Perhaps the Minister would answer your question in his closing remarks.

**MR. E. C. MALONE (Leader of the Opposition):** — This is just on a Point of Order, I am not trying to cut out the Member for Nipawin but I intended on speaking on this matter as soon as you put the question. The Member for Nipawin was quite agile and got to his feet immediately. I understood from his remarks and your reply that it was for the purpose of putting a question. Now are you recognizing the Member for Nipawin to allow him to enter into this debate or are you recognizing me and allowing me to enter into this debate. I understand the rules to be that you have to put the question before you can recognize anybody.

**MR. SPEAKER:** — I was understanding the Member for Nipawin wished to speak. He passed up his opportunity as far as I was concerned to ask the question. So I recognize the Member for Nipawin.

**MR. COLLVER:** — Mr. Speaker, in the remarks of the Minister today, he commenced by discussing that the purpose of this Bill is to reduce death and injury due to traffic fatalities and traffic accidents in the Province of Saskatchewan and with this emphasis and with this program we concur totally.

The statistics brought forward by the Minister certainly indicate that there has been in the Province of Ontario and in other areas in the Western Hemisphere significant improvement in statistical data due to a number of safety measures that has been taken by the various governments involved. Those included the reduction of speed limits, and I welcome today the announcement by the Minister that the speed limits in the Province of Saskatchewan will be reduced to comply more closely with those introduced during the energy crisis in the United States and introduced in the Province of Ontario some 14 months ago.

I am not yet aware of whether the Minister said that we were going to have safety lanes in Saskatchewan but if that is correct I think that that is a positive step forward in improving the qualifications in vehicles to be on the highways. If we do not have safety lanes then perhaps that might be a worthy suggestion to the Government of Saskatchewan during Committee of the Whole on this Bill.

The road worthiness certificate mentioned by the Minister was suggested by the Member for Swift Current (Mr. Ham) last year and again this year, due to the fact that the Government of Saskatchewan primarily was selling vehicles from their scrap yard without this road worthiness certificate. We certainly welcome that as a very worthwhile addition to The Vehicles Act.

The program for the drinking drivers certainly is a tremendous step forward. We would want to review that in some considerable detail to see if it is sufficient to develop the necessary means by which the drinking driver can be eliminated from the highways in Saskatchewan but certainly, from the Minister's remarks and from a first perusal of the Bill, it does seem that there is certainly a significant step forward.

The Minister's announcement of advertising Safety '77 is an outstanding suggestion and one that we welcome. We wonder whether \$300,000 is enough to do the job and we may be making suggestions on that during the Committee of the Whole.

There were, however, two items mentioned by the Minister today and included in this Bill that are of some concern to us. One is the mention of the release of information that is supposedly between doctor and patient, relative to an independent agency of the Government. The doctors are required now under certain other pieces of legislation in Saskatchewan to release information to Government agencies which is objective in scope, in other words where a doctor says: "Does this person have a specific disease or not?" If in fact the diagnosis is that they have a specific disease, then they are required to report that disease to different agencies of government.

But where the law is subjective, where the doctor has the power in his own hands to have an opinion as to whether the driver is capable of driving or not capable of driving and can influence the decision of the Board pertaining to the subjective analysis, perhaps is adding too much burden on the part of each medical doctor in our province in the first place. In the second place it is placing far too much power in the hands of that individual medical doctor.

Finally, Mr. Speaker, with reference to the compulsory seat belt legislation, we can accept certainly that the statistical evidence everywhere indicates that an increased utilization of seat belts has, without any question of any doubt, been proven by the safety experts to reduce injury and to reduce the chances of death. It would seem to suggest that compulsory seat belt legislation is an assist. However, if the Minister examines his own statistics, he will note in the Province of Ontario, 14 months after the introduction of the compulsory seat belt legislation by the government, without any support of the people of the Province of Ontario prior to its introduction and without really any phenomenal campaign as would result in educating the population prior to a plebiscite, for example, on the use of seat belts, you will note that 40 per cent of the drivers in Ontario are breaking the law. In his own statistics today, 40 per cent are breaking the law. Now it may be that the 60 per cent who are now using seat belts in Ontario, compared to the 15 per cent in the Province of Saskatchewan certainly is a saving. But have the people of Ontario been convinced of the benefits of seat belt legislation, of compulsory seat belts? In my judgement certainly 40 per cent have not because they are breaking the law.

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Now it may be that the 60 per cent who are now using seat belts in Ontario, compared to the 15 per cent in the Province of Saskatchewan certainly is a saving. But have the people of Ontario been convinced of the benefits of seat belt legislation, of compulsory seat belts? In my judgment certainly 40 per cent have not because they are breaking the law. Does this not call into question, when you have a law in which 40 per cent of the people are breaking the law on a regular basis, does this not call into question the standards of all of the laws of the Province of Ontario?

We are very concerned in the Province of Saskatchewan that the people of Saskatchewan, and most especially the people of Saskatchewan in the rural communities, have not had an opportunity to first, see all of the benefits in advance of the legislation; secondly, to be shown by the various organizations that are involved in traffic safety the benefits to be derived from compulsory legislation.

We furthermore think that it is the kind of an issue which, unlike the decision to get into someone else's plane and fly in someone else's plane where you are required to buckle up, is getting into your own personal vehicle and making a decision to buckle your seat belt. This kind of legislation should be offered to the people of the Province of Saskatchewan for their assessment, for their opinion, for their decision directly.

It's very similar to the fluoridation of water supply. The fluoridation of water supplies was, by the Government of Saskatchewan, offered to individual communities to make a decision on the basis of the decision of the local community by means of a plebiscite. Surely the people of Saskatchewan, in this kind of legislation, should have an equal opportunity to express their opinion and in fact to have the period of time in which there is a concerted drive, not only by the Government of Saskatchewan but by all traffic organizations, to convince them prior to the legislation of the necessity for this kind of legislation. We believe very strongly that because of the divergence of opinion in the Province of Saskatchewan with reference to compulsory seat belt legislation, not the benefits of seat belts, because I think almost everyone is prepared to accept the benefits of using a seat belt, but the compulsory aspect of this legislation does cause us some concern without a direct indication from the people that it is their desire to have such legislation on the books in Saskatchewan.

Mr. Speaker, I have a great deal more to say on this subject and I beg leave to adjourn debate.

Debate adjourned.

Hon. E. Tchorzewski (Minister of Education) moved second reading of Bill No. 94 - **An Act to amend The Arts Board Act (No. 2).**

He said: Mr. Speaker, I have a few comments that I would like to make on Bill No. 94 which is an Act to amend The Arts Board Act, and it is, as Members will note, an Act to amend The Arts Board Act (No. 2) because we did have a previous amendment to this which went through the Non-controversial Bills Committee.

The other day, on April 21, my colleague, the Minister of Government Services introduced an Act respecting Community Cablecasters and really the comments I want to make on this Bill

are much in keeping with what he said because they are both interrelated.

That Act, Mr. Speaker, and Members of the House, reflects our position as a government with respect to cable TV and other related matters. And we have indicated clearly over time that cable TV should be harnessed as a resource. It should be harnessed as a resource to serve the needs of the whole community, the whole province, to as great an extent as possible to the people who live here. Unfortunately history will show that this has not been the case throughout all of this country. Unfortunately history will show television of all kinds has fallen short of its obligation in meeting the needs of the total community. I guess that's understandable to some extent because television tends, as most media tends, to play to what I commonly and often define as the highest common denominator. I think that we need to look at other needs as well, because they, in the past, as I have indicated, have been neglected.

For example, and I will use one example. I use it because I feel strongly about it. Our society, Mr. Speaker, is a society, particularly in Saskatchewan, which can be fairly defined as a multicultural one. I know that of that we are very proud. We have promoted and encouraged the development of that wealth in our culture that we have in this province for the past seven years. And yet access to the media by the various multicultural groups and organizations I think has been rather difficult and we have, through cable television and Pay TV, an opportunity for this to change. I believe that cable TV should assure this community the opportunity, as well as other organizations and communities, the opportunity for not only accessibility but also the opportunity for production.

Sometimes I regret that some Members opposite in their blind defence of only the large, private, national, television companies, tend to de-emphasize this need. Now this amendment, Mr. Speaker, will make it possible for the Arts Board to assume the duties and the responsibilities assigned to it pursuant to The Community Cablecasters Act, 1977. This role will help to promote yet another important need, and that is to encourage Canadian programming and community programming. To encourage and to assist the development of provincial film production and TV production. We as a Government have done this in the last several years and through the trust fund, which will be established under the legislation as introduced by my colleague the other day, which will be administered by the Arts Board under this legislation, this will be further encouraged and assisted.

But we have also said, Mr. Speaker, and I want to emphasize here today, that this trust fund we believe ought to be and should be administered independently. Since 1949 the Arts Board has developed a very great reputation throughout Saskatchewan and even beyond. If you go to most parts of Canada, if not all parts of Canada, you will find people in the field of the arts community who will indicate a great interest in the work that has been done in this province by the Saskatchewan Arts Board.

The Arts Board has played a major role in the development of the arts in Saskatchewan and under this mandate to administer the trust fund under the Cablecasters legislation, it will continue to play that role as well as a wider role in the field of providing resources for the development of productions for television, cable TV and other. I think that its experience

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and its expertise will be valuable in the administration of this fund. I am sure that although some Members opposite may question or may disagree, and that is, I suppose, quite all right, with the principle of what we are doing here, I don't think that any of the Members in the Opposition could question that the best body to administer the trust fund would be the Saskatchewan Arts Board.

So with those few words, Mr. Speaker, I move second reading of this Bill.

**MR. E. C. MALONE (Leader of the Opposition):** — Mr. Speaker, I intend to adjourn debate on this in a moment but I would just like to say a couple of words.

I always find it rather strange that when Members opposite get up to justify their intervention as a provincial government in cable TV, they always take the approach that only they can do it best. The Minister who just took his seat talked about community programming, Canadian programming, provincial movies in TV and the inference in what he said is that only if it is done by this Government or through one of these Government agencies or through the Government's regulations, will people of Saskatchewan be well served. I say that is nonsense. I am not saying that there isn't a role for the Saskatchewan Arts Board, I am not saying that there isn't a role for provincial input into these things, but what disturbs me is there are always pious platitudes about only they can do it.

The Minister as well referred to the large TV networks and so on that are supposed to be the friends of Members who sit on this side of the House. From my recollection of those who applied for licences from the CRTC, that most of them are local businessmen, local people, and I don't think by any stretch of the imagination, could any of the groups that applied for a licence from the CRTC be described as a large national corporation or broadcasting corporation. To say that in a manner of justifying the desire of this Government to become so far involved is simply false.

Mr. Speaker, I think that one of our Members at least will be wanting to say a number of things on this particular Bill and accordingly at this time I beg leave to adjourn debate.

Debate adjourned.

Hon. A. E. Blakeney (Premier) moved second reading of Bill No. 97 - **An Act to amend The Ombudsman Act, 1972.**

He said: Mr. Speaker, this is the annual Act which we pass to deal with the salary of the Ombudsman. On occasion this Act is used as an opportunity to direct some remarks to the Office of the Ombudsman. I will refrain from doing this since we had an opportunity to address some general remarks to the Office of the Ombudsman and how it is working at the time that the Resolution to appoint the new Ombudsman was introduced. The Ombudsman's Report is available, and I suppose it would be in order to consider the Ombudsman's Report as an indication of the type of work he is doing, but that I think can more appropriately be done in Committee of Finance when the spending Estimates for the ombudsman are considered.

This Bill simply deals with the salary of the Ombudsman. We gave some consideration to dealing with the Act which outlines the powers of the Ombudsman and the possible changes in it and we decided not to come forward with any proposed changes in the jurisdiction or the operations of the Office of the Ombudsman, but rather to await the recommendations which might be received from the new Ombudsman. A new Ombudsman has just taken office less than a month ago and it seemed to us appropriate to permit him to find his feet in the new office and to put forward to us at some later time, some months hence, his suggestions as to whether or not there should be changes in the governing legislation.

Accordingly, therefore, the Bill simply deals with the salary of the Ombudsman. It increases it from \$32,700 to \$37,500, which is a fairly substantial increase, but it is occasioned by the fact that during this period of time the persons with whom the Ombudsman might reasonably be compared, that is Judges of the Magistrates Court, the Chief Judge of the Magistrates Court, Crown Solicitors IV in the Department of the Attorney General, have had significant increases in salary. The salary of the Judge of the Magistrates Court, for example, increased from 1975-65 \$32,000 to 1976-77 \$36,000, an increase of \$4,000. The now incumbent of the Office of Ombudsman was a Crown Solicitor IV in the Department of the Attorney General and while the out-of-scope salaries have not been settled definitively, I think we can say that the likely salary of the Crown Solicitor IV in the Department of the Attorney General, at the top of the range, as Mr. Tickell was, would be approximately \$36,400. It is now \$34,000 and the increase will be very close to \$2,400 and that works out to about a seven per cent increase in the salary. That is a likely level of increase although it has not been determined. If then that would have been the salary of Mr. Tickell in that position, it seemed to us appropriate to provide what might be called a promotional increment of \$1,000 and we rounded it off to \$37,500. I would be pleased to dwell in detail as to how this figure was arrived at in Committee but we think that it is appropriate in all the circumstances. The judges of the Magistrates Courts are getting \$36,000, the Chief Judge of the Magistrates Court is now at \$41,000, the Ombudsman at \$37,500 seems appropriate. Obviously one can argue relationships but I would have thought that would commend itself to Members of the Assembly.

With that explanation, Mr. Speaker, and commenting on the fact that it comes into force on the 14th day of April, 1977 that being the day on which the new Ombudsman assumed his office, I think that completes the explanation I would like to make on second reading. Accordingly I move second reading of this Bill.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MALONE:** — Mr. Speaker, we don't intend, of course, to oppose this Bill but I should like to make a couple of remarks about it flowing from the Premier's remarks.

I, for one, and this is with all respect to Mr. Tickell and his predecessor in the Office of the Ombudsman, feel that a provincial magistrate performs a job that is of much more value than that of the Ombudsman. That is not to say that I am in any way being critical of the Ombudsman's task. But I think that it would do well for all of us here to start remembering we have got to start rationalizing these salaries that are being paid to such people as the Ombudsman, the Clerk of the

Legislature and the Provincial Auditor and so on, in view of the salaries that we pay other senior civil servants or even, indeed, ourselves. I am sure that Mr. Tickell will give us full value for the amount of money that is going to be paid to him but I wonder whether he is going to deserve that amount of money when you consider some of the provincial magistrates who work in areas such as Regina and Saskatchewan and who, I know from experience, just have terrible work loads. I am not sure that you can say that the function the Ombudsman in Regina performs is the same as the magistrate who has the function of looking after courtroom No. 1 at the Municipal Justice Building in Regina, or his equivalent in Saskatoon. My first guess would be to say, No. Those two gentlemen have terrifically onerous responsibilities put on them and, indeed, I think are probably underpaid.

The only other remark that I wanted to make, Mr. Speaker, is that I think the time has come with all of these jobs where the Legislature sets the salary, is that we should start tying these salaries to some other type of operation such as that of what the deputy ministers make. That is if the deputy minister of one department gets a raise in one year then logically the raise will follow automatically for these other employees. I think it almost demeans the office that year after year we have to sit here and give the particular person in question a raise, most of them justified, and this becomes public knowledge and everybody reads the newspaper as to what the man is making and so on. I am sure there will be a bill coming in later about the Provincial Auditor, I would be surprised if there wasn't. It seems to me every year we have these bills.

So I would ask the Premier, through the Executive Council, to see if there is some other device of having these salaries come on sort of an automatic basis without having to have a bill brought before the Legislature and, indeed, to study the amount of moneys that are being paid to these particular people with a view to deciding who is perhaps more important than others. I know that is a difficult task but I think it is a task that we must start coming to grips with at an early date.

**MR. BLAKENEY:** — Mr. Speaker, I think that the Member for Lakeview, the Hon. Leader of the Opposition, raises some good points. It is always difficult to quantify the appropriate salaries for these officers and there has been a tendency to compare them with the closest equivalent professional salary in the public service. The Ombudsman has become in effect tied to the magistrates and chief magistrate simply because of the sequence of events. The Ombudsman was appointed from the ranks of the magistrates and the last Ombudsman left the office to assume the office of Chief Magistrate. That seemed to tie the office into the salary range payable to magistrates. Perhaps that should be reviewed, but that is its historical origin.

The Provincial Auditor has traditionally been tied to the salary of senior chartered accountants in the Government service with, of course, an appropriate additional increment.

The question of whether or not these should be done by statute is one which we would have to consider with some care. It would have to be perfectly clear that the other method which we used was beyond the effective control of the ministry, or the Cabinet, to regulate. That has been the origin of why the Ombudsman had his salary set by the Legislature and the Auditor



had his salary set by the Legislature. There is always a possibility of a conflict between the Cabinet and an Auditor, or the Cabinet and an Ombudsman. We have seen instances of that in all jurisdictions, certainly in Ottawa between the Auditor and the Cabinet. I don't mean a great hostility, but certainly some friction has developed from time to time. That is probably healthy and ought to occur, and I in no sense suggest that this is undesirable. Those people who are watchdogs, either of our financial practices or our administrative practices, are not likely always to agree with governments. Accordingly the proposal is put forward by statute so that a government cannot, without giving a full public account of itself, penalize either an Auditor or an Ombudsman for what a government thinks is unseemly conduct but which may in fact be highly desirable conduct from the point of view of the public welfare.

Accordingly we have to consider with a fair degree of care what the alternative arrangements would be, but we would certainly be interested in exploring it because the idea of bringing in a statute each year to deal with these two salaries is somewhat of a burden on the persons who thereby have their salaries, and I suppose their conduct, reviewed annually by the Legislature through this vehicle.

Motion agreed to and Bill read a second time.

