

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fourth Session — Eighteenth Legislature**

**December 20, 1977**

The Assembly met at 2:00 o'clock p.m.  
On the Orders of the Day

**QUESTIONS**

**Power Plants — USA**

**Mr. R.E. NELSON (Assiniboia-Gravelbourg):** — Mr. Speaker, I have a question of the minister in charge of SPC. Does the minister not agree we will be having many problems with the United States with regards to our power plants if an agreement on air quality is not brought forth quickly?

**HON. J.R. MESSER (Minister in charge of SPC):** — That is somewhat hypothetical. There are certainly ongoing discussions in relation to the level of air quality and most of that is emanating from the state of Montana. It is a matter that the Saskatchewan Power Corporation has undertaken to try and address itself to. I also believe the Department of Environment, both provincial and federal, as well as the state department federally have undertaken to convey with the US authorities the policies of the Saskatchewan and the Canadian government and it is those policies and those regulations that the Saskatchewan Power Corporation will undertake to follow, not necessarily the policies of the state of Montana or the United States. I might also say, Mr. Speaker, in undertaking to meet the standards that are set by the provincial and federal governments in Canada our emission standards are less than those that are now in place for many thermal installations in the state of Montana which is at this point in time criticizing the Saskatchewan Power Corporation in relation to its operations in Coronach.

**MR. NELSON (As-Gr):** — Supplementary, Mr. Speaker. I think what the minister is saying is there presently isn't a vehicle in which the two countries can discuss air quality. My question is, will the government pursue the establishing of a treaty between Canada and the United States similar to the Boundary Water Treaty so that air quality problems could be negotiated between the two countries?

**MR. MESSER:** — Well, Mr. Speaker, I don't know whether it is the province of Saskatchewan that should undertake to pursue such a policy. I might say that we have in all instances undertaken to meet the requests that have emanated from the state of Montana in regard to the Coronach installation. I think that we have been more than reasonable in providing them with information and test burns and the like in relation to the thermal installations at Coronach. I must admit, Mr. Speaker, that up to this point in time that information has been misinterpreted or else not conveyed to the concerns that reside in the state of Montana. I don't believe that any kind of actions in the province of Saskatchewan can resolve the misinterpretation or the mishandling of information which has been conveyed. That's a sorry situation and it is unfortunate but I don't believe that anything this province undertakes to do can adequately correct that unless there is a change of attitude in the state of Montana.

**SEDCO — Intercontinental Packers**

**MR. H.W. LANE (Saskatoon-Sutherland):** — Mr. Speaker, a question to the minister in charge of SEDCO. Is it true that SEDCO recently obtained pork bellies and/or some other commodities under contract from Intercontinental Packers and, if so, when and how much did they pay?

**HON. N. VICKAR (Minister in charge of SEDCO):** — Mr. Speaker, may I have the member rephrase that question, I don't understand what he's talking about?

**MR. LANE:** — Mr. Speaker, the question is this to the same ministry, is it true that SEDCO recently obtained pork bellies and/or other commodities under contract from Intercontinental Packers and, if so, how much did they pay and when was the contract drawn?

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

### **Bill 47 — Different rates of Taxes**

**MR. E.F.A. MERCHANT (Regina Wascana):** — Mr. Speaker, a question to the minister in charge of Mineral Resources. The minister may be aware that in seconding reading of Bill 47 I dealt with the problem of the different rates of tax between the regions and I ask the minister whether he has addressed himself to the problem that when you convert Bill 42 to Bill 47 and go to an income form of tax that if you have a uniform rate of tax which raises the same revenue, the producers in the Lloydminster area would be entitled to a very large refund while the producers in the Swift Current and Estevan regions would be faced with a very much increased tax load. I ask the Minister whether you intend to have different rates of tax depending upon fields?

**MR. MESSER:** — Well, Mr. Speaker, the member, as always, offers some significant information and I don't know how one can assume that that information is at all credible or factual before he knows what the regulations will be in relation to Bill 47, The Mineral Income Tax Act. I can say that the department is addressing itself to the required regulations and we do not see any formidable problems or unfairness in the administration of those regulations.

I might also say, Mr. Speaker, that the member persists in saying that we will be acquiring the same level of moneys as far as collection is concerned and that is not correct. We may approximate that but we are certainly not saying with any positiveness that we will be acquiring the same level of moneys collected under the former legislation.

**MR. MERCHANT:** — A supplementary. I asked the minister whether you are saying that the tax rate will be such that a significantly lower amount of money is raised by Bill 47 over those retroactive years and since it is the minister's officials who have been addressing themselves to those questions, would you, where the Premier seems incapable of doing so, indicate what percentage of loss Saskatchewan will face because a lower rate will be acquired rather than the same rate which you assume I implied?

**MR. MESSER:** — Well, Mr. Speaker, may I firstly say that he is the only member in this Legislature who believes that the Premier is incapable of addressing himself to that problem and I think that he has adequately demonstrated his ability to so do. I do not agree with the member that there are going to be the significant fluctuations that he alludes to.

**MR. MERCHANT:** — Supplementary, Mr. Speaker . . .

**MR. SPEAKER:** — I think I'll take the next question, the member for Prince Albert-Duck Lake.

### **Customs Clearance Improvement**

**MR. G.N. WIPF (Prince Albert-Duck Lake):** — Mr. Speaker, a question to the Minister of Tourism. Has your department of government made representation to the federal government to have customs clearance improved in Prince Albert for tourists and fishing parties that fly into northern Saskatchewan say after the hours of 5 o'clock in the evening and on weekends?

**HON. A. MATSALLA (Minister of Tourism and Renewable Resources):** — Mr. Speaker, at this point in time our department hasn't made any representation with respect to customs clearance at Prince Albert. Nevertheless, we have made representation for customs clearance in Regina and Saskatoon but at this time we haven't looked into the matter at Prince Albert.

**MR. WIPF:** — Supplementary then, Mr. Speaker. Would your department and possibly the Department of Northern Saskatchewan consider doing this and approach the federal Department of Customs and Excise to try and work out an arrangement whereby in the peak period in the tourist season Prince Albert would have customs clearance at the airport instead of being on call?

**MR. MATSALLA:** — Mr. Speaker, I can assure the member that I will take the question under advisement.

### **Farm Implement Companies — Sweden**

**MR. A.N. McMILLAN (Kindersley):** — Mr. Speaker, a question to the Minister of Industry and Commerce. On your recent two week tour of Europe and some of the countries therein, I would like to ask the minister if, while you were in Sweden, you entered into discussions or meetings with members of the farm implement manufacturing companies in that country?

**HON. N. VICKAR (Minister of Industry and Commerce):** — Mr. Speaker, no we did not visit with any farm implement manufacturing companies in Sweden.

**MR. McMILLAN:** — A supplementary question. Was the minister's purpose for this trip to pursue general trade agreements with other countries with respect to Saskatchewan produce or was it some other particular reason?

**MR. VICKAR:** — Mr. Speaker, our main purpose to visit Sweden was to investigate the possibility of an industrial plant establishing in Saskatchewan and we laid the ground work and hopefully in due course, I don't know how long it will take, some announcement will be able to be made.

**MR. McMILLAN:** — Final supplementary, Mr. Speaker. Will the minister not admit that the negotiations that took place at that time were designed to try and attract a major farm implement manufacturing industry to the province of Saskatchewan?

**MR. VICKAR:** — No. I am sorry, Mr. Speaker. We did not negotiate with a farm implement manufacturer.

**MR. SPEAKER:** — I will take the member for Estevan.

### **Injection of Air into Gas Lines**

**MR. R.A. LARTER (Estevan):** — A question to the minister in charge of SPC. Is SPC injecting air into the gas lines which go to the homes and industry throughout this province?

**HON. J. MESSER (Minister in charge of SPC):** — Mr. Speaker, the member has alluded to the fact that SPC may in fact be injecting air into the SPC gas lines within the province of Saskatchewan and I want to again convey to that member that the answer is 'no', an emphatic 'no'. SPC is not injecting any air into the lines, thereby either depriving the citizen from getting the maximum BTUs from a BCF of natural gas or having any influence on premature failure of furnaces. SPC does undertake to extract some impurities from the gas that is transported in the province, those impurities being primarily water and undesirable hydrocarbons. In only one instance do we inject anything into the gas and that is an odorant so that consumers may undertake to, by the smell of that odor, detect leakage in gas lines, either transmission lines or in facilities that they have installed in their home.

But again, Mr. Speaker, I want to convey to the member and to this Legislative Assembly, that under no circumstances do we undertake to inject air into the gas and transport in Saskatchewan.

**MR. LARTER:** — Supplementary, Mr. Speaker. Could the minister tell us then how you are able to take the BTUs from the gas that you purchase from industry down from 1,130 BTUs to 950, which is the way it is sold to the public?

**MR. MESSER:** — Well, Mr. Speaker, I think as the member is probably aware, some gas, depending on the fields that it is extracted from, have higher BTU values than do other fields and there is some desirability to try and approximate an average BTU per MCF of gas, but we do not undertake to inject air into that gas in order to come to the figure 980 (or whatever it was) and I don't know whether that is correct or not, but certainly there is no undertaking to inject air into the gas that is transported in the province.

**MR. SPEAKER:** — Last supplementary.

**MR. E.F.A. MERCHANT (Regina Wascana):** — I ask the minister why, since you are getting a greater value from the produce by lowering the BTU content and making it go further, why don't you pay the additional amount of money to the producer of the better quality gas, while in fact you treat all gas whether it's of a higher BTU content or not, as the same gas and the same amount of money?

**MR. MESSER:** — Well, Mr. Speaker, I don't know whether that would really be possible. First let me say that it's not consistently an instance where we lower the BTUs. We may have gas that is upgraded because of the low BTU per MCF, so that I think it is a situation of undertaking to average the BTUs of gas that is consumed in the province of Saskatchewan. It is not as the member would like to misdirect us in that we are only endeavoring to lower the BTU of the higher gas fields that we may be extracting from. It is a case of trying to bring it up so that the consumer has some security in regard to the

average BTU per MCF delivered to him.