Mr. Blakeney (Premier) moved second reading of Bill No. 100 - **An Act to amend The Legislative Assembly Act.**

He said: Mr. Speaker, this is a timely Bill. It will be known that the Woods Commission is considering the services available to Hon. Members and accordingly no proposals are brought forward at this time generally changing the services available to Hon. Members in the discharge of their duties as Members of this Assembly, nor the amounts of money made available to them to do it. However, we have had some representations on this one point of postage. We have been provided in the legislation with 15 cents per Member when the postage rate was eight cents, and this 15 cents per Member now is significantly less than it was before because the postage rate and equivalent rates for householder mail and the like have increased. We are therefore proposing to the Assembly that this figure of 15 cents be increased to 22 cents, which is not quite a 50 per cent increase because the postage rate went from eight cents to 12 cents which is a 50 per cent increase. This has the effect simply of changing the sum of 15 cents per voter, which is made available to each of us for communications allowance to 22 cents per voter to take account of the large increase in postage. I believe most Members use the method of postage as a means of communicating with their constituents.

As I indicated this is far from a complete overhaul of the sums available to Members. Mr. Justice Hughes and his committee are dealing with those matters but in the interim we felt that this small change was appropriate because of the change in postage.

On that basis I move second reading of Bill No. 100.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. A. N. McMILLAN:** — Well, let me say briefly that, of course, Members of this caucus will be supporting it. The public is starved for objective information about the proceedings in the Legislature and we seem to be the only caucus that is at least in a position to provide them with honest and objective information and the more facilities are made available to us to enable us to fulfil that responsibility that we have, the better off the people of Saskatchewan will be. On that basis we will certainly be supporting it.

**MR. E. A. BERNTSON (Souris-Cannington):** — Mr. Speaker, I hadn't intended to enter this but he almost talked me into opposing it. Why should we subject the people of Saskatchewan to that sort of thing. In fact the Conservative caucus does not have a great deal of difficulty in getting information out to the people of Saskatchewan because they are willing listeners to good, positive, sound policy. However, we will take advantage of the additional mailing funds as the Premier has laid out and we will be supporting the Bill.

Motion agreed to and Bill read a second time.

### **COMMITTEE OF THE WHOLE**

#### **Bill No. 83 - An Act to amend The Larger School Units Act.**

Motion agreed to and Bill read a third time.

#### **Bill No. 68 - An Act to amend The Queen's Bench Act.**

Motion agreed to and Bill read a third time.

#### **Bill No. 79 - An Act to amend The Tobacco Tax Act**

### **SECTION 1**

**MR. W. C. THATCHER (Thunder Creek):** — Mr. Chairman, I am one of those being victimized by the Minister and what I think, is perhaps a very harsh move on the people who may indulge in tobacco from time to time. I should like to ask the Minister, what exactly is his thinking behind this? The Minister, if I could ask him to comment, perhaps also in regard to his raising of liquor prices. Why are you after smokers and people who may from time to time choose to indulge in alcohol on a social basis? Would you please tell me your philosophy behind this?

**HON. W. E. SMISHEK (Minister of Finance):** — Mr. Chairman, for the information of the Hon. Member, I am told that a good quality cigar in the Province of Saskatchewan is a better bargain than anywhere else in Canada, so he can't claim that Saskatchewan is guilty of particularly high taxes. My view, on the particular increase in tax, Mr. Chairman, I think is relatively simple. We have compared our tobacco taxes and cigarette taxes with other provinces and we find that we are somewhere in the middle area. There are provinces with higher tobacco and cigarette taxes than Saskatchewan. It is one source of revenue that is available. We have had increases in costs of programs, particularly health programs. Certainly the use of tobacco, is a matter of concern to many of the people in the health field. We anticipate raising some \$4.6 million additional revenue out of this source. The Hon. Member is aware that in case of health services, we are providing something in the order of \$66 million more money this year.

**MR. THATCHER:** — Then do I interpret the Minister correctly when he says that he is raising these taxes strictly from the point of view of hard, cold cash; nothing more? Am I correct in that assumption?

**MR. SMISHEK:** — Mr. Chairman, I suppose in the matter of tax increases, if the Hon. Member wishes to interpret it in that kind of a way, I can't prevent him from that kind of an interpretation. I don't think that this is necessarily my interpretation. It is one source of revenue, when one considers the increase in costs to the Government in the last while. I am sure every government in this country does exactly the same thing, it takes a look at all sources of revenue that are available, looks at areas where it can, where the consumers, the taxpaying public would be least hurt, in order to have the fairest distribution of taxation, and this was one source that we did consider.

**MR. S. J. CAMERON (Regina South):** — Mr. Minister, I am interested in your comments that we are comparable with other governments and other governments have done it, so we must do it. Is this the sort of government and the sort of guidance that you are giving that because somebody jumps over a cliff that you feel that you should follow right behind him? This sort of rationale is logic? Now if you want the cash, then say so that you are raising it - raising these taxes to get the cash. But don't give us this nonsense in comparison to other governments. Thank goodness every other government is not following your lead and nationalizing everything in sight, thank goodness. Now, let's get down to the nub of this, Mr. Minister. You are hitting drinkers and you are hitting smokers, because you are doing the same thing as many other governments have done. You expect the least resistance coming from these two areas. It is an area that it's almost open season on, for your department to put on a tax increase, knowing full well that not many voices of protest are going to be raised, and that there will be that small minority at the back, like that sanctimonious hypocrite who sits a couple of seats back from you, who will take some degree of pleasure in seeing you take this thing. Now let's get down to it. Admit that you are raising it for hard, cold cash, but take the morality reasons out of it and we can move on.

On that question, I have a couple of questions for the Minister. He said he anticipates raising an additional \$4.6 million. I should like to have some detail of the calculations of that \$4.6 million. You had indicated in your earlier address in respect to this Bill that you expect the increase in the taxation will, in fact, result in some people quitting smoking. Now, I think you indicated that. You continue to raise the price and, of course, you continue to cut off the number of people smoking. The second thing I would be interested in knowing is, in addition to what number you anticipate are going to quit smoking in consequence of this tax, is how many additional smokers do you expect are going to come on in the next year, in order to raise this \$4.6 million?

**MR. SMISHEK:** — I do not have the statistical information the Hon. Member is asking.

**MR. CAMERON:** — Partially, my question is serious. If you anticipate

raising \$4.6 million, how do you come to that figure? What do you plug in to get \$4.6 million?

**MR. SMISHEK:** — Mr. Chairman, as I understand the question, it is what basis do we assume to raise \$4.6 million. By and large it is based on previous records of consumption. Now, as I did indicate in the second reading, I really would hope that by increasing the price that there will be a reduction in consumption, and if that is the case, then the estimate we make of \$4.6 million will not be realized. I don't know what the Hon. Member's personal experience is and I am not sure whether the Department of Health is conducting any surveys presently, but I note that there are more and more people who are kicking the habit of smoking. Whether, at the same time, there are more people taking up smoking, I am not sure, but I know among the adult population, I think there is a significant number of people who are trying to kick the habit.

**MR. CAMERON:** — Mr. Minister, I have just noticed something that I do have some concern before I get back on to this. I think it is a matter of concern to the province as a whole. I notice Mr. Brandt on your staff is looking pretty lean there, and since this Government has refused to help the Riders on their stadium, I would ask you at least to lighten Mr. Brandt's work load so he can gain some weight, because I am a little concerned looking at his leanness there that he is going to be able to handle some of those big fellows. So, that is one civil servant I think you can add with no protest from the Opposition.

Now, getting back to the cigarettes and the liquor concept, I should like to suggest to the Minister that in no way, shape or form is this a particularly fair tax. I suggest to you that you are simply making life miserable for many of our working people and of our lower to middle-income groups, and this applies to liquor and to alcohol. The people in the higher incomes - they'll pay it. They will continue to smoke, they will continue to drink - they will pay it and they are not going to protest. But the people you are getting at are the people that are really not in that sort of an income bracket, and it is just simply making life miserable for them. You can argue the merits of smoking, or demerits, all night long and we will never come to any conclusion. But let's not suggest that it is a fair tax, because as far as people in the higher incomes, they are simply going to do what they want; the cost is of no consideration. Now, if you feel that smoking is bad; if you feel from the moral point of view that smoking is something that should not be permitted, then the Government should have the courage to plainly put a ban on cigarettes and tobacco in this province. But let's not have this silly, hypocritical philosophy of yours that somehow by putting more of a tax on it that consumption is going to go down, because you, yourself, have just recited a figure, I think you said \$6 million to \$7 million in additional revenue. I may be wrong on that, but obviously you are not planning on very many people stopping smoking. If that is what you feel, then have the courage of your conviction - ban the stuff. And the same thing with alcohol - ban it. But, don't give us this nonsense that you are raising the price to reduce consumption.

**MR. A. N. McMILLAN (Kindersley):** — I should like to pursue one specific point, and I think the Minister accepts the fact that it would not bother him particularly if his increased tax proved to be a deterrent, and

I would have to sympathize with him there. I think any action that this Government takes in sort of a just manner which would discourage people from smoking, would be a good one.

My question would be, however, if you, as the Minister responsible for collecting this tax, are committed to seeing some degree of the funds collected under the tobacco tax designated towards cancer research or rehabilitation or prevention of nicotine-related diseases, or that whole area? Are you committed to that in a personal sort of manner, so far as the tobacco tax is concerned?

**MR. SMISHEK:** — The Hon. Member is asking the question of what part of the funds that are derived from the tobacco and cigarette tax are set for cancer research. Whether it be the tobacco tax or whether it be any other tax, we do not designate taxes for particular programs. I believe this would be a wrong approach, and he knows that the cancer program is costing a considerable amount of money. What is set out in the cancer vote is not all the money that is spent on cancer programs, because in case of hospitalization, people who are cancer patients - their bills are paid out of SHSP the same as anybody else who is hospitalized. Certainly, I am concerned about the health hazard that tobacco and smoking do pose. It is not a question of a moral issue, as the Hon. Member for Thunder Creek was trying to argue. The increase in the tax is not based on the kind of moral question, nor do I take the moral side of the argument in either liquor or tobacco. It is a matter of an area where revenues can be derived. I am not able to tell the Hon. Members in the case of tobacco, of how the prices have increased in the last while, but in the case of liquor, for the information of the Hon. Member for Thunder Creek, the price of liquor has not kept pace in relation to the Consumer Price Index, so in this area I think that liquor revenues could be increased. In the case of tobacco, I am not able to answer the question and the price here has got nothing to do with my moral position.

**MR. McMILLAN:** — Mr. Minister. I happen to very firmly believe that the principle involved in a deterrent tax, which your Government in many instances seems to find quite acceptable, is good. This is not a bad approach and on top of that particularly in instances regarding alcoholism and people abusing themselves through cigarette smoking or whatever, the principle is a very good one to have a deterrent tax and use the money collected from that tax towards educating people about the potential dangers and possibly setting aside money for rehabilitation. In the case of nicotine or cancer, it would probably be best suited to designate some of that money towards cancer research. I happen to very firmly believe that and I was exceptionally disappointed with the Minister of Health and your Government's refusal to accept a resolution calling for a 10 per cent levy on taxes collected under The Liquor Act, designated to the Alcoholism Commission or other suitable agencies, to combat the kind of social problems and physical problems that result from the abuse of alcohol. I think this is an adequate opportunity for your Government to redeem yourselves as far as that principle is concerned and apply it to nicotine. You've taken some steps by banning, or the Federal Government has anyway, tobacco advertising and things like that. But I think you have considerable room to move in that direction and I would like to see you make some commitment towards at least looking at the possibility of using some of your tobacco tax to go towards

education of the dangers involved rather than simply, the Minister of Health's suggestion, that it's dangerous to your health to smoke. I'd like to see some of those funds or at least you give me a commitment that funds will be set aside towards that end. Are you prepared to do that?

**MR. SMISHEK:** — The Hon. Member has watched the programs conducted by the Department of Health particularly Regional Health Services. In fact some of the most effective programs have been initiated by the Department of Health in the area of education, particularly at the school level and which have received really national recognition of what is being done. I do agree that the need for education programs in this particular area are important and they are being undertaken by the Department of Health both in the area of trying to convince people not to smoke, or to stop smoking and particularly geared at the level of the young population not to start smoking and I think that our programs are fairly effective.

**MR. McMILLAN:** — Are you satisfied with the extent of your involvement in those education programs right now?

**MR. SMISHEK:** — I am satisfied that we are doing as well as can be done at this stage and I think that our programs compare very favourably with those of other provinces.

**MR. McMILLAN:** — I don't like to accept your argument that in every case we do this because someone else has done it or compare yourself continually to someone else's example. You say you're convinced that you are doing as much as can possibly be done under the circumstances and can I, therefore, assume that you will not make any commitment to use any money collected under the tobacco tax to go towards additional education or grant money for research into cancer fighting or anything to that extent? Can I assume that that is your position?

**MR. SMISHEK:** — Mr. Chairman, the Government is always reviewing its programs in the health field. I'm reluctant to suggest expansion of any health programs for fear that the Opposition will accuse the Government of adding more frills to the health field. They can't have it both ways. When we try to develop programs in the interest of the population, they accuse us of adding frills. And when we start to question some of the things that they suggest, they say that we spend too much on a particular program.

**MR. McMILLAN:** — I merely asked you, Mr. Minister, if you were prepared to designate a certain percentage of the money collected under the tax, tobacco tax, towards increased educational programs or increased grants towards the research foundations. That was simply the extent of my question.

**MR. SMISHEK:** — The Hon. Member has obviously not been listening because I did say some time ago that I do not believe taxes should be levied and then designated for a particular purpose. I believe that to be the wrong approach.

**MR. S. J. CAMERON (Regina South):** — I want to deal with another aspect of it and, indeed, put a suggestion before Members. I attempted the other evening with some measure of success, unfortunately it fell short of total success, to persuade the Minister of Health to take some very small portion of the Health budget and direct it to some research toward looking at laetrile treatment. And we had a bit of a debate with respect to that question when I raised it the other night. Since that time, I've had quite a number of telephone calls, some letters and one or two calls from people indicating that they were pleased the issue had been raised. They asked me and asked other Members as well on our side of the House, and I think perhaps some on the other side of the House, to continue to press the Government to find some modest sum of money and direct it towards taking a close look at the effectiveness or otherwise of the laetrile treatment for cancer in Mexico.

Now this, I think, is another point in time appropriate to raise this question because of the obvious proven link between cigarette smoking and cancer. It affords me another opportunity to raise the question with the Government and to see whether we couldn't persuade the Minister of Finance in this instance to confer with the Minister of Health and take even 25 per cent of the anticipated increase in revenue which will be generated by this tobacco tax increase, it's a small price to pay, and devote it to a first hand investigation of the laetrile treatment. I don't want to go over all the ground I went over the other evening but Members will know that there is a body of opinion on each side of that question. What many people are asking is, "Let's get the issue resolved one way or the other, and let's see the Government take some more active position in respect of it." It's a good question and I want to, therefore, raise it again with Members. So I want to move a resolution, Mr. Chairman, seconded by the Member for Kindersley (Mr. McMillan):

That the Committee urge the Minister to consult with the Minister of Health and the Government with a view to using 25 per cent of the anticipated increase in revenue generated by the tobacco tax increase, for research into laetrile treatment.

**MR. R. L. COLLVER (Leader of the Conservatives):** — Mr. Chairman, there have been a number of concerns as the Member for Regina South has suggested, expressed on both sides of the laetrile question. There is also a substantial body of medical opinion at this point that has conducted surveys and tests on laetrile throughout North America in much larger research oriented organizations than we could possibly have in the Province of Saskatchewan. What they have determined, I understand, is that in so far as the tests that have been done they have been able to prove no benefit in the treatment of cancer. But they have also proved that there is no detriment to the individual who is being treated, as I understand the surveys. But, at any rate as far as the studies that I have been made aware of, they have proved that there's relatively little danger to a terminal patient, since the patient is terminal anyway.

Now, we would like to make a suggestion in the light of this Motion. First of all, this Motion surely is not of much value to ask the Government, the Minister of Finance to consult with the Department of Health, with a view to etc., I don't

think that requires the Government to do anything and we would like to see some form of laetrile treatment brought to Saskatchewan for those patients who are having now to travel to Mexico, and I understand there is a doctor in Alberta who is presently involved with the treatment using laetrile. What we would like to suggest is this, and this wouldn't cost the Government of Saskatchewan anything. The concern of the medical profession is that treatments such as laetrile treatment is not proven to be of any benefit in the treatment of cancer. They are concerned that it might possibly become a treatment of choice, in other words, the first treatment that the patient tries. And by trying that as a first treatment they might pass up the time element involved in trying to be treated under a more proven treatment for cancer and they may, in fact, exacerbate their condition as opposed to helping it. What we would like to suggest to the Government of Saskatchewan or the Minister of Health is to consult with or discuss immediately with the Dean of the Medical School in Regina and the Dean of the Medical School in Saskatoon to designate one physician in Saskatoon who is interested, and there are several, one physician in Regina, and there are several, to be authorized to experiment under the aegis and control of the University of Saskatchewan, and be authorized to provide laetrile treatments to those patients who are referred to that doctor or to that physician by another physician. Now in that way the physicians will have the opportunity to present to the patient all of the different kinds of treatments that are available for their particular cancer.

The doctors will attempt to treat them in every way that is proven medically and when the patient reaches the stage where the doctor can no longer do any good and says so, that doctor will undoubtedly refer the patient for laetrile treatment as they are doing now. Some medical doctors are suggesting right now that the patients travel all the way to Mexico. There are a number of individuals in our province who don't have the resources or the means to get all the way to Mexico to try this treatment, yet they are terminal patients. They can't afford to go down. What we are suggesting wouldn't cost the Government of Saskatchewan anything. They would designate physicians in Regina and Saskatoon to serve under these university programs to treat with laetrile on a referral basis. In that way it would protect the medical profession in terms of laetrile becoming the treatment of first choice so that they don't pass up surgery and other kinds of treatment. And yet at the same time if there are benefits that the medical profession have not yet been able to come up with from the laetrile treatments then they will become apparent during the rather lengthy series of treatments by these two physicians and perhaps we will be gaining the best of two worlds.

I don't believe that we need allocate money to research on that particular score because I think we will be merely repeating research that has been done all over North America. But in setting up these physicians to make this treatment available to terminal patients in Regina and Saskatoon we will be serving the people of Saskatchewan and at the same time comply with this problem presented to the medical profession.

**MR. SMISHEK:** — Mr. Speaker, first a reply to the Leader of the Conservative Party and his suggestion. There is one problem in making his suggestion work and that is, how do you get laetrile to Saskatchewan? How do you get it to Canada, because the Federal Government prohibits its import on any large scale for purposes of medication in Canada.



**MR. COLLVER:** — Not on a medical research basis, Mr. Minister, I'm sorry - the man in Alberta is using it now.

**MR. SMISHEK:** — Not for purposes of medical prescription. This matter has been of concern and of discussion a good deal in Canada in the last several years. For the interest of the Members, a very thorough research study was conducted in the Province of Quebec in which the Federal Government participated. Three noted research physicians have done a very comprehensive job, I think the report is only about two years old and the findings of that research team concluded that laetrile is not serving any useful purpose in the treatment of cancer. A further study was conducted in the state of New York which was made available to Canada about the same time. Again it concluded that its benefit to the cure of cancer just was not there. But it raises expectations and some people become convinced that it helps them. I'm not convinced that noted researchers in this country and the United States are refusing to approve this drug for the treatment of cancer from some kind of contempt. I just don't believe it. I have to accept their findings. I have read a fair bit about it. I know there has been a lot of discussion about this drug.

In the case of this Motion I really wonder about the sincerity of the Hon. Member in presenting this Motion.

**MR. CAMERON:** — On a Point of Order, Mr. Chairman, I don't think it's proper for the Minister to say publicly that he questions the sincerity of the Motion. If you can do that, indeed, I'll debate that with him. But I don't think that's within the purview of the rules. I don't think that a comment like that is at all parliamentary.

**MR. SMISHEK:** — Mr. Chairman, this question came up the other day, it's a little bit of political gamesmanship, if I may put it that way, but he resorts to this kind of an approach, Mr. Chairman. This kind of research should be undertaken nationally, not by a province. I think it is ludicrous to be suggesting that taking 25 per cent of the increase or slightly over \$1 million if the same kind of a thing was proposed in Alberta, Manitoba, and British Columbia and each province to look at the value and merits of laetrile we would be spending something in the order of \$25 million for what the Hon. Member is suggesting.

I ask him to look at his proposal. Here we have had research that has been conducted in this country and in the United States, surely the kind of researchers that have been looking into this chemical, as I understand that is what it is, and to say that these people somehow have not done justice to the public in their research and their studies and that somehow the Federal Government, the Food and Drug Directorate, are denying its use, I think is totally unfair. I believe that the federal Department of Health and Welfare under the direction of Marc Lalonde is concerned about cancer just as much as anybody in this House is concerned, and I think it would be foolhardy for us to raise expectations about something which is not a cure, it is not going to provide the answer to the problem of curing cancer.

**MR. COLLVER:** — Mr. Chairman, I concur with

the Minister's comments about the research in the Province of Saskatchewan. These tests have been conducted significantly throughout North America as I mentioned earlier and to fly in the face of that kind of research with our limited resources in Saskatchewan is quite simply a waste. What I am suggesting though, today, Mr. Minister, is to provide hope for terminal patients. Now surely the Minister is not prepared to say to this Assembly, nor is the Minister of Health prepared to say to this Assembly, that these patients who have been told by their physicians, by their specialists, that there is no further hope for them, no treatment is left and all treatment that medical science knows about has been tried, surely the Minister is not suggesting that those people who do have a belief, if you want, that the laetrile treatments in Mexico are of some benefit and they have some evidence that they have been of some help, albeit not acceptable to the medical profession, surely we can come to some kind of compromise solution in the Province of Saskatchewan that will enable those terminal patients to have some additional hope that they might be cured and their lives extended. Some have this hope now and so they travel to Mexico, however, the poor people can't afford to travel to Mexico so they have to lose hope. The rich people can afford to travel to Mexico and they do so. They retain the hope. Admittedly perhaps there isn't that much evidence that those terminal patients are helped or whether their lives are extended, but there is some belief in the minds of many people that that has been the case. Surely we can come to some compromise in Saskatchewan that will enable those individuals who have been treated as far as medical science can go to gain that additional hope.

Now I am not suggesting for a moment that the Motion designate a particular percentage of any tax. I happen to concur with the Minister's remarks pertaining to taxation as well. Taxation is one thing, research is another, and one of the questions that I was going to ask him as soon as the Member for Kindersley had taken his place, was how much increase in research and expenditure in education to combat smoking had been allocated by the Government of Saskatchewan in the current budget for 1977 to 1978. The Minister of Finance I am sure would have these statistics at his disposal and he would know immediately how much increase there has been in those areas. Now the motion has arrived on the scene and we are now discussing the Motion. I think surely we can come to a compromise on this. My suggestion is not in any way counter to the medical profession nor does it offer laetrile as a false hope as the Minister would suggest because it is not to be used by physicians in the normal course of events. The Minister suggested that it is not able to be imported under the Food and Drug Administration of Canada. I am afraid that the Minister is suggesting for commercial distribution but for experimental purposes it certainly could be imported and I understand it is being imported in the Province of Alberta where one physician is authorized by their medical school to use this drug on an experimental basis. Now our suggestion goes beyond even the one in Alberta and that is that it should be used only by referral from physicians who have already tried all of the methods that they know for treating cancer. We think it is a worthwhile compromise and would enable those individuals who can't afford now to travel to Mexico to take advantage of perhaps a couple of locations in Saskatchewan to offer themselves a hope that maybe something that has been tried elsewhere might work here.

**MR. CAMERON:** — Mr. Chairman, I want to make some comment about the comment made by the Member for Nipawin and then come back to the Motion itself and make some comment on the points of debate made by the Minister of Finance.

You know the Member for Nipawin has to bear in mind that politics is the art of the possible. If he moved a resolution with the kind of suggestion he is now making to the House, the resolution would be found out of order. If he moved a resolution requiring some action by the Government, as he suggested the resolution was deficient because it requires nothing of the Government, he is quite right in that, except that one can't move a resolution calling on the Government for some expenditure of funds. He knows that, the resolution would be found out of order. That is why the Resolution merely asks the Members of the Assembly to ask the Minister of Finance to sit down with the Minister of Health and consider whether we can direct 25 per cent of this increase to this purpose. Now that is the reason it is that way and the Minister of Finance, I think, and the Minister of Health and Members of the Assembly said, we would like to see you do this. The pressure of a resolution of this kind having been passed by a majority of the Members of the Assembly would then, I am sure, generate an obligation to set aside 25 per cent of the increase to that end and for that purpose. So I say one has to be realistic, it is the art of the possible.

The Member for Nipawin takes it a few stages beyond that and says, look, we ought to do this and not what you are proposing. I say this in response to him that I don't know what the answer to this question is. There clearly is a body of medical opinion respected on the anti side of this question. It says the treatment is of no value and indeed says a whole lot of other things. There is on the other hand a body of opinion favourable, some of it at least respected opinion. Who am I, indeed, who are any of us to say who is right in this respect. We can't. What I am asking Members here to do is let's begin, let's make some small modest start to resolve this issue. If the Member for Nipawin had been here when we debated this question the other night he would have heard a series of questions that I asked the Minister of Health as to the way in which studies were being conducted into this question. Now the Minister of Health indicated in his response to the questions not in these terms because these are mine and not his, but essentially governments take a passive role in respect to these questions. That is to say governments essentially say to people propounding a given treatment, "show us, show us that the treatment is of some value, show what studies you've got to back up the use of the treatment and we'll take a look at what you bring before us and then we'll decide whether you'll be licensed to do it or whether you won't be or we will have some regulations prescribing its use," and so on. That's the passive kind of role governments take.

What I was asking here of this Government today was to make some start on the thing, to take a more active role, to take a look at the studies and the research that has been done on both sides. People on the one side will, of course, come to you with a whole ream of studies that have been done, some of which has been done by some rather respected authority and give you the arguments going both ways. I say that none of us are in any position to determine one way or another in respect to the question but I do think, in view of the fact that there is some respected opinion on the pro side of the treatment,

that we ought, at least, to make some modest beginning here by suggesting to the Minister of Finance that he confer with the Minister of Health and see whether we can't come up with some funds here to begin independently to assess some of the research that has gone on.

Now it wouldn't pay, in my view at least at the outset, to begin an extensive research program. If there is, if there have been studies done, many of them on the anti side and some studies done on the pro side, we would at least begin to make some progress by setting aside some funds and having some people analyze the research papers. The research has been done so they can come back to Members and report in respect of it. I am always a little hesitant, I tell you sincerely, in raising the issue for the very reasons that it begins to spark some of the suggestions that have come in part from the Member for Nipawin. He talks about 'hope'. That's the kind of debate that we ought not to be engaging in. None of us wants to raise among the populace at all any false hopes in respect to this, but governments have been hitherto so reluctant to take some independent assessment that I think it has now become a matter of importance that we begin to raise the issue publicly in the Legislature in the hope that we can persuade government to begin some little modest effort to take a look at this thing.

I won't bother commenting on the Minister's suggestion that the Resolution is political gamesmanship, except to say to you that that is not the fact. I have had a number of people contact me, some people who I respect a good deal as a matter of fact, who are seeking some answer to this question. They don't know the facts, I don't know the facts, none of us know the facts. They are saying though, as I am saying, let's as a government with some funds available to us begin to make some start in assessing the thing. I think it would be a modest start and I think we owe it to the province to do it. It is no answer for us in addition to that, I say to the Minister, to say, well, "why doesn't the National Department of Health and Welfare do it? I think they ought to do it. Why don't other provincial governments do it? I think they ought to do it." In fact I think the American Government should have done a great deal more than it has currently done. However, that hasn't been done. We have some obligation to all residents of this province and I think we can make some small beginning for them to find out really what the facts of the matter are.

**MR. P. P. MOSTOWAY (Saskatoon Centre):** — Mr. Chairman, I would just like to make a few remarks in regard to what we are talking about. I really wouldn't want to see that Motion passed at this time because I, too, believe that it would build up false hopes in too many people. I kind of think that the way that we are going now, the way that this jurisdiction and other jurisdictions in North America or in the western world are going, ongoing study and evaluation is the right way to go. I am just afraid that if we do give it a one shot affair and it is proven by whoever makes the study to be of no value, that will be it, it will die a natural death. I think an ongoing evaluation is the best approach.

I just wanted to mention to Hon. Members that as far as I am aware you don't have to go to Mexico to use laetrile. I know some people who have gone down to Mexico whose dear ones were stricken with cancer and I think all that I know of eventually passed away. I am also of the opinion that from

speaking with Department of Health federal officials, that you may import laetrile into Canada for personal use but that physicians may not prescribe it to patients. I do know because I did some phoning around on behalf of an elderly lady whose husband was dying of cancer and I do know that you can buy it right in Canada. You can buy it right in Vancouver. In fact I gave her the name and the address of the drugstore and there is nothing wrong with that. You don't have to go down to Mexico to use it. I had occasion to phone the druggist or the pharmacist there and his words were, "We'll ship out a pound to anyone COD, we ship out all kinds of it." I had occasion to ask him, I said, "Well do you think it is of any value?" I didn't get a yes or a no but I got a little bit of a chuckle. I passed this information on to the lady who in turn consulted certain doctors and decided not to try these capsules. Now, he says, it is not exactly laetrile but it is the same thing, and I am quoting him. He says, we just give it a different name but it is exactly the same thing.

But what I am wondering is how come if it only costs a few pennies per capsule, how come this particular drugstore that operates out of Vancouver charges \$1. I do think that maybe we should be putting a little bit of pressure on those who are distributing or manufacturing laetrile to make it more readily available to people at a cheaper rate. If they have something that is going to be a benefit to mankind then I think it is something that should be, well not making a fortune on it. That's a factor that I consider when people ask me what I think about laetrile. But I do want to point out, it is available in Canada, you can order it from a drugstore in Vancouver. Whether it is effective or not, I don't know. I have not run across any cases of where it was but I have run across cases where people ordered it and it didn't prove to be of any value.

**MR. SMISHEK:** — Mr. Chairman, a question was asked earlier about the amount of money that is being spent on programs by the Government to try to discourage people from smoking. I refer the Hon. Members to pages 46 and 47 of the Estimates. In Regional Health in this year's budget funding has increased from \$5,584,000 to \$6,598,000, just about close to a 20 per cent increase. The subvote in health promotion has been increased by 14 per cent from \$769,000 to \$884,000. This is part of the money that is used for various health promotion programs by the Department for health education. The Cancer Commission subvote has been increased by about 18 per cent. Now I am sure that I can't tell you precisely how much money is used by each branch of the department on education programs to discourage people from smoking but I know that there is money that is used for that purpose. I know that the health regions do have programs, in particular the Rosetown region and the Saskatoon region have initiated pilot projects that have since been expanded throughout the province.

Mr. Chairman, one other bit of information I might just pass on to the Hon. Members. When the Department of Health Estimates were being considered they were expecting another comprehensive and perhaps the most comprehensive study that has been undertaken as to the benefits of laetrile. This study is due to be published any day now and copies will be available. It is again another scientific study done by researchers. My understanding is that this is an American study but copies will be available soon. Perhaps something in this research study will provide us with some information as to how we might be tackling this question. In the meantime, Mr. Chairman, I think

this is the wrong way to go about dealing with this problem as suggested in this Resolution.

**MR. COLLVER:** — Mr. Chairman, I would just like to briefly ask the Minister of Finance again on The Tobacco Tax Act. He mentioned some numbers in terms of the increase, what is the increase in the educational portion of that, that he was looking at in the Estimates, was it something under a million dollars, was that correct, Mr. Minister? The increase over last year from the tobacco tax that was available was put towards certain good uses, and one of those uses was information to the public about smoking and the hazards and also cancer research and so on.

Now, what I've asked the Minister briefly to outline for me, what is the increase in, if you want, the broadly related research areas, research and education areas, relating to smoking that you might say were relatively closely related to smoking as a hazard to health. For example, an increase to the Cancer Commission of 20 per cent or half a million dollars would be part of that money. What I am trying to do is to relate the increases in those cancer related areas to \$4.6 million the minister is raising with this particular tax.

**MR. SMISHEK:** — I think it is totally unfair to be asking questions, if I may put it that way, under this Bill as to how much money is designated in the Department of Health for education purposes for cancer. I do not have that information. It seems to me when the Estimates were considered for the Department of Education that was the appropriate place to ask the question. The Hon. Member was here but did not ask that question. But I repeat for the Leader of the Conservative Party the figures that I just used. I refer to the Regional Health which is over \$1 million, of which some of the education programs in tobacco consumption and liquor consumption, some of the money is spent in the education programs there. I can't tell him the exact amount but I know that Regional Health does conduct anti-smoking programs. Similarly in the case of the Health and Promotion Branch, \$115,000 there and for cancer in those three programs more than \$2 million additional funds are provided. That comes up to my calculation in the order of \$2 million. Now, remember that is not all the money that is spent on cancer prevention: SHSP and MCIC spend large amounts of their budgets, you know, on cancer treatment. So, the tobacco tax as we estimate it, will yield about \$4.6 million and again we restate these figures. I'm afraid that one has to repeat over and over and over again despite the fact that I mentioned the figures six or seven times in the House.

**MR. COLLVER:** — Mr. Chairman, I think the Minister thought I was attacking him when in fact I thought I was doing exactly the reverse. It seems to me that you are increasing - yes, it is quite a tax to be talking about with a cigarette in one's hand . . .

**AN HON. MEMBER:** — You should quit.

**MR. COLLVER:** — I wish I could. I'm down to Viscounts though, one per cent. It's something.

Mr. Chairman, I would further like to ask the Minister, and I think the Minister has explained at least to my satisfaction, that there has been an increase in the allocation of

resources of the Government of Saskatchewan towards tobacco related disease and we have, I hope, got the Minister's assurance today that no programs relative to the prevention or cutting back the number of smokers in Saskatchewan has been cut; am I correct in that, Mr. Minister, to your knowledge?

**MR. SMISHEK:** — As my memory will serve me, the amounts of money for these programs have been increased, not cut.

**MR. COLLVER:** — So that the programs certainly haven't been cut; and new programs have been introduced through the Department of Education. I don't think you even mentioned that the Minister of Education was here, which is why I raised it under this item rather than during Estimates because there are also considerable funds I think in the Department of Education budget to the cutting back of the number of smokers as well and if there's an increase in those programs, then in fact the \$4.6 million might be construed to be used for that.

I don't happen to concur with the Member for Kindersley (Mr. McMillan) who suggests that a deterrent tax is in order. Deterrent taxes merely reward the rich and negate the efforts of the poor, that surely is the wrong approach. The only question I would have of the Minister in this particular tax increase is this, is it the Minister's understanding that in spirit at least the Government of Saskatchewan, in its taxation policy, should comply with the spirit of the Prices and Compensation Board in the Province of Saskatchewan?

**MR. SMISHEK:** — The Hon. Member is aware that taxes, per se, are not subject whether it be here in Saskatchewan or the Federal Board, they are not subject to review by the Board. I'm not sure in the case of percentages of how that compares. I would say that the percentages of the tax increase here is greater than the federal guidelines on anti-inflation; but taxes are not subject to the guidelines anyway.

**MR. COLLVER:** — Mr. Chairman, we could do that calculation very quickly. What was the total amount of the tobacco tax revenue this year?

**MR. SMISHEK:** — I think in the order of \$12 million. I think it's something like \$12.7, \$14.6, \$17.6, \$17 million this year.