### **Special Planning Area at Qu'Appelle**

**MR. R.H. BAILEY (Rosetown-Elrose):** — Mr. Speaker, I would like to direct a question to the Minister of Municipal Affairs. Back in October of 1975 the federal and provincial governments signed a \$34 million Canada-Saskatchewan-Qu'Appelle Valley agreement. Mr. Minister, the Community Planning Branch of the Department of Municipal Affairs, under your signature of August 15, 1977, has authorized certain lands around Last Mountain Lake as a special planning area. Studying the maps, Mr. Minister, and in correspondence with some of these people, the question which I asked evolving over this period of time is: why were the farmers who are the landholders for much of this land — why were they not contacted prior to the provincial government establishing this special area on this land?

**HON. G. MacMURCHY (Minister of Municipal Affairs):** — Mr. Speaker, I think that the contact of each individual farmer before the establishment of the special planning areas would have been a fairly significant task, if it was to be done on an individual basis. I think what did take place were a number of meetings to which the public was invited. There was an advertising program relating to those meetings before the commissions were actually established. The hon. member will recall the establishment of them was announced in the paper in considerable detail, and submissions to the minister were invited on behalf of individual people, so I think the area and the farmers were covered pretty well in terms of getting any inputs they wished to provide.

**MR. BAILEY:** — A supplementary question, Mr. Speaker. From 1975 until October 19 of this year, a period of some two years, and certainly those people who are the farmers in that area have a . . . like all of us have a period of not remembering or not really interested in some government planned meeting because it really doesn't interest people that much. My question to you at this time, Mr. Minister, as of your letter of October 19, would you not deem it advisable at this particular time to arrange for hearings or arrange for meetings so that those people who are in ownership of that land may have some understanding as to what the regulations and rules are before sending out a letter such as came out from the implementation office.

**MR. MacMURCHY:** — Mr. Speaker, I'm inclined and in all sincerity to leave the matter with the area commissions. I have not had any significant, if any inputs from individual farmers expressing the kind of concern that the hon. member is expressing. Certainly if that does take place I will sit down with the planning commissions that are well established, and I think working very well, to discuss with them how we should deal with the individual concerns.

### **Problems relating to Bill 43**

**MR. G.H. PENNER (Saskatoon Eastview):** — As a former Minister of Education, and having an appreciable understanding of the problems surrounding education in the province, in the light of continued controversy insofar as the new education act is concerned, would the Premier not agree that it would be wise to call the Select Standing Committee on Education to hear briefs and concerns from those in the province who wish to make them before we proceed with the passage of Bill 43?

**HON. A.E. BLAKENEY (Premier):** — Mr. Speaker, I thank the hon. member for his reference to my knowledge of education in the province. I agree that the bill is a matter for concern and is a matter of controversy throughout the province. I was the Minister of Education 17 years ago. Almost all of the issues which are currently under discussion were under discussion at that time. Virtually all of the arguments which are now being mounted were similar to the arguments being mounted at that time and my knowledge of education and educational activities in the intervening years suggests to me that almost all of the arguments have recurred almost on an annual basis, sometimes with a little more on bargaining and sometimes with a little more untenure as the case may be in all of the intervening years. I doubt whether very much new or fresh is likely to come into our discussion of this matter or our consideration of it in this Legislature. We have had the White Paper. This was meant, in effect, to be a wrap-up proceeding. If there are shortcomings in the knowledge of any member of this House I expect that all of the interested parties will use the opportunity between now and when it is considered in committee to advise hon. members of the shortcomings. I suspect that the STF will meet with all of the caucuses. I suspect that, for all I know, the SSTA

may do the same thing and I, accordingly take the view that we have been pretty well informed on this and that there is not much new material.

**MR. PENNER:** — A supplementary, Mr. Speaker. I am sorry I made the statement I did if the Premier is saying that nothing has happened in the field of education in the past 17 years. He is more out of touch than I would have thought.

Why is it then, Mr. Premier, that your government is already in the process, if everything is so pat with regard to education, of introducing amendments to a bill which has just recently been introduced into the House? It is obvious from the kinds of concerns that are being expressed that what is in the bill at the present time is not satisfactory to a large segment of the population in the province. Would the minister not agree that it would be well for all members of the House to have the opportunity to hear those concerns and to call the committee?

**MR. BLAKENEY:** — Mr. Speaker, I take the view that whatever bill is introduced, whether no legislation is introduced or whether the new bill is introduced, or whether the new bill is introduced in an amended form, indeed, any state of the school law in this province will not be acceptable to a large group of people in this province, a minority but a large minority since there is no consensus as to what the school law should be. If there had been a consensus as to what the school law should be, the law would have been consolidated and amended 10 years ago, 20 years ago or as the case might be. That consensus is not there but the arguments of all the interested parties have been put forward many, many times more latterly before the discussions surrounding or at the time of the discussion surrounding the White Paper.

I am sure that those briefs are available to all hon. members. I very much doubt whether there is going to be very much new material brought forward.

**MR. PENNER:** — A final supplementary, Mr. Speaker.

**MR. SPEAKER:** — I will take the member for Saskatoon-Sutherland.

### **SEDCO — Intercontinental Packers**

**MR. H.W. LANE ( Saskatoon-Sutherland):** — Mr. Speaker, a question to the hon. member in charge of SEDCO.

Has SEDCO used pork bellied or some other commodities as security for any loan to Intercontinental Packers or have you taken commodities as payment or partial payment for any loan, or do you intend to do so?

**MR. VICKAR:** — Mr. Speaker, I am not aware that this has ever happened, however, I will have to take that question into consideration and get you an answer.

### **Sweden Meetings**

**MR. McMILLAN:** — Mr. Speaker, a question to the Minister of Industry and Commerce. I would like to know if your meetings that you held in Sweden and, in fact, in other centres overseas, were designed to attract any specific company to Saskatchewan or whether your investigations and discussions, which may have been held with government officials or industry officials, were merely general inquiries as to the possibility of any industry locating in Saskatchewan?

**MR. VICKAR:** — Mr. Speaker, we had discussions with both possibilities, both industries that could establish in Saskatchewan and the possibility of certain ones establishing.

**MR. McMILLAN:** — One supplementary, Mr. Speaker. I would like to know if in your discussions or your investigations if any of the interested parties or companies was Volvo Manufacturing of Sweden?

**MR. VICKAR:** — Mr. Speaker, at this particular time I would rather not make any statements on what companies we were talking about because we are still in the negotiation stage and it might be some time before a decision could be made.

**MR. McMILLAN:** — A final supplementary, Mr. Speaker. Is it the intention of your government to try and attract Volvo Industries Manufacturing plant to Saskatchewan in order to sustain the operations of relocated CIL Implements that is currently located in Winnipeg?

**MR. VICKAR:** — Mr. Speaker, I think that is a very hypothetical question. I really can't answer that. We are looking at various industries to establish in Saskatchewan

### **Permit required to use Agricultural Land**

**MR. R.H. BAILEY (Rosetown-Elrose):** — Mr. Speaker, I would like to direct a question to the Minister of Municipal Affairs who I understand is involved in agriculture. Mr. Minister, many of the farmers surrounding the Last Mountain lake area received a letter in which this following statement was made: "Should you as a landowner or farmer wish to undertake any development..." Mr. Minister, they must apply and they must apply for a permit as to how they are going to use their own agricultural land. Do you not feel, Mr. Minister, that perhaps this board has gone too far in controlling the landowner, the man that owns the land, the man that sweats over it, as to how he should use his land?

**MR. MacMURCHY:** — Mr. Speaker, the Special Area Planning Commission, its powers are to deal with land and certainly if an area is designated by that commission as agricultural land and it is the desire on the part of an individual farmer to have it subdivided for recreational use, it would seem to be appropriate for the farmer to make application to the special Area Planning Commission in order to have a change in the by-law made. I think that's normal even under municipal planning powers which municipalities have had for some time and which are, in fact being applied by most of the municipalities in the province.

**MR. R.L. COLLVER (Leader of the Conservative Opposition):** — The minister has just outlined in some detail the powers of the commission and the kinds of control that the commission has over the private ownership of land. Would the minister not agree it takes away from the rights of ownership when a man is notified of this power being implemented on his land after the fact? Would the minister not further agree that any such withdrawal of individual rights of ownership in the province of Saskatchewan that the man should at least be notified in advance and not two years down the road?

**HON. N.E. BYERS (Minister of Environment):** — Mr. Speaker, I would like to answer



that question as the minister responsible for the implementation of the Qu'Appelle package. May I say to the hon. member with respect to the establishment of the special planning areas, that this was part of the \$40 million federal-provincial agreement entered into by this government with the government of Canada, that the establishment of the special planning areas was part of the agreement to better manage the use of water and land throughout the Qu'Appelle Valley, that the special planning areas were agreed to by all the municipal governments that participate in these special planning areas, that that is part of the agreement, that there are other groups besides the rural municipalities that are involved, there are other groups besides municipalities involved and that the special planning areas were established only after a good deal of consultation with local governments, with local groups and this was the agreement and this was the model that was agreed to by three levels of government.

### **Abandoned Railroad Beds**

**MR. S.J. CAMERON (Regina South):** — I would like to direct a question to the Premier. Is your government prepared to accept as a matter of broad principle that abandoned railroad beds ought to revert to the farmers of adjoining land?

**MR. BLAKENEY:** — Mr. Speaker, I think we cannot give a statement on a matter of broad principle in that way. I think that in some cases undoubtedly the farmer is the proper end owner. In other cases it may be an appropriate place for a roadbed or the like and that would certainly be the choice. I don't think we can generalize. I look at the Lewvan line south of Regina. There are farmers abutting on one side, there are houses abutting on the other. I would expect the city of Regina to be the owner of that and not the adjoining farmer.