**MR. COLLVER:** — Last year or this year?

**MR. SMISHEK:** — This year, is what we estimated.

**MR. COLLVER:** — Yes, so in effect what you've done is you've raised the tobacco tax by a third. Would that be approximately correct? A 33 1/3 per cent increase in one year? Did you not have an increase in the tobacco tax last year?

**MR. SMISHEK:** — Yes, we did.

**MR. COLLVER:** — What was the percentage increase in the tobacco tax last year?

**MR. SMISHEK:** — Last year the only thing that was increased was cigarettes, the cigars and tobacco were not increased. I believe it was a six cent increase.

**MR. COLLVER:** — Surely that could be calculated quickly as well. What was the projected amount of increase last year. Our assessment of it is about 40 per cent of it last year and another 33 1/3 per cent this year. So accumulated you're talking almost 89 per cent in two years increase in the taxation from tobacco. Is that correct, approximately?

**MR. SMISHEK:** — Somewhere in that order, yes.

**MR. COLLVER:** — The only thing that I would have to say to the Minister, in that regard is, surely, Mr. Minister, the spirit of the Prices and Compensation Board, we're not talking about the actual subject to review? You can agree with that. But, surely, in his review of other taxation levels in the Province of Saskatchewan he had in his mind a review of specific people, and specific individuals and specific products; and he had in his mind that he would not want to exceed the guidelines in taxation any more than he'd want the prices of goods to go up by an excessive amount over the guidelines any more than he would want the wages that he has, the Government has stepped on in the public sector in the Province of Saskatchewan for the last year and a half, to go up.

We're not talking about the legality, we're talking about the spirit. Can Mr. Minister talk or make a comment briefly on the spirit of raising a particular tax by 80 per cent in two years? Forgetting the deterrent effect because I'm sure the Minister doesn't want to increase the burden on low-income people any more than anyone else. Surely, the Minister is prepared to comment on an increase of 80 per cent in two years and close to 40 per cent this year in one tax.

**MR. SMISHEK:** — Mr. Chairman, the only thing that I know that relates between tobacco and the spirit is the rum-soaked cigar. I'm not sure whether that's the relationship the Hon. Member has. I wonder if he is arguing on that basis and if so then, I suppose that he would argue that the next Bill coming up, The Gift Tax Act should not be repealed. We should have had, in fact, an increase if everything is to be relative in relation to the anti-inflation program. There are other tax changes that we are making. For example, the repeal of The Gift Tax Act, which is going to be a cost to the Provincial Treasury, the repeal of the Succession Duty and the amount of money that will be lost. Now, I don't think that you can just take one particular tax. If I may say it, that's a little bit of play to the press that the Leader of the Conservative Party is trying to make, that tobacco taxes have gone up by 80 per cent. Sure he's going to go out in the hustings now that he has made that calculation. Let him. Also I think he should relate some of the increases in the various programs. We saw this as a place that we could raise some revenue and that is what we are doing.

Section 1 agreed.

Section 2 agreed.

Motion agreed to and Bill read a third time.



**BILL NO. 90 - An Act to repeal The Gift Tax Act, 1972**

Motion agreed to and Bill read a third time.

**BILL NO. 44 -An Act to amend The University of Saskatchewan Act, 1974**

Motion as amended agreed to and Bill read a third time.

**BILL NO. 62 -An Act respecting the provision of Financial Assistance to Municipalities and Non-Profit Societies for Capital Works Projects involving Recreation and Cultural Facilities.****Section 4**

**HON. E. L. TCHORZEWSKI (Minister of Culture and Youth):** — Mr. Speaker, I spoke to this amendment briefly some time ago when we first had it before us and I indicated then that I thought that was an unusual amendment to make in that this kind of information is always available to the Legislature. It is certainly not something that is found in other legislation in other areas. All that any Member has to do is ask a question in the House or put a question on the Order Paper and the material and that kind of information is available. Further to that certainly if any Member wants information that is around and available at any other time, I think certainly there is nothing confidential about the grants that will go out or have already been approved and there have been a number of them under this program and that will always be available. I do not see any reason why this amendment is necessary and, therefore, I would think that the House ought to defeat it.

**MR. CAMERON:** — Mr. Chairman, you will recall that one of the concerns that we expressed about this legislation is that it is skeleton in form, that the substance of the program is to be found in the regulations which will be much more comprehensive than the statute itself.

One of the concerns that we expressed that may arise out of that, is that the program has a potential for abuse. That is to say, certain programs may get funding and certain others will not get funding, based upon criteria which we say ought never to enter into those decisions, including political criteria. Therefore, we have made, I think, a series of suggestions to the Minister about curing that particular problem. All of those met a deaf ear, so we therefore thought, as a minimum, Members of the Legislature ought to be able at all times to go to the Minister and say, "Now what applications have you received; how are they processed, why was this particular application declined and another of a similar variety granted?" Now, what it would do is to permit a Member - and all Members get these requests from groups in their own constituencies about funding - if a group made an application that was turned down, it would give the Member of the Legislature the guaranteed right under the statute, to go to the Minister and say, "May I see the files in respect of these various applications?" and find out precisely why an application was turned down, whereas one of a similar variety was granted.

Now, the Minister says this information is always available. That is a very good argument in favour of my Resolution. The

Minister says there is nothing confidential about this stuff anyhow. You can come and get it. Another good argument in favour of my Resolution. In other words, all his arguments were really directed in support of the concept I put before you, and yet for some reason he rests upon that basis of argument, a suggestion that we ought to turn it down. There is a more practical matter, as the Minister knows, all the questions that go on the Order Paper are not, in fact, answered with the kind of information that Members are frequently asking for.

Secondly, if the House is sitting only three or four months a year, in the balance of the time, the seven or eight months it isn't sitting, the information is not available by way of some procedure, except at the will of the Minister. I have a difficult time understanding why the Minister should resist a section in the Act which merely says, "Members of this Assembly can come to the Minister and seek full information about applications that have been made, whether accepted or turned down." It is difficult to understand an attitude that would say, "No, in effect, we don't want to give that assurance to Members; we are not prepared to give them a guarantee that they can have the information." That's a strange attitude.

**MR. J. WIEBE (Morse):** — I understand that this particular Act which we are dealing with now is the Act that will be looking after the capital grants of \$25/\$30 - is that correct?

**MR. TCHORZEWSKI:** — Yes.

**MR. WIEBE:** — Okay, it is my understanding as well, that before a particular organization or group can qualify for this particular grant, first of all they must present . . .

**MR. TCHORZEWSKI:** — Mr. Chairman, can I just raise a Point of Order. I think the Member is now raising a different point. Can we do away with the amendment or bring a resolution to the amendment that the Member moved before?

**MR. CHAIRMAN:** — Deal with the amendment on it, yes, on his remarks.

**MR. WIEBE:** — The comment which I want to raise is, first of all why this particular group of five is required? The reason why I say this, and why I am concerned about that particular group being there and why it is there, is that say, for example, a curling rink or a skating rink or another recreation facility wishes to make use of this \$25 or \$30. First of all they must present an application to the local recreation committee, which is established under bylaw by the local municipality or town or city. It is that particular recreation committee which, first of all, sits down and decides which one of the applicants they will accept, or whether they will accept all or part of them. It is my understanding then, that that recommendation must then go through the local municipality or through the local town or city council, whichever may apply. So that, in effect, why is it necessary then to have another board of five members rule on that particular application when it has already gone through two locally-appointed groups. And the reason why I voice concern about this, is that the two levels it has gone through prior to achieving the consideration by this board, are

basically non-political. A decision has been made by the groups in the local area to recommend that a particular facility is qualified for the grant. So, in effect, this group of five which you are setting up under this legislation, could I imagine, overrule the decision that was made by the local council or the recreation board.

Now, they are shaking their heads. Now if that is not the case, that that committee will not overrule that decision, then what is the need for the committee in the last place?

**SOME HON. MEMBERS:** — Hear, hear!

**MR. TCHORZEWSKI:** — Mr. Chairman, I am sort of glad the Member asked that question, because it gives me an opportunity to really clarify what is one of the very essentially beneficial aspects of this legislation and the program, as it has been established. All of the steps that the Member for Morse (Mr. Wiebe) outlines, when an application is made by a local community organization through their recreation board to their municipal government, those steps indeed, are steps that will be followed. And we expect them to be followed. Then, of course, the application will be made to the department by the municipality or through the municipality. The purpose of this coordinating group of people is a very important one, because indeed, it is a co-ordinating group. Its function, mainly, is to assure that when an application comes in from a community, that all of those agencies at the provincial level that may in some way be involved, such as the Department of Municipal Affairs, that the requirements that may be necessary because of legislation or regulations are fulfilled. If there is some work being done in a library, there is the Provincial Librarian, and we have put on this committee so that all of the requirements that may be necessary, or all the advice that we may be able to provide through that agency, can be made available. So, basically, it is a co-ordinating group of people representing various parts of the Government that should help to expedite the approval of these applications that come from communities, and in fact, have helped without getting some mix-ups happening. Approval may be made but maybe all of the requirements from the Fire Commissioner's office may not have been met, and so we find that three weeks later the application has to come back with added information, thus making it difficult for the people at the community level. We are trying to help the community with this co-ordinating body.

**MR. WIEBE:** — Mr. Chairman, are you then saying that the powers of this committee will only be to deal with the technical aspects of that particular recommendation? So that, in effect, when an application went through the process, as I have outlined and reaches the five-man committee, that five-man committee finds that that application because of some technical reasons, is not sound, it would then be sent back to the local government. Now, say there were two applications that came in from that particular community to split up the grant. Does that board have the power to decide which one of the two will be accepted, or just basically on the technical aspects of that particular application - the one that is technically sound would be granted; the second one would be sent back and corrections made or the local committee or municipality making recommendations on a new project?

**MR. TCHORZEWSKI:** — It is advisory-technical in

nature, right. It is going to be the job and the responsibility of the community to decide how it, in effect, wants to allocate the funds which have been appropriated to it. If you have a community of 1,000 people or 500 people that is in a joint project with a community of another 500 people, to have 1,000 people, at \$30 per capita, you are going to have \$30,000. It is then going to be those communities together who will decide whether they want to use that total allocation of money for one project, be it a senior citizens' centre or a curling rink or a multipurpose facility. This committee will not determine that. It will be the community.

**MR. A. N. McMILLAN (Kindersley):** — I should like to ask the Minister, if that's the case as he has stated it, then why has there been some concern on the local level by organizations, both at the recreation board level and the town council level, who approved a project, in this particular case, an air-condition system for arenas to try to keep the temperature below a certain level, why has there been some concern expressed by them that the department would not allow that to qualify under the grant system?

**MR. TCHORZEWSKI:** — No, we have not declined to approve such an application. If a representative from the department has been invited to meet with any community, and some communities have so invited them, the representative will discuss aspects of the project which they have in mind, but it is always made clear to the community that it will essentially be their decision. The community you speak of is wrong, I don't know which one it might be, if it feels that it cannot apply for a certain kind of air-cooling system. I think I know which type you are familiar with, because I have three of them in my constituency and they are working very well. If the community wishes to make such an application, it will not be refused.

**MR. McMILLAN:** — Well, my only point, then is a word of warning to you then. Members of your department or someone connected with your grant have left some doubt in the minds of local organizations about the approval of their grant when in fact the project has been approved at both levels, local levels, and these people are still very much in doubt, and were left with the impression that the department may still step in and disapprove it because they didn't like the type of facility that was to be put in. Now I am happy to hear you say that there is no problem in that respect.

**MR. TCHORZEWSKI:** — They sent in the application?

**MR. McMILLAN:** — The application, if it hasn't been sent in now, they have at least been notified, the department has in writing about the nature of the application and procedure that would be undertaken.

**MR. R. A. LARTER (Estevan):** — I should like to ask the Minister (by his remarks today), is this committee being set up to encourage different groups or different communities to get together to apply?

**MR. TCHORZEWSKI:** — Something the communities will have to determine for themselves.

Section 4 agreed.

Sections 5 to 10 agreed.

Motion agreed to and Bill read a third time.

**BILL NO. 67 -An Act respecting the Restraining of Animals from running at Large.**

**Section 1**

**MR. WIEBE:** — Mr. Chairman, there are a couple of questions which I still have in my mind regarding this particular Bill, and I hope that the Minister and his staff tonight can maybe clear them up for me.

I am just wondering if I might be able to deal with them on Section 1, and then if you can answer the questions we don't have to worry about them when we get down to that particular section.

First of all I should like to deal with Section 2(p), in which the Act states:

Running at large with respect to an animal means not being on the premises of its owner and not under the immediate and continuous effective control of its owner and 'run-at-large' has a corresponding meaning."

The question I have here is that it pretty well limits that particular animal to be located on the property owned by the particular owner of the animal. What happens in the case of the owner of the animal making arrangements with a neighbour to have his particular animal feed on his pasture or stubble field after harvest is done? Does this then mean that this rancher can no longer make that arrangement, and by so doing that the animal is automatically at large?

**HON. E. KAEDING (Minister of Agriculture):** — Yes, Mr. Chairman, if you will examine that, it says, "not on the premise of the owner, or not under the immediate, continuous and effective control of", and if he has made arrangements with his neighbour to allow cattle on his property, of course, they are under effective control. They are on his property and not running at large.

**MR. WIEBE:** — Okay, so a verbal agreement or arrangements with a neighbour would not put the particular owner in any particular jeopardy then?

**MR. KAEDING:** — That's right.

**MR. WIEBE:** — Okay. What happens in the event that a farmer happens to own two parcels of land that are divided by a road allowance? The property is protected by a Texas gate. According to the Act if that animal is on any road allowance it means that he is automatically a stray. If that Texas gate is there it means the animal cannot get out of that particular confine, but does it mean as well that now the particular rancher or farmer will have to fence off the road allowance and not be able to make use of that Texas gate?

**MR. KAEDING:** — Yes, if the municipality would

pass a bylaw which would permit animals to run at large in those kinds of circumstances then, of course, it could be possible to do that. But if there was a bylaw which says that they could not run at large then they would be technically strays. The municipality can identify road allowances which they might want to graze, and they can identify them and say that in those areas cattle could run at large in those particular areas, if there was, for instance, a road allowance that was not being used.

**MR. WIEBE:** — Okay, I think that has answered my questions. In other words, the municipality does not have to then designate the whole division, or the whole municipality, as open herd law, it can designate that particular stretch of road allowance as open herd law for that particular farmer.

Another point which bothers me a bit, and that goes back to the regulations at the end in which the designation of a legal fence will be determined by regulation. This is a bit different from the old Act in that the old Act stated, or stipulated I believe, exactly what a legal fence constituted. I am wondering why the Minister felt at this time that it was necessary to have the definition of a legal fence left up to regulations instead of definitely being stated in the Act.

**MR. KAEDING:** — I think you have to recognize that there are always new methods of fencing and for instance, a farmer may want to put up an electric fence which may be acceptable or he may, if he has an ordinary barbed wire fence, he would of course have to have the standard required fence. But it would give him the option through regulation, of identifying what a legal fence would be. It wouldn't necessarily have to be the three-wire fence.

**MR. WIEBE:** — Well this, Mr. Minister, is exactly what bothers me. I think that any regulation that governs an electric single-wire fence as being a legal fence would just scare the pants off of me and I think off a lot of ranchers and farmers and people driving throughout the countryside, because as has been proven in the past, a single wire electric fence does not contain the majority of animals, where a four strand barbed wire fence certainly does a much better job of that. I think that the farmers, or the owners of cattle, could be put into rather technical difficulties if a single wire electric fence was considered as a legal fence.

**MR. KAEDING:** — Yes, I think that I used that more as an illustration of, you know, various kinds of fencing that there might be and there are new kinds, new methods of putting up a fence. You might want to use the spreader that they now have as opposed to having so many posts per - so much distance between posts and so on. There are different ways of putting up fences now and we would like to be able to put that in regulation so it would not necessarily be in legislation. Regulations could change as different technology changes.

**MR. WIEBE:** — One other question in regard to regulations. What mechanics are you going to use other than the Gazette which I don't think there are two per cent of the farmers in the province reading, to ensure that in case a regulation is changed about a legal fence - how will they find out what that regulation is? Is

there going to be some means by the department to adequately inform farmers and ranchers throughout the province when a change is made in the regulations regarding a legal force?

**MR. KAEDING:** — Generally speaking, when we make those kinds of changes in regulations we attempt to notify the RMs, and we also put out news releases identifying the changes in regulations and we would assume the farmers would pick it up from that.

**MR. W. C. THATCHER (Thunder Creek):** — I would like to draw your attention to one portion of the Bill on page three, Section 10. I find it to be a great inequity and basically it says any stray found in a pasture operated by the Government of Saskatchewan, shall be deemed to be impounded, etc., and the person in charge of that pasture will be the poundkeeper. Now I consider that to be a great inequity.

**MR. CHAIRMAN:** — Order, I know I allowed the previous Member to ask a question on Section 2 here. I would ask that we try not to stray too far around the Bill because we will be coming to these, as long as these questions are not re-asked, yours on 10, that's true. There are specific questions on specific clauses and I think you understand the rules and the regulations. If the committee is agreed to cover this, okay, but I draw this to your attention.

**MR. THATCHER:** — Mr. Chairman, as per usual, I shall confine myself within the perimeters of your ruling very rigidly. Anyway, getting back to Section 10, I am one of the few people, unfortunate people, in this province who happens to be in an unfortunate enough position to have land adjoining a Government of Saskatchewan pasture, and believe me that can be an inequity. Now, I note, that if some of my cattle go through your fence, that they are automatically impounded and that I have to go and beg the leniency of your pasture manager. Now if some of your cursed sheep come through your fence onto my land, I can't start a cattle stampede, or I can't shoot them, or I can't impound them. I would have to walk back and beg his indulgence, would he please get his cursed sheep that have no business being there in the first place, off my land.

Now, Mr. Minister, I respectfully submit to you that this is the worst form of government coercion and giving the Government an unfair advantage over a small private land holder who is trying to eke out a living on the Caron sandhills. Now, Mr. Minister, I beg your indulgence on this and I would like you to take a look at Section 10, and perhaps under The Fairplay Act or The Fairplay Provision you could consider removing this inequity.

**MR. KAEDING:** — Mr. Chairman, I really see very little difference between your cursed cows being in a community pasture or their cursed sheep being on your farm. It seems to me in both cases the animals are at large and they shouldn't be and so I would assume if it's a burden to you to have our sheep on your land, it should be the same as having your cattle on the community pasture. If sheep are on your land, of course, you may impound them if you wish.

Section 1 agreed.

Sections 2 to 7 agreed.

## Section 8

**MR. L. W. BIRKBECK (Moosomin):** — I would think that this would be most appropriately discussed under this section. I still have some concern regarding auction marts being utilized as pounds and I am wondering if, in drawing this Act up, if your department consulted the veterinarians of our province and how did you arrive at that decision that it was going to be a proper thing to do, to be putting these stray cattle into auction marts.

**MR. KAEDING:** — Yes, this was discussed with the veterinarian people and they said they thought there was very little difference between mixing those cattle over at the stockyard as mixing them with your own cattle. If there's a disease in there and they have already been in your herd, then of course, any contamination they might carry with them would be there already anyway, and if you put them in the stockyard it wouldn't make much difference.

Section 8 agreed.

Section 9 and 10 agreed.

Section 11 as amended agreed.

Sections 12 to 26 agreed.

## Subsection 27(2)

**MR. WIEBE:** — Subsection (2): "No action for damages to property caused by an animal while lawfully running at large shall be maintained." Now it's my understanding that the only way an animal can be lawfully running at large is if the municipality passes a bylaw to that effect. What position does this put the innocent traveller who may be travelling down the road and happens to hit one of these animals which are standing in the centre of the road at the crest of a hill? Is the operator of the vehicle liable for the damage of his vehicle plus the damage to the particular animal?

**MR. KAEDING:** — Mr. Chairman, we are not entirely sure of the situation as it applies to that. We are talking about an animal which is lawfully running at large and ordinarily they wouldn't allow animals to lawfully run at large in an area where there was a lot of traffic. I'm really not sure whether there should be a protection there or not, that is a question which I am not sure has been properly researched. I would suggest that there would be a similar action open to the person who had some damage, but I don't know and that's a fact.

**MR. WIEBE:** — Mr. Minister, as has happened in the past, with regard to municipalities that have declared their entire municipality as open, an animal that has been hit by a car, you cannot first of all sue the animal, but can you then sue the owner for damages? What has happened in the past, is the driver of the particular vehicle has been stuck not only with damages to his own car and any other personal damages which may have occurred to himself, but also he was liable for the replacement of that particular animal so that the owner's stand was left up to the individual and to the courts. I think this is unfortunate.



The good aspect of this particular Bill is that you have closed herd laws throughout the Province of Saskatchewan and more and more people are driving on our rural roads than they were in the past, mainly because of grid and super-grid. They are driving at higher speeds as well and many of these grid roads do not have the same visibility as our major highways do, so that you could come up to an animal on the crest of a hill and bingo you do have a very serious accident. The point that has been made that a municipality may not allow open herd law on a particularly highly travelled section of that particular municipality where the majority of the farmers within that municipality are mixed farmers and do have a lot of cattle, the pressure is certainly on the municipality if you have open herd law and any plebiscite that is held within that municipality to open that herd law, usually passes quite successfully. If the majority of the property owners in that particular municipality do have cattle so a person like yourself or myself or a traveller or anyone driving in that municipality basically puts his financial future and his life in the hands of a particular animal that may be wandering along the RM road. I think that this is something that your department should very seriously look at. If you are not completely aware tonight of the ramifications and the legal technicalities of this particular section, if we could leave it for tonight and then come back at a later time when you are more specific and clearer on what that particular section does mean.

**MR. KAEDING:** — I think that in the case of where there would be an open herd law and that the RM would make that known, and it would be probably posted, and the people then coming into that herd area would be aware that it was open herd law in that area, and it would then be their obligation. As you know if you travel in British Columbia in some of those areas where they have open herd laws, you sometimes find animals lying right on the highway. It's up to you to watch for those animals because there is open herd law in that area, so I think that this would be the case, where there was open herd.

**MR. CAMERON:** — I think, as a matter of fact, the Member raises a good point. There are many cases I have had in my own experience, and I know the Member for Wascana has had similar instances in his experience, where people as a matter of fact driving on grid roads - it happens particularly at night - you come over a hill and the cow is in the middle of the road and you run into the cow. I think more often than not, as a matter of fact, the owner of the car is not only liable for his own damages but is found liable for the animal as well. I think the Member makes a good suggestion there, that has been suggested to you, that we hold up this particular section for the time being and have you look into it. There are some cases, some fairly recent cases decided by the courts on the question and perhaps we could see whether we could not draft an amendment to this section which would take care of this problem because there are circumstances in which it is very unfair for the driver of the vehicle. Particularly, as I say, at night to come over a hill and run into a cow, and he finds not only, as the Member says, he is responsible for his own damages to the vehicle but very often he has got a 50-50 chance of having to pay for the cow, too.

**MR. KAEDING:** — Mr. Chairman, first of all I think I should point out that this particular provision was in the previous Act, and it has not created a problem for us. Most of the problem you have

is animals running at large not animals which are unlawfully at large. The ones that you have been running into are the ones that have got out of a fence some place and are unlawfully at large.

**MR. CAMERON:** — Oh, yes, open herd law . . .

**MR. KAEDING:** — If there is an open herd law then there should be a posting of that and you should be aware that you are in open herd law area.

**MR. CAMERON:** — As a matter of fact, Mr. Chairman, my recollection is a little bit fuzzy of the particular instances that I dealt with but I think you have got it reversed. I think where you have a closed herd law, and an animal - the Member for Quill Lake has probably had a number of these cases as well now where you've had a closed herd law the animal gets out of the fence and gets on the road unlawfully, then I think the owner of the animal may have some responsibility for the animal being on the road. But when you have an open herd law, not closed, and the animal is at large lawfully, and it's on the road, then I think the owner of the animal is not liable. There are a whole series of cases on the question, it's a very, very fuzzy area, but often, often, the driver of the vehicle is not liable for the cow. I think he raises a very good point, and we would do well to set aside this particular section, and you have a look at it next week or so, and come back with it to see if there isn't some way that we could type it up.

**MR. KAEDING:** — Mr. Chairman, I would oppose that proposal, because as I say, this particular provision, this has been in the Act for many years and certainly we have not found that we have any difficulty with it, the people whom we discussed this item with, the livestock people and the SARM and the Stockgrowers' Association, didn't identify this as a problem and it appears that it has been working over a period of time, I wonder why we would want to change it.

**MR. BIRKBECK:** — I wonder, Mr. Minister, are you maybe suggesting that where it is a part of the province where you have animals running lawfully at large, it is your proposal then to post those particular sections of roads that may be passing through those areas, the same as we have deer crossing signs? And, if so, then if you are involved in an accident hitting one of these animals at large well then, I suppose, it is going to be handled in the same way as it is now when you run into a deer at large.

**MR. KAEDING:** — Mr. Chairman, it is part of the program of our department to request municipalities to do whatever they can to protect not only livestock but people, and I think it would be a very obvious requirement or activity of our department to request the municipalities if they were going to have certain sections open, open to open herds, that they would then identify those sections and post them and thereby protect themselves. I think the municipalities are the people who should be looking to protect themselves in this particular issue.

**MR. BIRKBECK:** — Mr. Minister, it puts the onus on the motorist in this

case to bear the responsibility, if that's the way you see it.

**MR. J. WIEBE:** — Well, Mr. Minister, you know I think that this particular section is a very serious one. There is no doubt that in the past you have not had too many problems with this particular section because, as you say, it's always been there. It has been in the old Act and it has been incorporated in this one. But first of all let's remember that we have never had in the past the kind of traffic on our rural roads as we have today. In the past the majority of the people travelling within that municipality were people who lived within that municipality and they were involved and they knew that a particular municipality had open herd laws. The person who is travelling when you have closed herd law is protected completely down the line, he is protected. The onus then is on the owner of the animal. But when you have open herd law the onus is then on the operator of the particular vehicle. Now, what happens in the case of someone like Linda Clifford, for example, when she sees a sign "Open Herd Law?" Now what in the world does she know about open herd law? Does she know by that sign that she has got to be watching for an animal that appears from over a hill, because if she doesn't she might be liable for it. And it is important, I think, for us to realize that there are more and more and more people travelling on our rural roads today than there were in the past.

There is no doubt that the Saskatchewan Stock Roads Association and the Cattle Association are in favour of this particular piece of legislation, because, what does it do, it takes the onus off of them. It takes the onus off of them and they certainly wouldn't be in favour of supporting a piece of legislation that is going to put the onus on them and protect the unwary traveller in that particular municipality. So naturally they are not going to raise any concern with you but I think it is about time because of the increasing travel throughout our province that we do take a look at providing some kind of protection for the persons like the Attorney General, for example, who happens to be driving in my seat and there is open herd law and he doesn't know what open herd law means. You know, he hits something and bingo he's liable not only for . . .

**AN HON. MEMBER:** — . . . for running over anybody.

**MR. WIEBE:** — Okay, I am saying somebody like the Attorney General. But a lot of people within our cities don't know what open herd law means when they see a sign and again, can you tell me what the legal responsibility is for the municipality in case they do pass open herd law legislation. Is it up to them to post that sign because it doesn't say so anywhere in this Act? In this Act it gives the municipality the power to open their particular municipality because the Act initially says, "Every municipality in the province is closed," that's the best aspect of this Act. But it states in this Bill that the municipality has the authority to open the herd law within that municipality but there is nowhere in the Bill where it states that the municipality must then post its roads to protect the driver. So that if that sign were up or if it wasn't up that is still no satisfaction for the driver who happens to hit an animal.

As I say, let me repeat, we are getting to the point in time where more and more people who do not live within that particular municipality are driving in that municipality and we

are putting their lives and their financial future in danger because a very serious accident can be had by hitting a 1,000 pound animal when one is travelling at 40 miles an hour. So I would hope that you would take our suggestion, we can go through the balance of the Bill and take another look at this particular section, at the possibility of writing in some kind of protection for the person who does not live within that particular municipality.

**MR. KAEDING:** — Mr. Chairman, the only reply I want to make to that is that we expect municipalities would be responsible in what they are doing. If they were to open a road allowance for open herd law we would assume that they would be responsible to the extent that they would properly post it and notify the public that on this section of road there would be animals running at large. The sign may not say, 'Open herd law'; it may say, 'animals running at large.' I would expect that most municipalities would be that responsible.

**MR. WIEBE:** — Mr. Minister, that still does not afford any protection to the particular traveller in that sector on that grid road. You know the fact that there is a sign saying that animals may be running at large, there is no legal responsibility on behalf of that RM, none whatsoever. It is not stated in this Act and I doubt if it is stated in any other Act in this province. If the sign is to be any value I think that there should be some legal responsibility placed either on the municipality because then they will take a harder look at whether they should be passing open herd law or not with some kind of responsibility on the owner of the animal to ensure that those animals do stay off our municipal roads.

**MR. ROMANOW:** — I wonder if we could just stand this Bill and this section for a moment.

Stand agreed.

## **REVERT TO BILL NO. 59 - An Act respecting Business Corporations**

### **Section 96 - Subsection (f) amended**

**MR. S. J. CAMERON (Regina South):** — Members will recall that this is the section that governs the activity of the receiver-manager. In the event a company goes bankrupt and a receiver-manager is imported to handle the affairs of the company, he has to do certain things including getting in the assets and making distribution and so on to creditors. Our concern here was that the previous Companies Act required the receiver-manager to file in the office of the appropriate government official a return showing the assets that he had got in and the distribution of the moneys that he had made, and it gave creditors an opportunity to go to that office to get the information that was there filed and determine what happened to the money of the bankrupt company and why he was only getting 20 cents on the dollar.

The present Act, I think, omitted any requirement that the receiver-manager had in fact to file in that way. Now you will recall that there were two ways in which a company could go into bankruptcy; one is under the provisions of The Bankruptcy Act and that Act requires that the receiver in fact go through the

process of public disclosure in the courts as to why the company went bankrupt and what moneys he has and how much the creditors get. He makes determinations between various kinds of creditors, secured and unsecured and so on. That is one route you can take and if you take that route you get full disclosure. If you take the second route, if a receiver-manager is appointed, you can only get information when the receiver-manager is required under The Companies Act to file with the appropriate government official. Now this Act had an omission there and that was the reason for the Motion. I now see the amendment which has been given to me which I will leave the Minister to explain.

The Minister has brought forward, I presume he will, an amendment. It seems to answer the difficulty I had with it. If I had a couple of minutes to glance at it more fully, perhaps I can withdraw the Motion.

**HON. E .L. COWLEY (Provincial Secretary):** — I would ask the Member to do that, he can take a look at the amendment. I am informed by my officials that the only thing it didn't cover, it seemed to me when I looked at it quickly, was whether or not people could go in and see it and I am told there is no difficulty with that, that it is public information once it is filed to the creditors and so on. So if the Member will take a look at the amendment and if it is acceptable and he will withdraw his Motion, then we will move the amendment.

**MR. CAMERON:** — I am prepared with leave of the Assembly to withdraw the Motion. I think the amendment as a matter of fact answers fully the concern I had.

Motion Withdrawn.

Section 96 as amended agreed.

## **Section 125**

**MR. COWLEY:** — Mr. Chairman, the Member for Regina South has expressed his concern over the proposed House amendment because under it an action could be started 10, 15 or 20 years after the event in a case where the facts were not discovered earlier. The Member for Regina South pointed out in such a case the defendant would have difficulty in reconstructing the event and finding witnesses, documents etc. Mr. Chairman, we have looked through this amendment and while the Act, as originally drafted, may present some problems in that the time period is too short, we checked into the matter and find that other jurisdictions in Canada have a two-year limit. Section 120 of our Securities Act, which was passed in 1967, also had a two-year limitation for actions pertaining to insider trading. I would, therefore, Mr. Chairman, by leave of the Assembly withdraw the amendment and let it revert to the two-year time limit. I think it is one of those things that all jurisdictions are going to have to take a look at, some means of perhaps fixing this up. We couldn't quickly come up with one and so we go back to the more restrictive clause and by leave of the Assembly I would withdraw the amendment.

Amendment withdrawn agreed.

Section 125 agreed.

**Section 222**

**MR. COWLEY:** — Mr. Chairman, in considering this Bill the Member for Regina South raised some concern with respect to the clause as it is written. I considered and looked at it with my officials and we feel that the Section as presently written provides ample safeguards for the corporation. In the first place no investigation under this Section can be undertaken unless it appears to the court that the grounds for the application falls within subsection (2). It is not likely that a shareholder who is merely disgruntled could succeed, as the Member suggested, with an application under this Section. If the director or shareholder fails to convince the court that an order for the investigation be made the corporation doesn't suffer from the application and no useful purpose can be served by notifying the corporation. Such notice would alert the corporation that activities were under question. The effect may be to hasten the action that the application sought to prevent but failed due to lack of evidence at that stage.

Furthermore, the privacy of a shareholder is important and must be retained. It is the experience of the department that they have found that shareholders come to the office to search the public registry file rather than to go to the registered office of the company for the information to which they are entitled. They do so because of the possibility inquiries may prejudice their relationship with the company or with company officials, if known. The required notice to be given to the company under Section 222 where an application fails could prejudice this relationship and hence tend to discourage a shareholder from exercising a right given to him under the Section, particularly if the shareholder is an employee. It is noted that Sections 222 and 223 were examined closely by the Senate Committee on Banking, Trade and Commerce. A transcript of the minutes of the proceedings contains many pages from these two Sections. It is noted that there was no suggestion by any member of the committee or by the Canadian Bar Association representatives who appeared before the committee that notice should be given to the company of the application for investigation. We apparently felt that if the application failed there was no need to give the company notice and if the application succeeded the company would likely become aware of the application in the investigation. It is noted that subsections (5) and (6) as contained in this Bill were added after the introduction of the Bill in Parliament. These subsections ensure further secrecy of the application by specifically providing the ex parte application be heard in camera and the proceedings not be published except with the authorization of the court and a written consent from the company.

I think here, Mr. Chairman, one can make some cases on both sides of the question but it seems to me that in looking it over that in balance, the way the Section is now written is the best way to go. I don't want to argue that it is totally without difficulties but I think in balancing sort of the pros and cons I come down in favour of this Section as it is written.

Section 225 agreed.

**Section 226**

**MR. COWLEY:** — Mr. Chairman, here as well,

I think the Member for Regina South raised some concern about this particular clause being included in The Business Corporations Act. I pointed out at the time and I do again that there are numerous other statutes in Saskatchewan which give the person making an investigation power to summon witnesses and acquire evidence under oath. For example, The Real Estate Brokers Act, 1968, subsection (4) of Section 27 of The Securities Act is another one, Section 191 of the present Companies Act is like comparable legislation in other jurisdictions. In all of this legislation whether in Saskatchewan or elsewhere it is mandatory for a person to answer questions and provide evidence. The fact that the evidence may incriminate him or subject him does not provide relief. Section 226 protects the person by stating that:

No such evidence shall be used or is receivable against him in any proceeding thereafter instituted against him, other than a prosecution for perjury . . .

or other related offences under the Criminal Code. Section 226 is consequential to clauses (e) and (f) of subsection (1) in 223. Under Section 223 a court may make an order requiring the person to produce documents or records and give evidence under oath. Section 226 grants by statute without the person being investigated pleading the protection afforded under The Saskatchewan Evidence Act, the same protection in respect of incriminating statements he would have as a witness being examined in court and having the right to plead the protection afforded under Section 35 of the Act.

Section 35 requires the witness to answer but provides the answer so given shall not be used or received against him in any proceedings thereafter instituted against him under an act of the Legislature.