**MR. CAMERON:** — By way of supplementary. Would you be prepared to accept as a matter of broad principle, again, that that decision as to who ought to have the land should be made principally by the municipality affected in consultation with the farmers of the adjoining land?

**MR. BLAKENEY:** — Certainly they ought to be involved as indeed the provincial government ought to be involved as being responsible for our transportation corridors in a general way, the location of highways and in a general way the location of other roads and since these have been transportation corridors in the past, their use will create or will remove problems with respect to overpasses, underpasses, level crossings and the like and will, in other ways, affect land use in the area. Certainly I think municipalities should be involved, so should the provincial government, so indeed should the adjoining owners.

## **MOTIONS**

### **House Sitting Times**

Mr. Bailey asked leave to introduce the following motion, seconded by Mr. Larter (Estevan):

That notwithstanding Rule 3, this Assembly shall, on Wednesday, December 21, 1977, meet at 2:00 o'clock p.m. until 10:00 p.m. and there shall be a recess from 5:00 o'clock p.m. until 7:00 o'clock p.m. and on Thursday December 22, 1977 meet at 9:00 o'clock a.m. and there shall be a recess from 1:00 o'clock p.m. until 2:00 o'clock p.m.

Unanimous consent having been requested, it was not granted.

### **Point of Privilege**

**HON. H.H. ROLFES (Minister of Social Services):** — Mr. Speaker, before the Orders of the Day I would like to rise on a point of personal privilege. This morning on an open line the hon. member for Nipawin (Mr. Collver) used my name on the open line and I would like to say that I do not appreciate him using my name. I have part of the transcript before me. I would like to read the transcript and then make my point of personal privilege.

A caller called in and said to Mr. Collver:

So you are just going to sit on the open line and make all these vague accusations but when you have an opportunity to give evidence before a committee, an opportunity to give evidence on the open line, you refuse and just make all these general comments and try to cover up your dismal performance in the Legislature. You say that because your members have been called to task in the Legislature that means they are being picked on. I think it means that they can't handle themselves in the Legislature. They go off half-cocked and make comments that they can't back up and that's the problem, not that anybody is trying to attack them.

The answer by the member for Nipawin was the following and I quote:

Well I think that Mr. Rolfes (that's who it sounds like) should confine his remarks to the Legislature and the debate.

And I could continue Mr. Speaker.

Mr. Speaker, I was not aware at that particular time that the member was on open line and I would like to say to the members here that I was performing my duties as Minister of Social Services and secondly, that I would not honor the member for Nipawin by phoning in on an open line that he is on and I resent the fact that he uses my name in that case

**MR. SPEAKER:** — Order! I have a statement which I wish to make.

**MR. CAMERON:** — Can we get a rule on that?

**MR. SPEAKER:** — No. I think the member was merely correcting the record. I doubt if it qualifies as a point of personal privilege, but it is a matter of correcting the record which the member thought may affect his performance in this House or in some other place.

On December 13, 1977, the hon. member for Saskatoon Riversdale raised a point of order to the effect that Return No. 86 was out of order on the grounds that it was hypothetical. I have reviewed the said return and note the information sought is, 'present plans re: lighting and pedestrian overpass.' The answer can be based on present plans even though the project, if it is to proceed, will be in the future. A return would be hypothetical if it were worded in a way to say. If situation (a) happens what will the government do? On the other hand Return No. 86 is asking for present plans re: a project. I find the Return to be in order.

I refer all hon. members to Returns No. 1, 2 and 3 as amended which refer to present budgeted amounts of money for future expenditures. Even though the Returns deal with the future, the information is 'present plans or budgets.'

**MR. CAMERON:** — Mr. Speaker, before the Orders of the Day — we didn't get to the Orders of the Day yesterday so I didn't have an opportunity to beg leave of the Assembly to move for a priority of debate but I had given your office notice in advance. I presume that it still applies and I would like, before Order of the Day today to beg leave of the members under Rule No. 17 to move a motion asking for priority of debate.

**MR. SPEAKER:** — Order! I was anticipating that the member may wish to proceed with the matter which he considered to be of some importance and I have a statement to make with regard to that.

Yesterday the hon. member for Regina South gave notice under Rule No. 17 for priority of debate regarding snow removal. Since the matter did not come up yesterday in the Legislative Assembly, the notice has expired. I refer all hon. members to Rule No. 17 (2) which requires a two —hour notice. It has been the practice of this Assembly to only allow the notice under Rule No. 17 to apply to the day that it was submitted to the clerk and cannot be given on days in advance of the day it is to be raised in the Assembly. I therefore rule that the said motion from the hon. member for Regina South expired at the end of yesterday. The member could have renewed such notice again today if he had wished to.

### **Return No. 93**

**MR. C.P. MacDONALD (Indian Head-Wolseley)** moved that an Order of the Assembly do issue for Return No. 93 showing:

- (a) The name of all oil companies that have paid taxes under Bill 42 from January 1, 1974, through either the mineral income tax or the royalty surcharge under that legislation; (b) The amount each company paid under the mineral income tax of Bill 42; (c) The amount each company paid under the royalty surcharge of Bill 42.

He said: — Mr. Speaker, I want to say a few words on this motion and the reason why I moved this motion at this time.

I would like to suggest, Mr. Speaker, that the government has this information very, very readily. In fact the government has given us the global amounts on two or three occasions. In order to get the global amounts it would be required to add up the amount of each individual company throughout the intervening years to achieve the figure of \$620 million that the Premier indicated and, therefore the information is there and available.

We are now getting ready to wind down this particular debate on Bill 47 to enter into third reading or the Committee of the Whole. The attitude of the opposition and I am sure I speak for both parties, will be very, very much related to exactly how much tax will be collected under the new Bill 47, the rate of income tax, the amount of money that that bill, Bill 47 will achieve each year and its comparison to those revenues of Bill 42, Mr.

Speaker, by offering this motion, on this occasion, it then will permit the government to have that information, which they have available and have indicated that it is available and turn it over to us before we commence Committee of the Whole. I am sure that it will help the speedy process of this particular bill through Committee of the Whole. I know that the Conservative opposition is very anxious to get on with the bill and get it passed as quickly as possible. I am sure that this kind of a motion will address itself to the very problem that they are interested in and I am sure that I speak, that all of us are interested in.

I am going to urge that the government, particularly the Minister of Mineral Resources in no way attempt to stonewall the House, to adjourn this debate, to do anything except provide the information as quickly as possible to expedite Bill 47 in Committee of the Whole.

Once again, I want to repeat, the government has this information readily available. The Premier gave us the global amount. The Minister of Finance gave us the global amount. The only way they could give us that information is to have the specific information contained in the motion and add them up on a simple adding machine.

So, once again, I do hope that all members of the House will support this motion, Mr. Speaker. I do move Return No. 93 showing, seconded by Mr. Malone (Regina Lakeview).

**HON. J.R. MESSER (Minister of Mineral Resources):** — Well, Mr. Speaker, I don't, with precision, dispute what the member who moved the motion has been undertaking to convey to the House and that is that the information is available. I don't know how just readily the information may be available. Certainly we do have the global amounts and I suggest that with some work we would be able to provide him with the specifics that he is asking in this return. I don't believe that we can undertake to depart from what has been the policy of this government and former governments in the province of Saskatchewan, in that this type of information is information of a confidential nature. I suggest to the member, and I am sure that he is fully aware, that such information when it is made available to governments in other provinces is also of a confidential nature. I am sure that if he wanted to take time to check with companies, oil companies or potash companies if you so like, or companies of any nature that pay moneys to the government and have to, in order to satisfy the government that satisfactory collection is being undertaken by the agencies of government, provide them, to generally speak, the contents of their books that it is done in a confidential way and that it is not to be made public and certainly not on an individual basis. I am sure that the member would also admit, if he so chose to, to indicate or convey to the Legislature and the people of Saskatchewan, that if that information was made available that it would have some negative repercussion to the business administration and the competition that those companies are supposedly pursuing.

I know that when the member for Indian Head was a member of the treasury benches that he, very much, advocated the needed confidentiality of certain information that the government held in its possession.

I suggest that even though he may have some concerns in regard to the present status of Bill 47 and how the measures of acquiring revenues from the extraction of oil in the province of Saskatchewan compared to Bill 42, that this is not an appropriate way of resolving the problem that he has.

I am sure, and I think that I can convey to him, that he will have an opportunity during Committee of the Whole to satisfy himself that the government is not going to sell the people of Saskatchewan short in the measures that it is pursuing in Bill 47, nothing like that and the approximate collection will be similar to the level of revenue that we were collecting under Bill 42.

Now Mr. Speaker, as I have some other observations that I wish to convey to this Legislative Assembly, I beg leave to adjourn the debate.

Debate adjourned.

### **Return No. 94**

**MR. E.F.A. MERCHANT (Regina Wascana)** moved that an Order of the Assembly do issue for Return No. 94 showing:

The number of automobiles "written off" by SGIO for each month commencing January, 1975, until the most current month for which figures are available in (a) Saskatchewan (b) Regina.

He said: — Mr. Speaker, Return 94 is a question that I have posed to the government for some time and have been told that they are not particularly interested in giving me the information. I have a suspicion that the government, to an ever-increasing degree, is writing off vehicles particularly in Regina and then using those vehicles for parts in the experimental station that they operate. I suppose, Mr. Speaker, that I may be coming under the spell of the paranoia of the car repair industry, but it is noteworthy to me that the government, under the guise of setting up an experimental operation, is moving increasingly into the car repair business. It's a part, Mr. Speaker, of the way this government, without making any announcement of any intention to move into a particular area, seeks evermore to move into areas that had been the preserve of private enterprise.

**MR. ROMANOW:** — Never, never!

**MR. MERCHANT:** — Well I note, for instance, SEDCO moving into the rental business, renting space . . .

**MR. ROMANOW:** — Well maybe almost.

**MR. MERCHANT:** — Almost never. Mr. Speaker, this information which I request, which should be easily obtainable by the government, will show the tendency, if the tendency in fact exists, and it is for that reason that I request the number of vehicles written off and move for Return No. 94 showing, seconded by the member for Lakeview (Mr. Malone).

**HON. G. MacMURCHY (Minister of Municipal Affairs):** — Mr. Speaker, the records of the corporation are not adequate to readily furnish the precise information requested. The monthly numbers of accident damaged vehicles which have been released to the SGIO, Salvage Division, as total losses, are available in the records of the company. These counts do not include vehicles which are constructive total losses where the salvage is retained by the owner. Further, the Salvage Division records show the numbers of total losses released to each of the five salvage depots. Accordingly, the number of releases handled by the Regina Salvage Depot include salvage units from

accidents both in the city of Regina and in the territory served by the Regina depot.

Therefore, moving an amendment to the motion as follows:

I move, seconded by my seatmate the member for Saskatoon Nutana (Mr. Robbins) that Return No. 94 be amended as follows:

That all the words after the word 'of' in the first line be deleted and replaced by the following:

Vehicles 'written off' by the SGIO and have been released to the SGIO Salvage Division for each month commencing January, 1975 until the most current month for which the figures are available in (a) Saskatchewan and (b) the Regina Salvage District.

**MR. MERCHANT:** — Just let me say that I appreciate the co-operation of the minister who is not here (Mr. Whelan) in giving me the information in this manner.

Motion as amended agreed to.

### **Return No 96**

**MR. E.F.A. MERCHANT (Regina Wascana)** moved that an Order of the Assembly do issue for Return No. 96 showing:

Pursuant to the Environment Impact Assessment Policy: (a) the date of hearing and subject of all Boards of Review held to date, (b) the date of decision and subject of all Internal Review Committee assessments, (c) the decision in each case above.

He said: Mr. Speaker, these questions seek to examine what I consider to be a very poor job being done by this government in the environmental areas, an area that was examined to some extent in question period today. The questions draw attention to the way this government has sought to make it appear that they were dealing with environmental concerns over the past few years though in reality the window dressing of their operation had no real effect whatsoever.

Mr. Speaker, in the 1960s North Americans began for the first time to be conscious of the damage we were doing to the environment. Though this government has talked a great deal about what should be done to protect the environment in reality the government has done very little. Saskatchewan's greatest asset is our wide open clean space, the good land that we have, yet there has been from this government an almost complete lack of direction about land use. We have had no land use policy to speak of and that decision to have no land use policy is in fact a decision to have a policy with a very serious bias. The absence of a specific policy has meant that the process of the economy operates to the long-term detriment of Saskatchewan people. This question seeks to identify the problem in Saskatchewan and to identify how serious that problem may be.

The difficulty of a 'no policy policy' is use the hon. Attorney General's word, to speak parenthetically about no policy, the difficulty of the — I have long wondered and meant to ask an English teacher what it is to speak parenthetically — but the difficulty of a 'no policy policy', the no direction kind of policy is that by not taking any steps at all, Mr.

Speaker, by doing so little, the private enterprise sectors work in an uninhibited way and work to our damage because we in the public sector end up paying for things in the long term, Mr. Speaker, that concerns me particularly as a Reginian and particularly concerns me as someone who is worried about the Qu'Appelle chain on lakes. We have talked for years about cleaning up the Qu'Appelle lakes, yet very little has been done by this government and I suggest very little has been done by the Qu'Appelle Implementation Board.

Four years ago in December of 1973, the Saskatchewan Environmental Advisory Council reported to the government that a single agency had to be established to co-ordinate land use. The Council criticized the government for seeking to appear to have a policy while in fact the government was ignoring the major environmental problems that faced us in Saskatchewan. And the council also criticized the government for ignoring the major problems in the Qu'Appelle chain. The suggestions of the Environmental Advisory Council were ignored by this government so that the situation we face today has had four additional years in which to deteriorate and is therefore all the more pressing. The council criticism was directed, I believe, at both this government and at the Liberal government which preceded it before this government was elected in 1971. I have no hesitation in admitting as a Liberal that our party failed to have the appropriate environmental concerns in the late 60s as those problems came upon us. But Saskatchewan people who might in 1973 have said that the NDP needed some time between 1971 and 1973 to get their thinking together, those Saskatchewan voters who would have accepted a two year delay, certainly won't understand the four year delay that has followed the recommendations of the environmental council. They recommended then that a single agency should be established and a single agency should now be established to deal with land use questions in relation to the many departments involved, the Department of Agriculture in facing questions regarding land clearing and soil conservation, the use of agricultural chemicals and in many other ways, faces land use and environmental questions daily. They face problems that affect our lakes and our rivers and they give little thought to the effect involved. Similarly, the Department of Mineral Resources faces environmental questions on a continuing basis where they gain little thought to the environmental questions.

Another department facing frequent environmental questions is Natural Resources and that department has evolved the rather curious philosophy of multiple use in an effort to co-ordinate the often conflicting activities of sport and commercial fishing, parks and recreation, lumbering, the preservation of natural forests. The so-called multiple use policy is really a means of covering up the fact that they do almost anything that comes to mind and the department that is perhaps the worst offender of our environmental concerns in Saskatchewan is the Department of Natural Resources which should be doing the most and be most conscious of environmental problems.

The Department of the Environment was set up, and I see the minister furiously taking notes for some reason. The Department of the Environment which the NDP says is in control is at best just a persuading agency. Indeed, I expect that the Minister of the Environment wishes that the cabinet would give to his department the kind of power that they should have. They should long since have been given the power to deal with other departments on land use questions and to impose the policies that I hope this House will enunciate, rather than merely having the power to persuade and the power to deal with their boards in certain narrow areas.

The answers to the questions which I will move shortly will demonstrate that the environmental impact policy is a sham. It has little effect, it makes few inquiries and it seldom stops development. We now have a system which allows the private sector to develop in almost any way it sees fit and then looks to the public sector to pay the cost of the clean-up. Paying the cost of environmental concerns should be included in the cost of the project.

The government non-policy really amounts to a policy with a number of characteristics. First, the environmental protection, as such, is given low priority when it comes into conflict with other concerns, particularly income-producing primary products extraction. Second, extraction of primary products from land is given priority over all other uses of land. Third, although the Department of the Environment has some responsibility for environmental protection, in fact a series of agencies deal in part with the land use questions and they are basically uninterested in these questions and lack any real power to deal with environmental concerns. Fourth, uses of land which generate some private benefit are deemed paramount to those uses which create public benefit through the public frequently gets the opportunity to pay for the costs of the clean-up. By that, Mr. Speaker, I mean that we give a paramount concern to private uses and we allow the private developer to proceed without undergoing the cost of the clean-up and then two, five, or twelve years later. Government and thereby all of us are asked to participate in cleaning up the mess that the private developer has created.

These four characteristics, Mr. Speaker, shine through in the NDP non-policy and though I don't presume to dictate what the guidelines should be, quite clearly my thinking about the appropriate guidelines tend to come through from my comments in terms of outlining what the realities of that non-policy really are. We should have a single agency concept to deal with land use questions and those policies that the agency will co-ordinate should be laid down by the Legislature.

The questions that I will move will particularly draw attention to the problems faced along the Qu'Appelle chain which is of such importance to Saskatchewan people and southern Saskatchewan people in particular. The appearance of action in cleaning the Qu'Appelle chain simply isn't good enough to solve the problems. Government, at best, has taken a sort of band-aid approach to clean up the Fishing Lakes, Tertiary cleaning systems for Regina and Moose Jaw are better than nothing but only just better than nothing. Regina does a reasonably good job but Moose Jaw goes on being allowed to pump a continuing sea of green slime into the chain. You know, Mr. Speaker, if you went right now you would see from the Moose Jaw sewage plant the flooding out of a continuing river, almost, of green slime. You can't describe it any other way. And what happens to that is that it freezes and it freezes down a distance of about 10 or 12 miles and then in the spring it all melts at one time. And that, Mr. Speaker is sort of preserved by Moose Jaw to be pumped into the Fishing Lakes just in time to get the algae off to a good start when the spring heat comes.

No effect is really had in a substantial way by the Moose Jaw clean-up and where, as I said, Regina does a reasonably good job, Moose Jaw does a lousy job. And another area, Mr. Speaker, no effort is made to keep nitrogen and phosphorous-rich fertilizers out of the Fishing Lakes. They run off from the farms, and again its a problem of no co-ordination and nobody with any clout to do anything about it. In highway construction an almost determined effort seems to have been made to cut broad slashes through the hills along the Fishing Lakes to scar the valley rather than beautifying it.



Some years ago when Tom Gentles was in charge of the program in the Qu'Appelle area, the government went on record as saying that the valley was an archaeological treasure trove and they would ensure that the highways wouldn't desecrate the Qu'Appelle basin. But what have they done in reality? Instead of having the sort of meandering roads that should be going down the lakes, the government a few years ago built a road that slashes by Fort Qu'Appelle. It looks more like an effort to land 707s and some sort of a washbasin runway than a highway and the slash through the town of Fort Qu'Appelle whisks travellers through the valley and looks like a knife cutting through butter in the area of the Fort.

Tom Gentles to the Minister of Highways is sort of a switch from the intellect of Lysanthian? to the horrors of the barbarians and the effect on the Fishing Lakes is a very bad one.

The Qu'Appelle Implementation Board which has representation from the provincial and federal governments and has a high level of professionalism has a low level of feeling and has no local input. Part of the answer to that would be to add people from the Qu'Appelle area to the board and recognize that third level of interest, The governments, both in Ottawa and Regina, have refused to do that, the government in Ottawa, which I have approached privately, and the government in Regina that I have approached publicly. Solving the problems of the Qu'Appelle chain is part of the job we have to do in enunciating a meaningful land use policy and I will look at the answers to the questions that I pose to see particularly whether the highway through Fort Qu'Appelle was the subject of an environmental board as it should have been.