I think again, Mr. Chairman, there is a broader question which obviously the Member for Regina South (Mr. Cameron) was getting at. I think in balance I have come down on the Section as written and as it is written in other acts although I recognize that some of the points made by the Member for Regina South had merit. Again it was one of those balancing of the pros and the cons and I am down on the side of leaving the legislation as it is drafted.

**MR. CAMERON:** — Well, Mr. Chairman, there is little, little value in my continuing to flog it and I don't agree with the way in which the Minister has come down in respect of it. I continue to think it is a serious encroachment on people's civil rights.

There is a whole class of offences of a far more serious nature than the offences under this Act and I include all the offences in the Criminal Code including murder, manslaughter, treason and so on, in respect of which the person under investigation cannot be compelled under any circumstances to give to the investigating people a statement under oath or indeed any statement. That has been a long-standing tradition of our law. It seems to me that we are allowing these kinds of provisions to creep into statutes. As the Minister indicated there is a similar section in The Real Estate Brokers Act as passed in 1968 and there is a similar section in one or two other acts.

Similar kinds of sections have been, as a matter of fact, allowed to creep into The Income Tax Act. I think

my view is that we shouldn't be allowing these sections to creep in. I know how they have come about, they are very convenient to the people conducting the investigation. Very convenient therefore from the peace officers' points of view or the investigators' points of view. But weighed against that is the very real and serious encroachment upon the civil liberties of people whom we have protected in the reverse way down through the centuries in our law.

Now I say there's little value in flogging it. I give the Minister credit for being willing at least to have a look at and consider the argument that I made in respect of it. I am disappointed that he is not prepared to amend it, but I say there is little value in flogging it further and I am sorry to see it perpetuated in this Act.

Section 226 agreed.

### **Section 303**

**MR. COWLEY:** — Mr. Chairman, if I may just comment here, the concern here was whether or not there was an appeal from the direct decision of the director. I am told there is and it is in Section 239.

Section 303 agreed.

Section 305 agreed.

Motion agreed to and Bill read a third time.

## **REVERT TO BILL NO. 67 - An Act respecting the Restraining of animals from Running at Large**

### **Section 27**

**MR. KAEDING:** — Mr. Chairman, in looking at the Section again it appears that this particular Section really relates to damage being done by livestock to a farmer's property in terms of hay piles, or grain piles or piles of grain which may be lying out or buildings or so on, and what you are talking about is not contemplated really in this Section. It could be a consideration which we should be looking at but I would hope that the Member opposite would agree that we should move this Bill and pass it on and give us time in the next month or so to discuss this whole problem with SARM, to see just what kind of a section we could write in, which would be acceptable to them in terms of liability and so on. I think this is not something that we would be able to do in a short period of time, we would have to have discussions with SARM and possibly with stock growers and so on. We would undertake to do that and if we can arrive at a satisfactory solution and then come back with an amendment next year on this Section.

**MR. J. WIEBE (Morse):** — That is exactly the assurances which I was looking for and I am very pleased that the Minister has agreed to take another look at it and while I realize it would be pretty difficult to bring in an amendment during this Session, the Act does stay the same as it was in previous legislation. If they will take a look at it and hopefully present some kind of enabling legislation to be introduced in the fall session we will certainly agree with it.



**MR. R. KATZMAN (Rosthern):** — While the Minister suggests that he is going to study it for next year, would he also study the court cases on the rulings that have come down on this exact problem? There are quite a few near Saskatoon that have come down in the last two years.

**MR. KAEDING:** — Yes, Mr. Chairman, we will undertake to do that.

Section 27 agreed.

## Section 28

**MR. L. W. BIRKBECK (Moosomin):** — Mr. Chairman, Mr. Minister, maybe you could clarify this Section or possibly you are going to have to take this under advisement and make some necessary changes as well. We are talking about excavation and The Open Wells Act as well as with this Stray Animals Act being brought in. I mentioned in second reading that if a person is building a new house and has a new excavation open for the construction of a new house, now when you replied, Mr. Chairman and Mr. Minister, you really misrepresented me. You said I was talking about an old basement and I was not, I was talking about a new basement and furthermore, we have lots of open lagoons in the province that are using that system of sewage disposal rather than the septic tank and they are not fenced. So we have two good examples right there, on the open excavations for new house construction and the lagoon type sewage disposal systems. According to this Section in this Act it is going to make the proprietors of those plans liable if a stray animal comes on the property because that is not fenced and why should it be.

**MR. KAEDING:** — I don't think you can anticipate every possibility but I think this Section does cover the transit conditions we are talking about, the open wells, and old basements and so on. I would suspect that a new basement being excavated should have some protection as well if they know there are livestock around. There should be some protection there for it and I think they should be as liable as in any other case.

**MR. BIRKBECK:** — Well, Mr. Chairman, Mr. Minister, you are surely aware that there is just no way that you are going to be able to build a new house with a fence around the excavation. That is absolutely impossible. I mean I don't know how you can suggest that. I have built a number of houses and there is no way I am going to undertake to construct a house with a fence around it. It just isn't going to work. So surely you are going to have to approach the rural municipalities as well on that, either that or you are going to have to write into it some exemptions from the legalities of this Act.

**MR. KAEDING:** — Mr. Chairman, normally a house is in a quarter section that is fenced or the yard is fenced out or something and you would normally not have cattle running into a yard like that. I think really what you are looking at is a situation which might happen once in a thousand times and I don't think you can begin to legislate for everyone of those kinds of situations.

**MR. KATZMAN:** — Mr. Chairman, just a point

to clarify to the Minister. You said that you don't see many homes built that aren't fenced in. I can tell you within two miles of my place right now there are nine open basements freshly dug, and there are cattle that occasionally get out, and the man who has dug that basement is responsible.

**MR. KAEDING:** — Yes, he would be, under the Act he is responsible in a case like that.

Section 28 agreed.

Section 29 agreed

### Section 30

**MR. WIEBE:** — Mr. Minister the fine of \$500 or imprisonment for a term of not more than six months. Don't you find this rather steep? What was the reasoning to increase the fine and penalty to that amount? An animal can break through a fence and does happen to be a stray. Don't you find \$500 as being a little bit high?

**MR. KAEDING:** — Mr. Chairman, you will notice that these are maximum penalties and you will know that if you look at 31 (a) where it says he:

impounds or assists, incites or employs a person to impound an animal that is not a stray.

And this is the kind of mischievous behaviour and the Cattlemen's Association are the ones who feel that we should have a fairly stiff penalty because there are people who will do these sorts of things for mischief and even maybe deliberately, and that there should be a sufficient penalty that would discourage them from that.

**MR. WIEBE:** — Okay, I can go along with that. You are assuring us in other words that the maximum fine of \$500 will not necessarily be applied to an animal that happens to break through a fence that has been properly taken care of.

**MR. BIRKBECK:** — Mr. Chairman, I wonder could you make some comments on part (d) of Section 30, subsection (d). What do you mean by "works"?

**MR. KAEDING:** — This would be a situation for instance, if horses get out on to your property and you immediately brought the horse in the barn and put it to some work or that sort of thing. That is what that Section is intended for.

**MR. BIRKBECK:** — Well, I suppose then, Mr. Minister, you might say I was being rather technical but there are two cases. Number one, you could have a fresh cow that became unlawful and was in fact a stray and you impounded her. Now the best thing you could do in fact would be to milk her. But according to this you are going to be in contravention of this Act.

Another example would be, let's say, a neighbour's cattle

and one horse got loose and they were out on the road and running the risk of being run over and so on and so forth. Would it be improper for myself to catch the horse and use the horse to get the other cattle in off the road? I would be in contravention of the Act as well. So all I am going to suggest then, Mr. Minister, is right throughout the Act you have all sorts of powers and I am wondering if you will use those powers of discretion then in application of this Act in certain cases?

**MR. KAEDING:** — Well, I am sure that the Member will know that we have had this kind of an Act in place for many years and people do use discretion in those sorts of things. As far as milking the cow which comes into your yard and needs to be milked, I think the Act says somewhere that you have to give it sufficient care, proper care. You know and I know that milking a cow is giving it sufficient care.

**MR. BIRKBECK:** — Well, Mr. Chairman, maybe the horse hasn't been ridden for a while and needs some exercise so it really is technical and I am going to have to rely on your good judgement as Minister of Agriculture to utilize the many powers that are vested in yourself.

Section 30 agreed.

Motion agreed to and Bill read a third time.

#### **BILL NO. 50 - An Act to amend The Magistrates' Courts Act**

Motion agreed to and Bill read a third time.

#### **BILL NO. 88 - An Act to amend The Co-operative Guarantee Act**

Section 1 agreed

Section 2 as amended agreed.

Motion agreed to and Bill read a third time.

#### **BILL NO. 85 - An Act to amend The Saskatchewan Telecommunications Act**

##### **Section 1**

**MR. WIEBE:** — Mr. Chairman, I understand that this is the particular Bill on which you and I had some discussion a while back regarding the authorization that is necessary to go ahead with the construction of Sask Tel's new head office in Regina.

Okay, no particular problems with this particular Bill, but let me just re-emphasize the statements that I made when you and I were talking about it a couple of weeks ago. The question is, why again, do we have to provide another head office for the city of Regina and another office to help beautify Mayor Baker's already very beautiful city? I think it is imperative that Crown corporations such as Sask Tel that do not involve that great a transfer of equipment and machinery, because you are building new, could very easily be located in a centre such as Swift Current with a population of only 15,000 people. Swift Current is in greater need of it than Estevan. I am sure that every Member would like to see the head office of Sask Tel located in their particular constituency. May I point out that

Swift Current is not in my constituency and that is beside the point.

I use the city of Swift Current only as an example of what this Government can do to help rural Saskatchewan. What we are doing, in effect, is maintaining our two larger cities, the cities of Regina and Saskatoon. Our smaller cities are going to continue to become smaller because up until now all efforts of major importance in regard to industry and commerce have been settling in these two cities. If private industry is not prepared to go out to our smaller centres then, certainly, it is the responsibility of our Provincial Government to ensure that head offices and Crown corporations, such as Sask Tel, do maintain and construct new facilities in these particular centres. I imagine that things have gone too far to change any plans in regard to Sask Tel. I wait, with interest, for the comments of the Minister in this regard.

I don't want my remarks directed strictly to the Minister of Sask Tel, but in fact to the entire Government to show some leadership to industry that when you do relocate new buildings that you pay proper heed to our smaller centres within the Province of Saskatchewan. An area like Swift Current, for example, could use the additional population, could use the additional commerce and could use the additional help. Possibly if some of these Crown corporations were located in areas like Swift Current or Estevan or Yorkton, some of the private industry that may, in the future, be thinking of coming into this province, they could say, "look Swift Current is an attractive spot, the Government seems to think it is" and instead of concentrating here in the city of Regina or Saskatoon, they may go out into our smaller centres.

That is the only point that I wish to raise again in regard to this particular Bill. I know that there will be no changes made, but I certainly hope that the Government will live up to its commitment, that have told the people of Saskatchewan as to their greater attention to our smaller communities and to our rural areas. Relocating some of your head offices when you are building brand new certainly is one aspect to live up to that particular commitment.

**MR. McMILLAN:** — I want to know, as well, if this is the Bill which gives this Government the authority to negotiate the rejuvenation of downtown Regina with respect to the purchase or the disposal of the Royal International Hotel and other areas down there that is being considered at this time. I understand that Sask Tel is heading the negotiations for property, leased properties, and other things with regard to the rejuvenation of the downtown core. I wonder if this is the Bill under which you will get that authority to do that?

**HON. N. E. BYERS (Minister of the Environment):** — Mr. Chairman, replying first of all to the suggestion from the Hon. Member for Morse (Mr. Wiebe). This Bill asks authority from the Legislature to authorize Sask Tel to operate the commercial enterprises that may be associated with or connected with the proposed downtown complex as part of the new Sask Tel head office. That is really what the Bill is about.

With respect to the decision to locate the head office downtown, whether or not Sask Tel, the Crown corporation, is

fulfilling its role in decentralizing employees, may I say that there are about 3,600 employees with the Crown corporation, Sask Tel. About 2,200 or 60 per cent of the Sask Tel staff are situated here in Regina. The other 40 per cent are at various points around the province.

The new head office proposed is to accommodate only the administration staff. The Sask Tel administration staff is now in quarters in Regina other than the present head office and the purpose of the head office is to accommodate the administration staff.

This particular amendment would give Sask Tel the authority or the mandate to operate the commercial enterprises that would be built in as part of the downtown complex. At this time the final design of the building is not completed. The properties that will be needed to accommodate the new head office, along with whatever commercial enterprises may form part of that downtown complex, have at this time not been finalized. This Bill seeks approval to authorize Sask Tel to operate commercial enterprises, as is the case of other telephone companies in the industry, to operate commercial enterprises as part of the head office administration.

**MR. McMILLAN:** — I should like to point out to the Minister and to the other Members of the Legislature, in my own opinion and I suspect the opinion of many, many people in Saskatchewan, this Bill enables Sask Tel to expand its operations far, far beyond the tolerable mandate given it by the people of Saskatchewan.

The Sask Tel Corporation has been well accepted by the people of Saskatchewan because it dealt specifically, in the past, with the dissemination of services involving communications in Saskatchewan, something that the people of this province accepted very readily and something which I think Sask Tel did a very adequate job at. But this Bill is almost creating a new department in the Government. Its powers are that widespread and the intentions of this Government, through its Crown Corporation Sask Tel, are immense when one looks at the potential for its expansion in the commercial lease area of properties and commercial developments in urban areas. It is not a simple Bill as one would first assume looking at its length. It is a Bill which perhaps flies the flag of that which is happening in many of the Crown corporations. I think Saskatchewan Forest Products Corporation, which had plans to develop a massive head office in Prince Albert, the basic part of which would provide for the lease of commercial properties to private individuals or other. It is a field that I don't think the people of Saskatchewan are prepared to accept their Crown corporations getting into. Simply because the attempts by this Government to involve themselves in that field is being done through a legitimate Crown corporation, one which has long been supported by the people of Saskatchewan, always by all people who were in power. The Attorney General knows very well as he has sat in this Legislature longer than I have.

The Minister is, and this Government in particular, appears to be trying to establish itself in a field, not by perhaps legitimate means on the surface. Through one Crown corporation, Sask Forest Products, they are establishing a building which will provide commercial lease property in Prince Albert. Here we see in Regina, Sask Tel, a corporation designed to provide communication services to the people of Saskatchewan, getting

involved in the business of commercial lease property in Regina and perhaps to some great extent in the rejuvenation of downtown Regina. It is disturbing, as I have pointed out, the people of Saskatchewan accept Sask Tel for what it has been in the past. I am not convinced that they will accept Sask Tel for what it appears or seems to be doing in the future. That is my concern.

I wish, if the Government has the desire to get involved in commercial lease properties or other urban developments of that nature, that they would go about it in a different manner. You run the severe risk of darkening the good name of Sask Tel in Saskatchewan through your risky involvement in commercial lease properties. I think that it is an area that could be handled, perhaps, by a different division of the Government, if in fact you are bent on going ahead with that sort of a development.

I want to make known to you my reservations about the kind of field that you are getting involved in and I suggest, again, that if you have to go ahead with it, it could be better done under different auspices or through a different agency of the Government.

**MR. BYERS:** — Mr. Chairman, I think when a Crown corporation like Sask Tel or SGIO, and SGIO is a part of the downtown complex, make a decision to construct new head offices, their head offices should be in the capital city. SGIO is the fourth or fifth largest insurance company in Canada. Sask Tel has the monopoly on the communications system in the province and is certainly the envy of most communication corporations in the industry in this country, in terms of service provided and so on. However, a corporation which has 2,200 employees within the capital city, add to that the number that SGIO have, that it was the logical thing for the corporation to do, to have some responsibility in the rejuvenation of downtown Regina. The Government, as one of the major employers in this city, has some responsibility in this regard.

In the designing of a complex of this magnitude, if we are concerned about the other urban problems such as the downtown traffic, parking, land use and a large variety of factors, that in planning such a complex all efforts should be made to ensure that the best possible use can be made of those facilities. The final design is not approved and has not been approved by the corporation or by the Government. There are proposals about using the commercial space as part of this complex and work is proceeding towards that end.

The purpose of this Bill is to give Sask Tel authority to operate commercial enterprises in whatever sense that means, the ownership of the land or the building of the commercial buildings and leasing them out. This is not uncommon to corporations. Sask Tel in many respects acts as any normal corporation does, and it is certainly common for other corporations, be they banks or communications or whatever, to own and lease commercial space, although the commercial businesses may bear no relationship to the kind of business that the corporation is in. This is being done not only here but in many other parts of Canada.

**MR. McMILLAN:** — Two final remarks. I differ with the Minister in many

respects, and I say in other respects he has added a great deal of credibility to the remarks that I have made, not that they lacked credibility in the first instance.

Firstly, you suggest that Sask Tel has a responsibility to rejuvenate downtown Regina, I say that is false. Sask Tel has no responsibility to rejuvenate downtown Regina. I would send that in a capital letter to anyone on that side of the House that would have the time and good sense to read it. Sask Tel has no business in the rejuvenation of urban centres in Saskatchewan or outside Saskatchewan, nor does Sask Power or Saskatchewan Forest Products Corporation. If your Government has a commitment to the rejuvenation of urban centres - and I don't suggest that it shouldn't have - it has a vehicle by which it can undertake that rejuvenation of urban centres. It has a Department of Municipal Affairs with an Urban Branch which could quite adequately, I expect, deal with the question of urban rejuvenation. It has a Government Services program which, I suspect, if efforts were co-ordinated on a provincial basis for the urban planning and what role government corporations can play, I suspect that is a vehicle which could very well be used.