I hope members in southern Saskatchewan, with the Qu'Appelle chain in mind, all the more will support this resolution. I mentioned my hope that in due course this Legislature will be able to debate the specifics of land use policy. It is not good enough, Mr. Speaker, to pass the question of formulating land use policy to the public service. These are tough political questions and they should be taken under the scrutiny of the public in this House. A decision by government to delay action through putting it back into the public service maze until after 1979 and to avoid the hard political decisions would be a very bad decision. Resolving land use questions and coming forth with the policies that we need is a duty for us as elected officials. The process should not be hidden and should not be delayed by government. The public should be involved and we should get on with the job.

I, therefore, Mr. Speaker, move, seconded by my seatmate, the hon. member for Morse (Mr. Wiebe) Return 96 showing, which reads:

Pursuant to the Environment Impact Assessment policy, (a) the date of hearing and subject of all Boards of Review held to date, (b) the date of decision and subject of all Internal Review Committee assessments, (c) the decision in each case above.

**MR. J. WIEBE (Morse):** — Mr. Speaker, I think the issues which Mr. Merchant has presented to this Assembly today are certainly worth consideration. I have other concerns which I would like to express in regard to this particular question and beg leave to adjourn debate.

Debate adjourned.

## RESOLUTIONS

**RESOLUTION No. 1 — Assisting the growth of small business sector in Saskatchewan.**

**MR. E.F.A. MERCHANT (Regina Wascana):** — moved, seconded by Mr. Wiebe (Morse):

That this Assembly urge the Government to examine its taxing, economic, and purchasing policies with a view to assisting the growth of the small business sector in Saskatchewan.

He said: Mr. Speaker, I am so pleased to have an opportunity to speak in this House.

**MR. ROLFES:** — Inaudible interjection.

**MR. MERCHANT:** — Well you know . . . Herman I have always said that you should be paid in this House, not on the basis of how many speeches you make, but how many of other people's speeches you have to sit and listen to.

Mr. Speaker, this motion focuses on carrying the continuing tendency towards the concentration of corporate power. I expect, Mr. Speaker, that it is the kind of motion that may be near and dear to some of the hearts of the members opposite, and certainly all of us here, since I am moving the motion. It is the Tories that will oppose this.

Mr. Speaker, concentration of corporate power endangers the private enterprise system that I support in a way that is different from, but I suggest just as dangerous, as the thoughtless attacks of the far left. Every examination of Canadian corporate ownership points to a continuing concentration of power in the hands of the few. This process threatens to turn us from a nation of entrepreneurs to a nation of under-achieving employees. Part of the problem has been a failure to see that our goal must include maintaining small business.

We, in the Liberal Party . . .

**AN. HON. MEMBER:** — Want a membership?

**MR. MERCHANT:** — Well that's where the member is wrong, because the member opposite forgets that it was the Liberal party for 100 years that maintained the interests of the small and it was the Liberal Party for 100 years that led in social development and led in the kind of legislation that makes Saskatchewan able to endure your kind of government.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. MERCHANT:** — Mr. Speaker, we have worked in the Liberal party effectively for years toward the goal of fairly disbursing income. We see that as a goal, just as the NDP sees it as a goal, even if the Conservatives don't see it as a goal. The difference, Mr. Speaker, is that we have done that without destroying the initiative of the hardworking people in this country. Though disbursing income continues to be one of our aims, it now becomes apparent to me and others in the Liberal Party though it has not apparently become apparent to members opposite, that to some extent we must widen that goal, our goal has been too narrow and latterly that goal has started to destroy initiative. Where a goal fitted in the 20s and 30s it is not graduated to the 70s and 80s. People, unable to rise to the entrepreneurial or professional level, for those people we

have done a good job of disbursing income. But at the entrepreneurial level in dealing with the people who create jobs and build the nation, we failed to set ourselves a goal appropriate to the 80s and 90s. We must not just disburse income, but disperse wealth itself and disburse the power of industry and the power that goes with wealth.

Our fixation about income encourages too many of us to become employees depended upon someone else, who becomes more powerful as the risk taker, while we as employees become more dependent. Acceptance of the goal of dispersion of wealth and power will lead to greater individual freedom, greater creativity and greater self-sufficiency. It is for that reason we must address ourselves not just to the question of who will get the benefits from the goods and services we have produced but who will in fact produce the goods and services, who in fact will be the employer. We can achieve the goal of dispersing wealth and power in at least three ways. We can over control, as the NDP do; we can put government directly into business, as fools would do; or we can achieve a dispersion of power and achieve competition using the forces of the market place as I suggest all hon. members should want to do. We must ensure, Mr. Speaker, that the ratio of large business to small does not change towards corporate concentration. The small business maintains competition in the market place. Small business in many consumer organizations play in their individual ways important roles in maintaining the delicate balance in our economy.

Our governments in Regina and Ottawa are neither totally undeserving of praise nor of blame for their actions in maintaining that delicate balance. Particularly praiseworthy is the Department of Regional and economic Expansion, the Federal Business Development Bank, in this area if not in their administration, the Saskatchewan Economic Development Bank and the small business initiatives of the Federal Ministry of Small Business. There are a number of areas, however, that require improvement. It is these areas that are contemplated with this motion which asks for examination of our policies in Saskatchewan. Some of the areas can be dealt with in broad strokes. They are well understood and the question is whether the government will move in those areas.

A policy of that nature is a 'buy Saskatchewan first' policy. (I see the Minister of Finance is back) Alberta has a "buy Alberta policy", but we in Saskatchewan refuse as a government to give special attention to purchasing products produced by Saskatchewan manufactures and carried by Saskatchewan companies. I note that Ontario is now considering abandoning the 'buy Ontario first' policy provided that is done in a reciprocal way by Quebec. That changed attitude in Ontario does not flow from a discovery that they lose by the policy but rather, as has been explained by their treasure, Mr. McKew, that Ontario finds they are losing more business because of the 'buy Quebec policy' then they are gaining with 'buy Ontario.' I suspect. Mr. Speaker that we are losing a great deal of business to Ontario, Quebec, Alberta because of their policies which encourage the purchase of products produced by their province and we are getting none of the benefits of that kind of a policy in Saskatchewan.

Mr. Speaker, the second policy that this motion encourages would be legislation similar to the American Set Aside Program. Again this is something for the Minister of Finance to consider. In the United States government agencies are expected to assist small business in obtaining government supply contracts where small firms can feasibly provide the necessary products. As a result of this program \$18 billion out of \$54 billion spent on government purchases in the United States went to small business. One-third of the purchases by the American government didn't go to large corporations but went to small business.

**MR. ALLEN:** — Define small business for us, Tony?

**MR. MERCHANT:** — Under 200 employees, something in that area. That definition, I say to the member for Rosemont, gives me some problems in that the definition of small business has to be one that fits the jurisdiction in which you are dealing. The American definition is a business of under 500. I think that that is too large a definition, a business of too large a scope for Canada and certainly a business too large for this province. But even if we were setting aside a certain amount of business and saying that that business had to go to companies that employed fewer than 500, even if we were cutting off the 40 or 50 or 80 corporations, I don't know how many it may be that are larger than 500 in this nation, perhaps its thousands, even if we were saying we'll give special attention to businesses under 500, that would be a step in the right direction. I believe that a definition in the 200 to 300 range is better for Saskatchewan and a definition in the 500 range may be acceptable for Canada.

Mr. Speaker, a second part of the 'set aside policy' is that big companies dealing with the American government must agree to subcontract with smaller firms. The purpose, Mr. Deputy Speaker, of that is to avoid large companies using their ability for vertical integration to do all the things within their own corporate structure.

Now both programs, I suggest, the 'buy Saskatchewan policy' and the 'set aside policy' could be very successful in assisting to maintain the small entrepreneur in this country. Those programs have been very successful in the United States.

The third area, which involves some legislative change would be part of the 'Saskatchewan set aside policy' is the effect on small business of a lack of protection when subcontracting with larger firms. We should have laws in this country similar to those in Japan which protect small business in their subcontracting interactions with big business. You know, it is interesting that Japan and the United States, two of the most powerful nations in the world, have taken the time to protect small business and Saskatchewan and Canada, two nations that should be doing all they can to assist small business because our large businesses are multinationals not even owned by Canadians, Canada does very little. The laws in Japan, among other things, guard against long delays in payments made to subcontractors. It is interesting that in Canada we protect workers with various wage laws but do not protect subcontractors, yet often those subcontractors are really little more than a small partnership of individual workers. By failing to protect them, as Japan does, we encourage vertical integration. Another area, Mr. Speaker, where we should move is that we should take the tax advantage away from large and small sized enterprises alone and move it to the medium and small. It may sound curious to members to hear me say that large and small business both get a tax advantage to the exclusion of the medium sized but that's the case. Large business gets the tax advantage because they tend to be capital intensive and through effective use of capital cost allowances frequently can defer tax almost to the point of oblivion. We see, for instance, with the oil industry that they never pay tax. Those industries, oil industry, the mining industry they keep putting off tax and avoid their tax share almost indefinitely. That's the way big business . . . (interjection) . . . Oh, don't try to paint what the Attorney General used to call the newer then new Liberals into the old mold, because the newer then new Liberals can read.

**MR. SMISHEK:** — Read Bill 47.

**MR. MERCHANT:** — I share with the Minister of Finance all of his suspicion of the oil

industry. I have no brief to bear with the oil industry. I know that through transfer payments that they would be moving any income out of this province, that they would be avoiding their proper tax share, I have no doubt about that. That's the reason, I'll say to the Minister, that's the reason you will not hear me, at least, in any way criticize some of the provisions of defining income. I know that if the ordinary income tax rules were applied no oil company would ever appear to make any income ever again. They would go for 2,000 or 3,000 years without making a dime. There would be an awful lot of rich people but they would have never made a nickel in the process.

Well, Mr. Speaker, that's an example of the way large business uses taxes and because they are capital intensive get tax advantages and that's the reason a large business pays a smaller tax than medium sized businesses. Now small business has a special tax advantage in their initial years which assists them and they also tend to have certain government programs to assist them. The problem is that when they rise to the medium size and move into a range where they could compete effectively and bring some competition to bear on the truly large corporations, then they are unable to avail themselves of the tax advantages of capital cost allowances available to the really large companies and they are not capital intensive as the large businesses are. The laws are the same but the emphasis on equipment in larger companies gives them the advantage within the law.

Now, Mr. Speaker, I am long in saying that tax change is something where we should be moving and long in secondly saying that we should be moving to have tax changes to create incentives for new venture formation and that's not happening now. It's not happening at this level but in fairness, that's a problem more at the federal level than it is with this government.

Mr. Speaker, the last area in which change is needed deals with the burden and the tax load involved in the many forms that companies have to complete and forward to the government. Government, for some reason, makes no systematic review of the forms that they ask small business and large business, alike, to forward to them, so that the bureaucrats require a continuing and mounting flow of paperwork which is a great inconvenience to business. The more complicated the process, the greater the disadvantage to small business. The load of sending forms is more onerous upon small business than it is on large business. For one thing most of the forms and most of the taxes involved are required regarding employees and small business is more labor intensive than large business. Secondly, there is an indirect tax involved in paying those payroll related taxes and again because small business is labor intensive and frequently involved in the service industry, once again we are putting the advantage — well we are putting the disadvantage on small business and thereby giving an advantage to the large and medium business, but particularly to large business which is capital intensive and usually not involved in the service areas. Lastly, regarding this forms argument. Large business can afford to economically hire people who will specialize in dealing with government, while small business and the small businessman, who must be a generalist and do all of the things involved in running his business, finds that preparing those forms is a very onerous and difficult task for him. Workman's Compensation, unemployment insurance, the Canada pension Plan, they all require paperwork which rises based on the number of employees involved and they all require payment by the employer, based on the number of employees he has. Small business is more labor intensive in terms of produce produced and a disadvantage goes against them.

All business, I suggest, Mr. Speaker, is ill-used by government in being forced to work

as the government's tax collector but frequently small business finds itself having paid out those taxes, the Minister of Finance may be aware of this, the taxes have to be paid at the time of invoicing the client and not at the time of receipt of the funds. Larger business is usually dealing with other businesses and larger business is seldom dealing in the service industry. Small business deals directly with the customer and small business frequently has problems with delinquent accounts and is really engaged constantly in lending money to the government. It is ill-used by the government as a tax collector and not paid adequately in that capacity. It is ill-used by the government because it is forced, in essence, to lend money to the government. Big business, with a better control over the date of payment can usually deal with the matter and isn't ill-used by government in this area.

Mr. Speaker, government forms are too complex, there are too many of them. All too often they are conceived by people who lack business experience and lack an understanding of the complexities involved in replying to questionnaires which have been forwarded. Depressingly, business frequently doubts that the information is put to any good. The benefits of the information gathered is seldom passed directly back to the businessman who has taken the time to assist his government by completing the forms and all of that falls as an expense on the businessman, an expense for which he gets no return from government.

Government, on the other hand, is often slow in responding to inquiries by business and frequently insulting when they do respond. Business and to some extent the public at large frequently are left with the impression that public servants are, parenthetically speaking, out to get them rather than employed to help.

Though these comments apply more aptly to the federal government than to the Saskatchewan government, more aptly, I am afraid, Mr. Deputy Speaker, because the largeness of the federal bureaucracy has resulted in a lack of control of that federal bureaucracy. I think, Mr. Speaker, that public servants are, by and large, very well motivated people. It is a lifetime battle.

The problem becomes though, Mr. Speaker, that businessmen find that when they ask for guidance they are commonly told what they may not do but seldom told what they may do and how best to work within the rules and regulations that they face.

Where the bureaucratic problem may be a bigger problem for the federal government, the problem of attitude by this government is a bad one. That spills over, I believe, into the attitude of some of the public servants, public servants, Mr. Deputy Speaker, who know that basically this government is an anti-business government, whether that be big business or small business, an anti-business government.

**MR. ROLFES:** — That's nonsense

**MR. MERCHANT:** — That is not nonsense, The apparent lack of co-operation with business . . . (interjection). Mr. Speaker, I know that the hon. member would like to talk about the circus and tell us how much he enjoyed it when he was last there with all of the other children.

Mr. Speaker, part of the problem in this discussion of the way large business and small business are put to different degrees is that the large businessman and, indeed, I suppose the sophisticated businessman like a Don Lear, knows how to deal with government. And large business, in general, hires people to deal with government, hires people to deal

with the federal government, hires people to deal with the provincial government. Small business isn't able to do that and as your government increasingly involves itself in the lives of businessmen, not wanted I might add, the result is that it works, again, a special disadvantage to the small business community which all of us should be trying to encourage.

Mr. Speaker, I believe that Saskatchewan and Canada are filled with people with an entrepreneurial spirit. They must be encouraged. Governments should be working to give an advantage to the single proprietor or partnership rather than maintaining the advantage that the large corporation now has.

It is with that review that I move this motion, Mr. Speaker, before I hand to you that motion let me say that I hope the government will consider some of these ideas. Some of the ideas may be new to the government such as protection in sub-contracting, as Japan does. I can say that I have not been displeased with the way the government has been prepared to look at ideas from time to time and I hope that in my absence you will consider some of these policies.

I move Resolution No. 1, seconded by the hon. member for Morse, Mr. Wiebe.

**SOME HON. MEMBERS:** — Hear, hear!

**HON. N. VICKAR (Minister of Industry and Commerce):** — Mr. Speaker, I listened very intently to the remarks from the member for Regina Wascana and his concern about small business in Saskatchewan.

I should like to tell the member that we, on this side of the House, are also very concerned about the small business people in the province. I note with very much interest that he had little trouble in defining small business people and he used the measure of 250 employees to stage the scene for small business. I, too, sometimes have a problem in defining a small business. Whether you use employment figures of gross dollar figures, is a matter of opinion. We, on this side of the House, have introduced legislation and we have on the books programs that are to assist small business. We have special assistance programs that are not chargeable to small business for their assistance whenever they require them. We have property improvement grant programs that have been established for small business over the period of years. If you go back to the budget speech of 1977, last spring, when the Minister of Finance made an announcement and I will read that to you:

That effective January 1, 1977 Saskatchewan will introduce a dual rate for computation of corporate income tax for those businesses that are eligible for the federal small business deduction. The rate will continue at 12 per cent.

We are, therefore, very interested in the promotion of small business and with that in mind, Mr. Speaker, I am going to have much more to say with regard to this motion and I, therefore, at this time would beg leave to adjourn the debate.

Debate adjourned.

### **Resolution No. 3 — Wasteful advertising expenditure on TV**

**MR. R.E. NELSON (Assiniboia-Gravelbourg)** moved, seconded by Miss Clifford (Wilkie):

That the Government of Saskatchewan immediately discontinue the wasteful expenditure on TV and other advertising of Crown Corporations and other Government services when this advertising is aimed at promoting the NDP Party and their philosophy.

He said: Mr. Speaker, before introducing this resolution regarding the wasteful advertising and expending of taxpayers' money in Saskatchewan by the government of the province, I should like to make a few comments with regard to the resolution.

For many months now we have been subject to seeing large ads advertising the Saskatchewan Potash Corporation. It is not too difficult to realize that the only intention of these potash ads is to brainwash the citizens of our province into thinking that potash expropriation and takeover was a worthwhile effort.

**SOME HON. MEMBERS:** — Hear, Hear!

**MR. NELSON:** — While potash is used for the making of fertilizer, in Saskatchewan the land has no use whatsoever for that particular fertilizer. The only thing the government has in mind is convincing the citizens of our province that this very idiotic step that this government took in spending nearly half a billion dollars of our money was in some way an intelligent one. What really happened was that this government obtained money from outside the province, gave it to large potash companies and sent them packing in other parts of the world only to compete with Saskatchewan for those potash markets.

Mr. Speaker, there is not a person in Saskatchewan that is interested in the slightest in buying potash or the products of that corporation. Surely the wasted money that is spent on advertising that corporation could be used for cutting the taxes of the taxpayers of this province. If this government continues to expropriate potash mines in our province we can also be assured that those companies will take the money from our province and develop mines in the rest of the world, whether it be New Mexico, New Brunswick or otherwise, they will be taking markets from us and it will be much wiser for the Saskatchewan Potash Corporation to be advertising and promoting sales outside the province than trying to sell their philosophy of nationalization of the Potash Company within this province as they are really doing with the advertising of this product. This continued advertising of the Potash Corporation of Saskatchewan does nothing more than warn other potash companies in this province how very stupid they would be to upgrade their facilities or to ever develop any further mines in Saskatchewan while this government is in power.

Mr. Speaker, what this government has done as far as advertising of the Potash Corporation of Saskatchewan is nothing more than to push the philosophy of the NDP Party in the owning of resources. The mines were already here and developed. They have not created one new job. They have done nothing more than take Saskatchewan dollars and send them out of this province. They have damaged the industry, they have damaged the reputation of Saskatchewan. They are trying to advertise it to the people of Saskatchewan as being a successful venture.