Saskatchewan Telecommunications has been given a mandate by the people of Saskatchewan through years of confidence in the corporation to operate the dissemination of telecommunication services in Saskatchewan. The people of Saskatchewan, neither through their support, patronage of the corporation, nor through vocal support have at any time indicated that they are prepared through Sask Tel Corporation to participate in the commercial lease or rejuvenation of urban areas in the province. I suspect that if you are under that impression that you are badly mistaken.

As I said before, if your Government has a commitment to rejuvenation, fine, go ahead with it on that basis, don't run it through Sask Tel and risk the good name of that company in a field of business it was never designed to be involved in, and probably has no business being involved in.

**MR. R. A. LARTER (Estevan):** — I would like to be out of here in time for seeding, so I am going to be very brief.

First of all, just touching on what the Member for Kindersley mentioned, the fact that good old Tory Alberta has started decentralization, as you know, of various departments of government. I am talking about entire departments of government, and especially in attending this Land Use Conference here some time ago in Regina, the rural municipalities were invited in and various departments of government, and university professors in this field presented their case on the better use of land around the cities. They were trying to discourage use of good farm land around the cities, and I think this came out loud and clear a while ago when Regina was threatening to annex something like 16,000 acres.

I wonder if in talking new buildings, and I believe there are something like seven or ten new buildings, government buildings, slated for communities around Saskatchewan, if we wouldn't be far better off by really and truly thinking of decentralizing some of these departments as they have done in Alberta. It is doing a wonderful job and the civil servants at the outset hesitate to make the moves into these communities but after they have made the move into these communities they wouldn't move back to Edmonton or Calgary for all the money

in the world. I am saying, let's really look into decentralizing some of these departments, entire departments, and try to diversify some industry in civil servants in these communities. We talk about Saskatchewan depending a lot on agriculture, let's decentralize some of these government departments and getting them mainly into these other communities. I think it would be a healthy thing for the Government to do. I think it spreads the wealth around the province.

**MR. ROMANOW:** — The Alberta Government decentralized . . .

**MR. LARTER:** — I haven't seen it. It would be very easy to move the Department of Highways, Telephones, Agriculture to Humboldt; DNS to Prince Albert; health - you are planning a new building in two different cities; SEDCO over to the Member for Assiniboia's territory. You might find that if you get these different departments out in these small communities, when we have a decentralized system you can operate government a little more efficiently when you get into these small communities. Just let the Ministers stay in Regina, and have a hotline to each of these places. I think these are some things we have to take into consideration when we are talking about putting all our money in one pot here in Regina and Saskatoon.

**MR. BYERS:** — Mr. Chairman, I am always amazed when Tories look to the West, they see double, when they are in their own backyard they are always blindfolded.

The Hon. Member for Estevan makes a passionate plea for decentralization, not only of Crown corporations but of government departments in general. With respect to this Crown corporation alone, may I remind all Members of the Opposition that in 1976 and 1977 that Sask Tel alone, Sask Tel single-handedly has set up 27 new decentralized districts in this province.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BYERS:** — And placed from one to three additional maintenance people out in the small centres. This is the action of one corporation alone. This particular corporation is one of the most highly decentralized operations of any operation in the entire government. There is scarcely a community in this province that doesn't have Sask Tel employees in it. They are certainly in most towns under 1,000 people. We have set up additional subdistrict offices. We started with 27 and I think 25 are filled. We are having problems getting staff to locate in one or two of them, but we haven't closed the door on servicing those areas. The staff are very highly decentralized.

**MR. WIEBE:** — Let's just talk about those 27 decentralized areas. You haven't done a single thing. What you have done is designated areas, you have your same Sask Tel staff out there. The only extra help that you may have acquired is your local repairman who happened to be working for some rural telephone company. There are no more civil service staff members out in that particular area. What is going to happen in the long run, once you have the rural lines in this province all buried, is going to mean that your maintenance staff in those 27 decentralized areas is going to be much less than what it is today.



The Government talks about decentralization, they haven't done any decentralizing. Sure they have built fantastic government buildings, in areas like Swift Current and Yorkton and so on, but they haven't moved any new people out there. All they have done is hired more people to fill that civil service staff in that area. You haven't moved anything out from the city of Regina. All you have done is given one individual two more secretaries, where he had half a secretary before, which is about the extent of it. So don't talk to us about decentralization.

Let's look at the importance of this particular Bill. What you are asking this Legislature to do is to give you the authority, if you so wish, Sask Tel the authority, a telecommunications company, to open up a shoe store if it wants to, to open up a sporting goods store if it wants to, the range and the scope is there for as great as the spirit wants to go in terms of that Provincial Government. What is becoming very evident in the last three years of this particular Government is that you are not particularly concerned about conducting yourself as a government in terms of making laws which are going to affect each and every person in this province. You are more concerned about getting into the commercial enterprises and the commercial segments of this province. You are not happy with potash, you want to go into something else, each and every session that we have deals with some new venture that this Government is going into, not necessarily decentralization, as you said in your campaign speeches to bring the areas of government out to the local people. That hasn't happened. What you have been doing, you have been concentrating on commercial aspects of this province. We have had potash, you have had many more, we are now going into shoe stores, sporting goods stores and so on, which this particular legislation gives you the power to do. You are going away from telecommunications into any kind of business enterprise that you wish within the downtown sector of Regina.

I wonder if the Minister could furnish us with the reason why Sask Tel felt that it was particularly important at this point in time that it bail out the central part of the city of Regina and it must take the capital share of the rejuvenation of this particular city? What information, what basis do you feel that that need is right now, instead of building that particular Sask Tel office in some other city in this province or some other segment of the city of Regina, which would be considerably cheaper than what it is costing you in your present proposed location?

**MR. BYERS:** — Well, the next time the Hon. Member goes downtown in Regina, I invite him to look at the old building that is standing beside the Sask Tel building. I understand that is the first head office of the Government Telephones. I understand it was located there when the Liberal Government was in power under Walter Scott. That's not all that long ago. There was no decentralization plan then. This Bill does not give it a commercial retail licence. If you will read it, Section 2 (c-A):

To acquire, construct, operate and manage buildings and the premises, facilities and services associated therewith for any purposes, and to lease, sell or otherwise dispose of, or to make available to other persons, any part thereof.

Sask Tel, I assure the Hon. Members does not intend to get into the business of running a shoe store, or sporting goods stores as part of this particular program, this request. This Bill will not give them authority to do that.

With respect to other cities, I have said and I will say again, that only about 60 per cent of the staff of Sask Tel are situated in this city. The Government as a major employer when it undertakes to build new head offices should, I think, and has a responsibility to work as closely as possible with the city officials to ensure that the proposed construction fits in, enhances the downtown or whatever area is selected for the head office. As part of the planning, there has been a committee struck of government people and Sask Tel people and city people to try to develop a design that will accommodate the traffic needs of the city, that will develop a design that will enhance the downtown area of the city which is certainly an area that is worthy of rejuvenation, and the Government through the Crown corporation is merely using this particular opportunity to make that contribution.

I would be very interested in hearing the views of the Members of the Opposition who live in this city to see if they share the views of the two rural Members of the Opposition, who are obviously not supporting this proposition with a great deal of enthusiasm.

There isn't a single city in this province, in answer to the Hon. Member for Morse (Mr. Wiebe) that doesn't have a large Sask Tel staff, certainly Moose Jaw has, certainly Swift Current has, certainly Estevan has and everyone of them have a sizeable Sask Tel establishment. We have made in the last two years a very genuine effort. It is all very well for the Hon. Members to say that we are not decentralizing fast enough. One of the greatest acts of centralization was underway under the former government. We have reversed that trend. Places that were closed out by Sask Tel under the former Liberal Government have now got Sask Tel staff back in those towns under a New Democratic Party Government, and there is a fairly long list of those, if that is what you want to debate instead of the Bill.

**MR. ROMANOW:** — Let it go!

**MR. McMILLAN:** — Well, Mr. Chairman, I would hope that the Attorney General isn't trying to interfere with the democratic process generally accepted in responsible governments in Canada. I am sure he has no intention, as he so clearly stated to me, of rushing this through the House. It is a matter, while it may not be any importance to the Attorney General, that is of great importance to the people of Saskatchewan.

I would like to make a few further points. I think the Minister misses the thrust of our argument. We don't suggest that downtown Regina isn't worthy of rejuvenation. I tell you, far from that, if any urban area in Saskatchewan needs rejuvenation, downtown Regina does. Our point is that, if in case the Provincial Government wants to get involved in the rejuvenation of urban areas, then there is a way and a means by which the Government could do that, that would be better suited to good management than to do it under the cloak of Sask Tel. You mention other corporations getting involved in this sort of activity and it should come as no surprise to us. Other corporations are generally incorporated in the beginning with the provision in their legislation to do many, many things

provided for in their corporate structures. If, in fact, a corporation like CP wanted to get involved in a commercial lease, they would incorporate a subsidiary company or branch which has as its special function the development of commercial leased property. Sask Tel was never established to operate with that in mind. It's operated by the people of Saskatchewan, for the people of Saskatchewan, to provide telecommunication services.

Now, surely you must be aware as a Minister of the Crown with some managerial responsibilities for Sask Tel, of the situation that could arise in this province if Sask Forest Products goes ahead with its building in Prince Albert of its commercial leased property and if another corporation like Sask Tel goes ahead with one in Regina. Let's assume that the trend continues and other buildings in Saskatoon are constructed through Crown corporations to provide commercial leased property. You have a building or a company like Sask Tel which is dividing its attentions. One, to providing telecommunication services, another to providing commercial leased property or perhaps, as it states in this Bill, they will go to the extent of providing a general tire outlet through some place or maybe they will lease a franchise for McDonald's hamburgers and dispense them. That power is here in this Bill for Sask Tel to do.

What you are asking Saskatchewan Telecommunications to do is to divide its attention. You are asking the same of Saskatchewan Forest Products Corporation and SGIO or Sask Power, if you continue the trend with those corporations. Our point is primarily this. Sask Tel is established to provide communication services and that should be the extent of its mandate in this province. If your Government has the desire to get into urban rejuvenation it should do it through other means.

**MR. H. H. P. BAKER (Regina Victoria):** — Mr. Chairman, I would like to say a very few words on this. I don't think it needs to be carried on much further. I think the Minister had done an excellent job in the explanations. I'm rather surprised that we find anyone speaking against this Bill. I think, as the Minister pointed out, that throughout this province they have carried out a very fine decentralization program. These projects are not only programs for the corporation but they are programs to create employment in the construction industry and thereafter.

I must tell you, Mr. Member for Kindersley, that the Federal Government had promised to be in on this project, but have let us down. We started this some three, four years ago. They were to spend something like \$10 million to \$15 million there. We're still waiting for it. So we thank, as a city, we thank the Provincial Government for carrying it out. This is not a request of the corporation. This is a request of city council to rejuvenate that area, just as I have supported the Member for Morse (Mr. Wiebe) to help raise and pay for some of his hogs and to build his barn. I don't mind subsidizing him and others in the farming industry, but you oppose something like this that is good for people. Not only that, you talked about decentralizing to other centres. I'm not against it. I've supported it with my colleagues, but we don't want to decentralize to the extent that you fellows did for seven years, where you drove them right out of the province. That was a great decentralization plan.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. BAKER:** — That's what you did. Now these working people are coming back to Regina and the province and we're creating employment for them. I'm amazed that anyone would stand up, though I'm not being critical of the Member for Estevan. I think he believes in decentralization, so do I. But you just can't go and take the parliament building or take SEDCO as someone suggested, and move it to St. Victor. I believe that's the town. How ridiculous can you get. Sure I'm here for my city, but you've never heard me condemn any other community when there was decentralization. I voted for it and I'll continue to do it.

I want to commend, the Minister and this Government for doing this for Regina and making available 1,200 underground parking stalls, so that the business will be rejuvenated. Go downtown and walk down the street and tell them what you said here tonight. I'm sure they'll throw you out.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. McMILLAN:** — Mr. Chairman, in response to the remarks by the Mayor of Regina, the Member who has just risen to his feet and spoken. To my knowledge this is the first time since I sat in this House, in two years. I'm pleased to see that the Member isn't mute as I suspected.

No Member of this caucus has suggested that Regina wasn't in need of rejuvenation. My point has been that if that rejuvenation is to take place and that is entirely a different argument, it should be done through another agency, rather than a Crown corporation designed explicitly to provide telecommunication services to the people of Saskatchewan. I don't doubt for a minute, nor do I blame the Mayor of Regina, when those responsibilities come before his duties as a legislator, for being pleased that the Provincial Government, through whatever means it sees fit, is providing financial assistance through rejuvenation to downtown Regina. I can certainly understand your point. I would be only too happy as the MLA for Kindersley to have Sask Tel come in and rejuvenate the entire urban communities located within the Kindersley constituency. I don't suggest for a minute that that would be the proper approach for Sask Tel to take though.

If your Government wants to debate whether or not it should be involved in rejuvenation then I say do it by legitimate means and lay before this House a program. Don't do it behind the cloak of your Crown corporations.

I commend you for being pleased. That doesn't take much awareness, but I'm glad to see that you do take the interests of the people of Regina to heart. I don't suggest here that other Members of this House wouldn't either, but under the way that it's being proposed here, we're suggesting that if, in fact, your Government wants to go ahead with rejuvenation, it should be done through a vehicle other than Sask Tel.

Section 1 agreed.

Section 2: Section 8 as amended agreed.

### **Section 3**

**MR. KATZMAN:** — I will say one thing for the

Member for Saskatoon Centre (Mr. Mostoway) he knows how to make a noise even though he doesn't make much sense.

Mr. Chairman, as I've been chatting, speaking with the Minister responsible for Sask Tel, re this amendment, several times he has suggested to me that they need a sufficient amount of funds to make sure they can acquire property for substations and many other projects. In our discussion I suggested to him that the \$100,000 figure was a figure much larger than he really needed and I suggested to him that the figure of \$20,000 would fit his situation very well. He suggested that in most cases, in a lot of cases, it would assist, but he thought he needed more power. I suggest to him that \$20,000 will do what he needs to have done and he does not need the \$100,000, because otherwise he is putting too much power where it is not required.

**MR. BYERS:** — Mr. Chairman, the present provision is that before the Crown corporation has authority to purchase real property in excess of \$10,000, it requires Cabinet approval. This Section of the Bill would raise that limit from \$10,000 to \$100,000. The amendment proposes to delete the \$100,000 and leave the Act as it presently stands. I urge all Members to defeat the amendment. I don't think with increasing prices that a Crown corporation pays for real property that it is necessary to clutter up the Cabinet agenda with every piece of real property bought for \$11,000. The corporation has a general manager, it has a board of directors who get these things, it has a Minister who is responsible to the Legislature. You have the opportunity during the consideration of Crown Corporation Estimates to ask what was paid for any piece of property, be it \$11,000 or \$101,000 or \$1 million. Whatever. Therefore, this Legislature, I understand has approved raising the limit for other Crown corporations, like Sask Power and it seems to me that Sask Tel should be entrusted with this kind of responsibility. Therefore, I urge Members to vote for the original Bill and to defeat the amendment of the Hon. Member who brought this forward.

**MR. LARTER:** — Mr. Chairman, I would just like to ask, this limit to \$100,000 is just for property only, it's not for a purchase to go, just real property.

**MR. BYERS:** — Real property.

Section 3 agreed.

Section 4 agreed.

Motion agreed to and Bill read a third time.

### **BILL NO. 58 - An Act to amend The Gas and Electrical Rates (Public Corporations) Act**

Motion agreed to and Bill read a third time.

### **BILL NO. 39 - An Act respecting the Saskatchewan Mining Development Corporation**

#### **Section 1**

**MR. E. F. A. MERCHANT (Regina Wascana):** — Would the Minister agree, in opening, that the only reason that this legislation is brought before the House is

because my colleague, the Member for Regina South (Mr. Cameron), six or eight months ago pointed out to you that you had been operating without any statutory entitlement to carry on business as you were. That you were, in fact, potentially opening yourself to law suits for proceeding in an illegal way and that the full impetus, it's a ridiculous situation, the whole impetus for passing this rather major piece of legislation, which doesn't do much in terms of new things, but the whole reason that this legislation, which we oppose, is before the House is because an Opposition Member took it upon himself at some point to say, how can you do all these things by regulation. The Government felt that they could do what they have been doing under the Saskatchewan Mining and Development Corporation, by regulation as though just getting elected means that you can do practically anything. You can take any power you like back into the Cabinet, you don't have to bring anything before the House before the elected representatives of this province.

**HON. J. R. MESSER (Minister of Mineral Resources):** — Mr. Chairman, I don't agree with that. The Member can assume what he wants as to what the Government's intention was in regard to bringing in this respective piece of legislation. I think that the Government's reasoning was legitimate and logical. I think that it is a high-profile piece of legislation. It tells the people of Saskatchewan what the Government's intentions are in regard to the development of resources in this province. I think it also undertakes to extend greater security to those people who may be in partnership in the development of those resources. Greater security that their interpretations of the legislation and the agreements that may ultimately be reached, that start from that legislation, have some significant stability. So that the Member can allude to interpretation and/or observations as to the requirement of the legislation, but I would suggest to the Member that I think that it had always been the intention of the Government to undertake to introduce this Crown Corporation via legislation, rather than Order in Council, but the circumstances at the time that we wanted to introduce it were such that we went first with the Order in Council route, then drafted the legislation that is before us this evening.

**MR. MERCHANT:** — How long has the Development Corporation been operating without legislation?

**MR. MESSER:** — It's been operating since June, 1974.

**MR. MERCHANT:** — For almost three years and you are now telling me, I gather, that you know we really would have passed an Act, it's not what you would call a little Act, we would have passed this 11-page Act, it's just that we kind of never got around to it. We just finally got around to it now and we are not passing this legislation because the Member for Regina South told us six months ago that we were acting illegally. We are just passing it because finally this seemed like a good Session, there are 103 or 105 bills and we thought we would chuck this one in the batch.