Mr. Speaker, we have heard on many occasions the advertising of Saskatchewan minerals. We have heard the advertising of the sodium sulphate industry in this



province where many thousands of dollars again are being spent. What the government has done with these particular dollars, what they should have done, is develop mines and have market research so that this product could have been sold and that industry could have stayed viable. A good example of the lack of success this government has had as far as Saskatchewan minerals is concerned, was in closing down of the Bishopric Sodium Sulphate plant. This particular plant is in my constituency, in Assiniboia-Gravelbourg. It was very sad to say that many young families were put out of jobs and many had to leave the town of Mossbank. Nearly one-tenth of the population of Mossbank was driven from that town by the lack of business sense of this government in the developing of markets for that product.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. NELSON:** — Had the government used common sense they could have controlled the productivity of all those mines by a very slight cutback and could have kept the Bishopric plant open until such time as they got off their hands and got out and found markets for that product.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. NELSON:** — Certainly the advertising of sodium sulphate in Saskatchewan did not sell one extra dollar's worth of that product.

Mr. Speaker, while we are trying to conserve energy in our province we see continuing advertising of Saskatchewan Power Corporation. We see advertising encouraging people to use more electricity, yet on other ads by the same corporation, asking for conservation of energy. The two are exactly opposite. I say. Mr. Speaker, again this government is using taxpayers' dollars in a very wasteful way. I have nothing whatsoever against Sask Power Corporation advertising safety and the safe use of power in Saskatchewan. That is an entirely different field. The particular ads that are just there to advertise Saskatchewan Power Corporation that is a monopoly in this province, is wrong and should be stopped immediately.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. NELSON:** — They have not any competition, and the government has no right whatsoever to use taxpayers' money to tell of the greatness or of the activities of Sask Power Corporation.

Mr. Speaker, it is scandalous when we hear the Attorney General of this province advertising provincial Cabinet meetings throughout the province only to go on to advertise political meetings at the same time. Surely when less than 40 per cent of the province is interested in the philosophy of the NDP, and I might add at this time that the percentage has dropped quite a little, the Attorney General has no right to spend the other two-thirds of the citizens' money in the advertising of the socialist party and their philosophy.

Mr. Speaker, it will be interesting to see just how many dollars the taxpayers of this province will spend in the next few weeks convincing the people of Saskatchewan what villains there are in the Supreme Court of Canada. It will be interesting to see how that particular group across the way will try to convince the people that they never really lost that case — that all is well — that \$500,000,000 is nothing more than a myth and that all is well in the province and the oil industry. One wonders, in their advertising, if they

will explain to Saskatchewan just what happened to the oil industry — why there is no oil exploration being carried out in this province, why they have completely wrecked the industry as well as losing \$500,000,000.

One of the most sinister advertisings of this government program of Crown corporations is that of the Saskatchewan Economic Development to push the SEDCO corporation trying to get more dollars out, not only into the cities but in the rural areas as well. What are they really doing, Mr. Speaker? They are out helping to break credit unions in this province. They are out to run competition to small credit unions in small towns. They have the money to advertise using the Saskatchewan Treasury as their base. Credit unions do not have that luxury. This is wrong and is not honest advertising. SEDCO is to be a lender of last resort; SEDCO was to help when other financial assistance was not available. This is not what advertising or what SEDCO is doing at the present time. They are out to compete with small credit unions and I do not believe it is fair or right.

The extra advertising the Saskatchewan Economic Development Corporation is able to do will certainly convince many people to use their facilities and they will be by-passing their credit unions and other financial institutions on their own small towns. They are doing nothing more than trying to get more loans out that are better to offset the many losses they have shown in the past through their inept way of running business. Through the advertising process they hope to get credibility back into that corporation. They are doing it on the backs of the small institutions such as the credit unions of this province.

Mr. Speaker, these are just a few of the examples of what this government is doing in the advertising field. They are using Saskatchewan's dollars to advertise their philosophy and to advertise things that do not need to be advertised. I say it is time that this false advertising came to a stop. The people of the province are not interested in spending their dollars on a government in this province to sell the philosophy of one particular party. They will have ample opportunity to make their decision on whether or not they want this government in the not too distant future. I know at that time the group opposite will no longer be there. There will be a Liberal government in this province and we will clean up the mess and not waste the taxpayers' money of this province, I so move this resolution.

**MR. McMILLAN:** — Mr. Speaker, I raised this particular point in the news media some weeks ago regarding government advertisements . . . (interjection) . . . Thank you, Jack, I thought it would be appreciated. I would like to take the opportunity sometime in the future of further developing those arguments in order to supplement the comments made by the member for Assiniboia-Gravelbourg and I would like to take leave at this time to adjourn debate.

Debate adjourned.

### **Resolution No. 5 — Removal of Compulsory Retirement Policy**

**MISS L.B. CLIFFORD (Wilkie)** moved, seconded by Mr. Merchant ( Regina Wascana):

That this Assembly encourages the government to remove its compulsory retirement policy within the Saskatchewan Public Service and enact amendments to the Saskatchewan Bill of Rights to protect Saskatchewan workers from discrimination in hiring and compulsory retirement because of

age.

She said: Mr. Speaker, in asking for the government to remove its compulsory retirement policy within the Saskatchewan public service and to amend the Saskatchewan Bill of Rights, we are moving to protect Saskatchewan workers from discrimination in hiring and compulsory retirement because of age.

Although I agree that the majority of people prefer to retire at the customary age of 65 or earlier there is a small but important minority that either does not wish or cannot afford to retire at 65. Compulsory retirement certainly discriminates against this minority.

Mr. Speaker, let us look for a moment at retirement and the conditions surrounding and leading up to it. When a child arrives at the age to go to school or a youth goes to university or high school or a person gets a first job or gets married, these are not thoughts of as age tombstones but as events in a stream of life and as a change of status. In the same way retirement is to be looked upon as a beginning of a new life experience.

I would just like to say at this minute that if the members to my left would like to get involved in this debate or contribute to private members' day which they feel is so important to this Legislature, I would say that they should stand up on their feet and not bother to criticize other members who are trying to contribute something.

Every person who retires is a special case, Mr. Speaker. No formula will fit everyone but everyone can benefit by applying the experiences of others to his own case. The case of flexible retirement depends on a number of emotional, psychological, social and financial factors. As previously mentioned, there is a small minority of people who may not wish to retire at 65. The first three factors mentioned above usually contribute to this decision.

Retirement cannot be approached by society or the individual with the idea in mind that you are going to play games you are not used to and do not particularly like in order to fill time and to escape boredom. Some people after a life of heavy and tedious work have a natural desire to rest and providing they can find some quiet projects to keep their minds and interests alive this may be the wise thing to do. However, Mr. Speaker, in most part during their working years, people spend a large part of their time thinking about their job, executing it with professional competency and being pleased when it turns out well. It becomes a part of their body, a habit of body and mind. Unproductive leisure will not take its place. When leaving an area of an active wage earning life, older people have valuable knowledge, experience and wisdom to pass on to others, Mr. Speaker. By doing so each find personal satisfaction and feeling that their life is worth living. It provides them not only with something to do but gives them the satisfaction of using their talent to make a contribution to their community after completing their normal work career. Every retired person has developed skills and has accumulated knowledge which could add greatly to the welfare of the community. As Bertrand Russell once said, "It is the great reward of losing youth that one finds oneself able to be of use to others."

I am the first to admit that satisfying work does not have to be associated with wages and I would like to mention at this time because I am sure that there are members opposite or on my left that oppose the resolution, this will be their main thrust. If material circumstances permit a retired person may have the satisfaction of spending fairly large amounts of time in helping others, a service that can be more valuable than

money contributions. If one has budgeted well and is fortunate to have savings to last the retirement years there are many opportunities in their community and abroad for gratis service. There are opportunities everywhere, whether it be in Canada, in Saskatchewan in your community or in bigger cities for the retired person to concern himself in community development in a positive way, to rejuvenate community living so as to make a favorable environment for people of all ages. This is particularly an aspiring and acceptable challenge. There is even opportunity to help abroad if one so desires through the Canadian Executive Service Overseas. This is a non-profit organization where retired people can contribute for some period of time with professional, technical, or executive skills.

Mr. Speaker, as I indicated before that there are number of ways that retired people can volunteer their talents. Retirement, however, is not made up of dreams. There are realities to be dealt with and a leading contender in that first place is finance. This brings us back to the other main reason why mandatory retirement age is discriminatory. As much older people would like to contribute their services they may find that they cannot financially afford to retire at 65. With rising costs for the amenities of life this is an increased concern. An overriding concern is always whether they will be able to look after themselves, whether it be at home or in an institution or a nursing home after their regular income has stopped. With our high rate of nursing home care costs I can certainly see why this concern is widespread. Mr. Mullins, chairman of the Senior Citizens' Provincial Council said as quoted in a Leader Post article:

Compulsory retirement robs persons 65 and over of social relationships and categorizing them, culturally and economically. Mandatory retirement means loss of work, loss of money and loss of status, Mullins said. Society has few meaningful substitute roles for persons forced to retire and the loss of a meaningful role is the beginning of the dying process. There is a wide range of stereotypes and myths associated with retirement and these contribute to the dehumanizing process. These fallacies and myths would have us believe that most old people are unproductive, accident prone, absent from work more than young people and in short not good for anything. This simply isn't true. Mr. Mullins said, while studies show most workers want to retire, their desire is conditional and depends on financial security. He said, most retired persons on fixed incomes do not enjoy financial insecurity and this compounds the injustice of mandatory retirement.

Due to all these inherent problems, Mr. Speaker, we are offering a number of considerations. I mentioned previously in my Throne speech that as there is a wealth of talent and experience in many retired people and as many retired men and women wish to continue to contribute their abilities to productive efforts but don't have an adequate opportunity to do so that there should be a retired persons bank established which would assist in co-ordinating the demand and the opportunity for work from retired people with the availability of retired people to do work suitable to their particular experience. Such a measure would not hinder the normal flow of the business world but provide a needed resource area. For example, many retired people need assistance for things such as plumbing and carpentry and qualified persons could accommodate these needs for a minimal charge. Such jobs are often left due to the excess demand for professionals, the inability to get service quickly, combined with the higher rates charged. By allowing retired persons to fill this gap a need would be serviced and their incomes could be supplemented.