The reference he made was that the Act is a good way to sort of communicate the intentions of the Government. If there is no need to pass this legislation are you suggesting that the only purpose in bringing the matter before the House was

that you thought it was an appropriate moment to get a little publicity for SMDC, so you thought you might as well take a couple of hours of the House. Again there were 105 bills or so and there wasn't that much going on, so you thought this was an appropriate time to bring it before the House.

What could have possibly caused you to bring it before the House except for the fact that the Member told you last year that you were acting illegally and I suspect you were.

**MR. MESSER:** — Mr. Chairman, again the Member can surmise any way he wants or whatever he wants as to the Government's intention of bringing this legislation forward. I suggest that there is a need for the legislation, I alluded to that need. I said that during my second reading speech. I referred to it here again this evening. If he wants to continue to persist that it was instigated by the observations or recommendations by the Member for Regina South that is his prerogative.

**MR. LARTER:** — On No. 12, the Minister mentioned in order to bring possibly better faith among the partners they're going into development with - in No. 12 Order in Council - I believe they can put out of business any other partner as they deem necessary. Again in 13 they have the power to acquire and dispose of property. We think they have too far-reaching powers if the corporation deems certain things are for its good, the unbelievable powers to purchase or other means to fulfil its own requirements. I don't think those are things that are conducive to good relationships with partners. I think that goes against the way the Minister was talking. Also their moneys - they can acquire the moneys they want by Order in Council, no control by legislation on these decisions. These are decisions I think that are not in the best interests of the people of Saskatchewan. Again, of course, it goes back to where we, as a party, don't feel the Government should be involved in the resource industry, I believe it goes back to that. Some of these far-reaching powers that go along with it also go against the grain.

**MR. MESSER:** — Well, Mr. Chairman, I suggest that there is similar activity in other provinces, joint venturing by the Executive Council in other provinces. They have similar, if not equal or perhaps surpassing powers to what is extended to the Executive Council here in Saskatchewan with the passing of this legislation. The Member would need only to look to the province to the west and he will find that certainly Ministers of the Crown in the Executive Council have every bit as much power to undertake to invest in similar ways that the Saskatchewan Mining Development Corporation is undertaking to invest with the passing of this legislation. I would also suggest there are other provinces, Ontario to name another that has similar powers. They do not have legislation precisely like this, but they certainly have the same kind of powers. The Member, I think, undertakes to paint a picture that this gives far-ranging authorities and powers to the Minister responsible for the corporation or for that matter to the Executive Council that is somewhat inaccurate. The sections that relate to that power are very similar to other agencies or other legislation that give those powers to other Ministers. We are not really departing in any major way, not really adding more powers to the Minister who is responsible for this corporation.

**MR. MERCHANT:** — Mr. Chairman, surely the Minister is not suggesting that this Act is comparable to the kinds of powers that one would find in legislation elsewhere in this country.

**MR. MESSER:** — No, I am saying that the financing that this Act provides for is similar to financing of other Crown corporations. It is governed and authorized by the Minister of Finance but it is a power that the Government has a right to exercise by an Order in Council.

**MR. MERCHANT:** — This legislation is the most sweeping in Canada, probably the most sweeping in North America. I suspect other than - I don't know what some of the left wing Latin American countries do - but I suspect that in the democracies this gives the greatest power to a government to interfere, if you wanted to use these kinds of words, that Liberals might tend to use or to become involved, if you wanted to use the kinds of words you people tend to try to trot out before the public. This Act would give you the most sweeping power of any government in any democratic country to deal with things like hard rock mining.

**MR. MESSER:** — The Member uses two words, interfere and involved. I think we would choose to certainly use the word, involved. I think that time will tell and I think it will prove that this legislation will go a significant way to attaining agreements, arrangements, contracts, understandings with private companies which are extracting non-renewable resources, in a way that will ultimately achieve an environment where less problems are concerned in the continued extraction of those non-renewable resources. The Member has heard me state before that I think it is in this way that the companies have a greater understanding of what the Government's intent is, what its day to day problems are. I think it also has on the other side of the coin the obligation of government to be more understanding and more aware of the problems of industry. I think these problems are better worked out when there are arrangements where in fact both parties are responsible for some of the decisions in relation to the extraction of that resource. As it is now, I think that unfortunately in some instances, and I am not saying that those instances are only within the province's boundaries, they, I think, occur elsewhere, but due to pressures that may be exerted in a political way on a government, it is sometimes difficult for the other interest to really have a fair hearing in regard to the activity that they are involved in.

I am not saying that in all instances governments or the general public have dealt unfairly with resources. I think it has been anything but that. But certainly there are instances where, I think, that there is room for that concern.

I would suggest to the Members and those that criticize this Bill that this gives us an opportunity to be better informed about some of these problems and it is not so easy for one or the other party to get off the hook simply in order to appear to be giving support to a sector of the general public which is critical of those operations. I think that we are compelled and obliged to stand up and defend what it is we are doing when we are in partnership with some of these ventures. I close my remarks by returning to what I said at the outset, that it is only through this type of legislation that allows us to have those joint venturing agreements that I think we can



attain that kind of environment.

**MR. MERCHANT:** — Mr. Chairman that is sort of the sweetness and light side. In fact, you are able under this legislation and the regulations to force yourself as a 50 per cent partner on any development. Correct me if I am wrong, but what happens is the company proves up the claim, spends up to, I believe, \$10,000 and I would appreciate you giving me the figure, but I think that is correct - no, up to \$50,000 - and at that point the Government has an opportunity to decide whether they will step in for 50 per cent of the action. Am I correct that this is the way the thing operates?

**MR. MESSER:** — The Member must keep in mind that there is always the opportunity for voluntary joint venture before we undertake the mandatory portion of the legislation. We do have the right to negotiate an up to 50 per cent partnership in the operation. His figures I believe are in fact accurate, the \$50,000. I undertake to convey to the Member that once we exercise whatever level of participation we wish to profile ourselves in that particular operation, we are also answerable to the actions of that company's activities or that sector's activities. I think in undertaking to involve ourselves in that way there is going to be a much more legitimate and a much more understanding and knowledgeable development of those resources. I don't think that point should be missed. I think it benefits not only the developer of the resource but also the owners (the people of Saskatchewan) of those resources in the long haul and the net result.

**MR. MERCHANT:** — If it is such a good deal for the developers why is it that the developers wouldn't be prepared to give that kind of an option to the Government, one on a permanent basis. You know I could probably form a company and pick up you and the Minister in charge of SEDCO and the Minister in charge of Health and I would have, I dare say, 65 per cent of the wealth on your side of the House. I am sure that taking the wealth of the three of you I could do very well if I had this right to go in up to the \$50,000 level and force myself as a 50 per cent partner on any development. As the Minister well knows that is the crucial time that the company really has spent money on prospectors, money on initial development and up to the \$50,000 level or thereabouts, at that point - I don't think I have missed anybody with any money or have I? Up to that point the company has stood all the risk and that anyone could do very, very well if you have the right to go in as this Government claims it can, as this Government does. Not only go in and pick up half of the action, but also bring to bear on the process all of the information that it receives in its department and that companies are compelled to give to the Government about things that are going on all around them. So that in two ways government has a tremendous advantage.

The Minister might well say, so what. Shouldn't government have that kind of advantage. Isn't it fair that the government if it is going to be picking up the apples for the people of this province, isn't it fair that the government have that kind of advantage. Isn't it fair that the government investing the people's money do well. The only problem with that is that the investing public and the people who are prepared to put money into this province, the people who are prepared to bring their expertise into this province, would tend to go

elsewhere. When you have this kind of legislation what you are doing is you are driving people out of hard rock mining in Saskatchewan.

It all comes back, Mr. Chairman, to something the Minister said not long ago. That public enterprise and private enterprise should work well together. Maybe they should. But they can't. Private enterprise isn't prepared to try to work with public enterprise. So this kind of legislation allowing government to go in and snatch a half share, really means that the result is that we don't have the kind of investment in hard rock mining that we would have. We don't have the kind of interest in our share of the Pre-Cambrian Shield because businesses know that they stand the risk of having an unwanted partner, the government.

Not only do they not want a partner or they would have gone out and found one, but if they wanted a partner they would want the partner from the beginning. Not after they have picked up the \$50,000 initial development expense. The very last partner they would want would be government. If they were down to the dregs and they wanted a partner and that partner had to be government, surely to God they wouldn't want an NDP partner and they wouldn't want a partner from this Government.

**MR. MESSER:** — Mr. Chairman, I think the Member has with precision defined rather well the difference in his attitude, the attitude of the Opposition and the attitude and objectives of this Government. He undertakes to say that he could get together several individuals in the province and undertake to turn into a very prosperous operation what we are endeavouring to do as a government. That, Mr. Chairman, is the difference. We are not talking about several individuals undertaking to develop the resources of this province in their best interests and not in the best interests of the people of Saskatchewan. We say that is the responsibility of the government. And it is the only organization, it is the only body of people who can undertake to with its powers and with its responsibilities develop those resources in what it thinks is the best interests of the general public. And it answers to that general public on a regular basis to see whether or not it is in fact achieving the goal that the general public would like to see achieved with the development of those resources. That is a very significant and a very fundamental difference. I suggest to the Member that it is a difference which other governments will be undertaking to pursue or giving consideration to. At varying levels, I think if he looks about him, he will see that happening now, not only in Canada but in other parts of the world. It just happens to be that we are a little more progressive here in Saskatchewan.

I also want to bring to his attention that we are compelled to pick up any expenses that were already expended by those developing companies, so that, yes, they may have put their capital up front, but if it is a profitable venture and we do involve ourselves in a mandatory way, we are compelled to put up the amount of money that was expended in a manner that relates to the percentage of participation that we choose to exercise, so that we are not in the narrow sense of his definitions getting away scot-free in regard to the front end money for the initial development activities of that resource.

He also attempts as he did in his second reading remarks to convey to this Legislature and the people of Saskatchewan that we are, in fact, driving exploration and developmental interests

outside of the Province of Saskatchewan. That certainly isn't the case because the facts show anything but that. We have a higher level of exploration activity in Saskatchewan than we have ever had in this province, both in dollars and in manpower activity. So that for him to say that we are driving it out is strange when we look to the reality of the day.

I also want to convey to him that we have at this point in time, 26 joint ventures signed, we have only four mandatory joint ventures which would indicate that for some period of time we have been able to sign and agree to far more joint venture activities than mandatory activities.

**MR. MERCHANT:** — Just so that I am clear, Mr. Chairman, I think all Members of the House are clear on a rather simple point. What the Government does is rather in the nature of it picks up a piece of the action of the \$50,000 level. It is almost comparable to the Government being able to wander down to the Companies' office and find out about any new company that has been formed and have the right to walk in and, say within three months of formation of the company, and become a 50 per cent owner. Now they would say, well, when we go in and we move in on that poor fellow with his service station and we have to pay him half of the cost of forming the company and half of his initial advertising costs, half of what he went through to get that far. But as the Minister well knows, most companies that are going to fail, fail in the first four, five or six months of their existence. Mines that aren't going to be a success tend to show up that they are not going to be a success at the \$50,000, \$75,000 or \$100,000 level of expenditure. Oil wells that are going to be a failure tend to start showing up as potential failures after some portion of the money has been expended. A fair percentage of the portion, a fair percentage of the total cost, everyone should be delighted to have an opportunity to move into businesses three months after they were going, even if they had to pay half of the cost today, to move onto an oil well after \$20,000 has been expended, to move into a mine after \$50,000, \$60,000 or \$70,000 had been expended, particularly when you have the extra information that the Government has.

I have only one further question to the Minister. I said earlier that this legislation, progressive or left wing, or sweeping, or arbitrary, whatever kind of word you want to use, this legislation goes further than any legislation in North America, and I suspect goes further in terms of interfering with what, in the democracies, have been interpreted to be the rights of the individual companies. This legislation goes further than any other legislation in any democracy. Now I say to the Minister, does legislation like that exist anywhere that you know of? Is there any place else an Act that allows the company to move in and force itself as a 50 per cent owner in this way?

**MR. MESSER:** — I am told, and I'm not knowledgeable of all other Acts in place, but certainly legislation that is being considered and will be introduced shortly in Quebec is much, much more extreme than this, much, much more.

In answer, Mr. Chairman, to the Member's question. I just don't think that there is any comparison between a private company and a company undertaking to develop a non-renewable resource. We believe that those non-renewable resources should

return some significant benefit to the people of Saskatchewan as we in effect are the owners of those resources. To operate a service station, I think I agree with the Member that the initiative that makes that service station a viable operation will come from the principal or principals of that operation and all the more credit to him if he can make that service station or whatever, private company, a successful operation. I guess governments will undertake to acquire some interest from that successful operation through taxation and other means as well. That is no different here in Saskatchewan than it is anywhere else. But we do believe that in the non-renewable resource sector, those companies which are involved in an industry which will not go on forever (as one might hypothetically assume the service station will), should have an environment of production which guarantees to the people significant and fair return on that resource.

Now just to clarify the Member's interpretation as to the money that may be spent in the risks that those companies may have expended before we do indicate we are interested, let me convey to him how the mandatory joint venture program works.

A company that has a claim which they think has potential, does not necessarily go to that claim and spend its \$10,000 and then come to SMBC asking whether or not we are interested in joint venturing, or we go to them and convey to them that we would like to discuss with them the potential of that claim so that we can decide whether or not we want to joint venture. They will come to us in almost all instances, with a plan of development, without spending any money, without spending any real developmental moneys, and say, we propose to spend X amount of money, could be \$250,000, could be \$10,000 or \$50,000 and they convey to us what the developmental plan is and the other related information that is pertinent to that claim. We then make a decision as to whether or not we want to participate. If we participate at 50 per cent on a \$50,000 developmental phase on the program for that particular property or claim, we are obliged to put up 50 per cent of that \$50,000 or \$25,000 so that the company (and I am afraid the Member has misinterpreted this) has not, by requirement, had to prove up or develop the claim in any real way putting their money out front before the Government gives consideration to whether it would involve itself in the venture, and therefore share the cost.

**MR. MERCHANT:** — Could the Minister indicate whether any shares or bonds or debentures or anything of that sort have been purchased by SMDC to date? Secondly, how much money in total, at this point, has been advanced by the province by way of equity, loans, guarantees of indebtedness, etc.?

**MR. MESSER:** — To the Member's first question in regard to bonds or debentures, it is No. In regard to money that has been advanced to date, I think that that is something that is not necessarily relevant. At this point in time we don't have accurate figures. I would suggest that it is in the millions of dollars, several millions of dollars, but we cannot be precise at this time.

**MR. MERCHANT:** — You can certainly be more precise than that. Is it \$25 million, is it \$2 million? You are not going to sit there and suggest to me that that is not something to which we are not entitled, or that we can't get that information. Surely

even the way you people run the Government you have some idea whether it is a couple of million or twenty five million dollars.

**MR. MESSER:** — Approximately three million dollars.

Sections 1 to 23 agreed.

Motion agreed to and Bill read a third time.

### **BILL NO. 63 - An Act to amend The Marriage Act**

#### **Section 1**

**MR. MERCHANT:** — Mr. Chairman, as the House and the Minister will be aware, some of us on this side of the House were and continue to be very concerned about the marriages of younger people and the fact that there is absolutely no control whatsoever, there is no facility for guidance, there is no assistance. I am sure the Minister was present when the Status of Women in Saskatchewan, an organization for which I have a great regard and I suspect the Minister has some, made their submission. I note that the Minister notwithstanding the fact that they expressed today a real concern about this problem as well, that the Minister indicated that they didn't feel that they were about to make any progress in this regard. The Minister said, well maybe we will do something in the fall, but I think back, for instance, to when the Minister told me about The Deserted Wives legislation that they couldn't raise the age of support for young people to 18 from 16 because that was just too complicated and it would have meant the change of one Roman numeral in an Act, but that was too complicated for them. That was going to come back in the fall, and the fall has come and gone, and I wonder if the Minister would indicate whether you expect anything to ever happen over this problem with youthful marriages that has been brought to your attention by Members of the House and also by other outside groups.

**HON. W. A. ROBBINS (Minister of Health):** — Yes, Mr. Chairman, as I indicated before when this Bill was in second reading, we committed ourselves to contact all the marriage commissioners in the province and committed ourselves to further amendments to the Marriage Act in the next session of the Legislature. I had a communication from your colleague, the Hon. Member for Regina South (Mr. Cameron) indicating that he agreed to some extent with our proposals, that we would come back in the fall after we had consulted with all the marriage commissioners, and he realized that there are some very severe problems in the Act itself. We believe we should go through the present Act and commit ourselves to come back here again with further amendments next fall related to what you are talking about.

**MR. MERCHANT:** — I heard the Minister say that in second reading and I just wanted to be clear. You are giving your commitment to the House that that area will be back before this House in the fall session?

**MR. ROBBINS:** — Yes, after we have had an opportunity to discuss it with all marriage commissioners and the ecumenical leaders throughout the province.

Section 1 agreed.  
Section 2 as amended agreed.  
Section 3: Section 4 agreed.  
Section 4: Section 5 as amended agreed.  
Section 5: Section 13 as amended agreed.  
Section 6: Section 14 as amended agreed.  
Section 7: Section 16 as amended agreed.  
Sections 8 and 9 agreed.  
Section 10: Section 27 as amended agreed.  
Section 11: Section 28 as amended agreed.  
Section 12 as amended agreed.  
Section 13: Section 30 as amended agreed.  
Sections 14 and 15 agreed.  
Section 16: Section 37 as amended agreed.  
Section 17: Section 38 as amended agreed.  
Section 18: Section 41 as amended agreed.  
Section 19: Section 54 as amended agreed.  
Section 20 as amended agreed.  
Section 21: Section 55 as amended agreed.  
Section 22: Section 56 as amended agreed.  
Section 23: Section 57 as amended agreed.  
Section 24: Section 59 as amended agreed.  
Sections 25 and 26 agreed.

Motion agreed to and Bill read a third time.

The Assembly adjourned at 10:08 o'clock p.m.