The final example, Mr. Speaker, is where a person is unable to retire because of limited financial reserves. Such is a fact of life and we must be ready to face the obvious need. Such legislation would not make it mandatory to hire people after 65 or stop people from retiring earlier. It would instead, Mr. Speaker, allow those few who find a need to work for financial or other reasons to remain in the working world. This is only fair.

Mr. Speaker, we do not want to be in a position where we foster a situation as described by Dr. Robert Butler, chairman of the American National Institute of Aging, where discrimination against the elderly or ageism, is every bit as real as racism or sexism. Mr. Speaker, we feel that this is a need of great importance and I urge all members to support this resolution and the pertaining bill that will follow later.

Therefore, Mr. Speaker, I move this resolution

**MR. MERCHANT:** — Mr. Speaker, I sent a note to the Minister of Revenue indicating that I intended to adjourn the debate and have further remarks to make at another time. This subject matter is the same subject matter covered by the four bills that I can't find on the order paper which the House will be dealing with in due course. The subject matter involves amendments to four different pieces of legislation in order to give effect to the intent of the legislation.

There is a second area that the legislation will deal with not mentioned by the mover of the provision and that is the question of discrimination in terms of employment. When I move the bills in second reading I will discuss with the House the problems of employment between the ages of 45 and 65. It comes down really, Mr. Speaker to this question. Are we going to allow the compulsory casting off of people who are capable of working? I hope that hon. members will join with us in supporting this resolution and in supporting the bills, which says that employers should not be able to set rules that allow them to cast someone off. It may well be that a 65 or a 68 year old or at whatever age, reaches a point where that person is no longer really useable for that employer. And if that is the case then that employer will make that decision on an individual basis but to allow the systematic rejection of people and to give the leadership of this government in systematically rejecting people at a certain age is wrong and should be changed.

There is only one other thing that I want to say, Mr. Speaker, and that is that we have for many years, all of my growing up years and I suspect the growing up years of people as much as ten years older than I am, been a part of the political problem of not enough jobs. Unemployment, job creation programs, how to get the economy going so there will be jobs. In approximately eight to ten years Canada will start to be faced with a problem of not enough workers, the converse, the problem that Germany has faced for the last ten years or so. Here we have a whole area of people anxious to work that we systematically reject from the work force.

Mr. Speaker, as the baby boom of people born from the '40s to the early '60s as those people reach retirement age and as we move towards zero growth in terms of birth rate — we in Canada are over zero growth rate by birth, United States is at zero, Sweden is at 1.6, fewer Swedes are born every year than die, well 1.6 Mr. Speaker, means 1.6 people are born for every 2 that die (every couple that dies has an average of 1.6 children) — as we move in that direction, Mr. Speaker, we may well find that our pension program, and certainly the Canada Pension Plan, which is unfounded, just simply can't be sustained because we don't have enough people in the work force to

sustain all of the people that we, in a compulsory way and other ways, put into retirement.

Mr. Speaker, as I have said, I will have further remarks to make and beg leave to adjourn the debate.

**SOME HON. MEMBERS:** — Hear, hear!

Debate adjourned.

**Resolution No. 11 — Existing Federal Feed Grains Policy.**

**MR. N. LUSNEY (Pelly)** moved, seconded by Mr. Johnson (Turtleford):

That this Assembly deplores the continued inadequate performance of the existing Federal Feed Grains Policy and urges that in the interest of orderly marketing of feed grains to the best advantage of western producers, the sole responsibility for the marketing of domestic feed grains be returned to the Canadian Wheat Board.

He said: Mr. Speaker, I will be moving Motion 11 but first I would like to say a few words to this motion.

This motion, Mr. Speaker, I believe will accomplish two things — it will demonstrate our concern for the producers of feed grain on the prairies and for the farmers and the ranchers all across Canada who use feed grain. Secondly, it will express our support for the Canadian Wheat Board, which has served the farmers of western Canada for many years.

Mr. Speaker, the stated objectives of the new Feed Grain Policy when it was introduced were:

1. To provide a fair and equitable base price for feed grains across Canada.
2. To provide relief for the producers of feed grains on the prairies against depressed prices such as occurred on the prairies in 1968 and 1969.
3. To encourage the growth of livestock and feed grains across Canada according to natural factors and potential of various regions of Canada.

For the past two years, Mr. Speaker, we have been waiting for Mr. Lang to deliver on the objectives of the new policy. But at present we are no closer to that than we were when the policy was introduced. Mr. Speaker, a fair and equitable price or manner of providing feed grains across Canada can only be met by a body such as the Canadian Wheat Board to have full authority to do so. Allowing the open market to continue functioning will only increase the cost of feed grains to consumers and lower the return to producers. Mr. Speaker, there have been no measures taken to protect producers against depressed prices.

There is a corn competitive ceiling price on feed grains but there was no suggestion made that there be a floor price on feed grains.

Western feed grain users pay the same price for their feed grains here as do other users across Canada, on feed grains that we produce right here in western Canada. Mr. Lang says that he will be giving something like \$20 million to \$28 million as a direct subsidy to livestock industries in other regions, with really no consideration given to whether these users will be using feed grains from western Canada or not. They could be using corn from the States. He is still going to give them that subsidy.

After three years of the Feed Grains Policy, we find western feeders paying about 25 per cent more on the prairies than feeders in eastern Canada. This is a policy that was supposed to stabilize the price of the feed grains all across Canada, and that policy is now creating depressed prices in feed grains, particularly for barley producers. Yet, there has been no protection given for the increased production of barley on the prairies and there has really been no protection given to stabilizing the prices of feed grains in western Canada. Yet these were two of the main stated objectives that were proposed on the Domestic Feed Grains Policy proposed in 1974, or introduced in 1974.

Mr. Speaker, during the past three years of Otto Lang's Feed Grains Policy, we have experienced wide variations in feed grain prices and in market situations and it becomes more and more obvious that in spite of changes introduced the present policy cannot achieve the original stated objectives.

Mr. Speaker, in times of surplus such as we are experiencing at the present, with no pricing mechanism to underpin the markets, the farmers will once again fall prey to the panic selling at prices well below what they should be getting in order to receive some operating cash. Strong evidence of this is apparent during the 1976 and 1977 crop year, where the open market on a monthly average has been pricing No. 3 feed wheat at about 3.5 cents per bushel under the initial Wheat Board price in October of 1976 and to about 56.5 cents below the board's initial prices by July of 1977. Oats and barley open market prices also fell well below the initial board prices in July of 1977.

During the 1976 and 1977 crop year grain producers on the prairies delivered 13.4 million bushels of wheat, 20 million bushels of oats and 40 million bushels of barley to the open market, grain that could have been sold through the Wheat Board to the benefit of the producers. On that grain that was sold to the open market, producers' cash returns were about \$4 million less than what they could have received by selling through the Canadian Wheat Board. The final payment on wheat is not expected to be much more than what the initial price is. However, final payment on oats it appears may be a sizeable one and one that the farmers will stand to lose a lot of money on, especially those that deliver to the open market.

Producers who have delivered to the open market with the anticipated final payments on barley and oats stand to lose about \$16 million, \$16 million that could have been in the pockets of the farmers and also would help the economy of the province of Saskatchewan because we all know the minute the farmer has some money in his pocket he doesn't usually keep it there, he spends it.

It is unbelievable to think that the continuation of this kind of system would really be supported by anyone. Mr. Speaker, we are well aware that most of the members to your left support this kind of system and it is quite evident that the members in Ottawa, or many of them, also support the open market system. A good living example of what Ottawa feels on the open market is our good friend, Otto Lang. I should say the friend

real quietly. However, he considers himself to be a friend of the farmers but his actions certainly do not prove this. He has done more to undermine the income opportunities of farmers of western Canada than I think any other minister that has been in charge of the Canadian Wheat Board has before.

First, he came up with the ingenious LIFT Program that I think many farmers lost money on. Then he proposed a Federal Feed Grains Policy and also gave his outright support of the inland terminal concept. Not one of these programs was to the benefit of the farmers. In fact, Mr. Speaker, these programs were all to the detriment of the western farmer and to the detriment of the western provinces. A good example is the loss, or the possible loss, of some \$16 million to \$20 million through the Feed Grains Policy and the farmers that had sold their grain to the open market. That loss means a gain to someone namely, James Richardson, Cargil Grain, or anyone else that really has his control strings tied to the minister in charge of the Wheat Board.

Mr. Speaker, it is not only the minister in charge of the Wheat Board who supports the open market but also the members on your left as we have witnessed from some of their comments there. They support the open market system totally and they feel this is the only way that grain should be handled. This is not unusual because the philosophy of both the Liberals and the Conservatives is to give consideration to the multinationals first and the people second.

To quote an old saying, Mr. Speaker, "He who pays the piper, calls the tune." I think the piper has been overpaid. I think we can use Bill 47 as a good example of that. The piper has been paying while they have been trying to play that tune note for note. We have witnessed a lot of that in the past week or two.

Back to the Feed Grains Policy, Mr. Speaker. In the November 10th issue of the Leader Post, Transport Minister Otto Lang, while making his speech to the Winnipeg chamber of Commerce — another good friend of the opposition, all the Chambers of Commerce seem to be that — renewed his appeal for public support for the user pay concept of transportation and in the process he repeated his criticism of low statutory railway freight rates on grain. This is the real friend of the farmers of Saskatchewan and the people of Saskatchewan. The Canadian Grain Commission also, in its report, said that because it is very difficult to police some buying off board grain on the basis of grade three only, that there might be some need to allow number one and two to be bought as off board grain. Now what can be more ridiculous than that? What can be so difficult for the elevator agent to say that we buy only number three wheat on the feed grains market and we will not allow one or two? And if it does go in as one or two he pays the number three price for it. But, they are saying here that we should allow one and two to go in there, a clear indication that what he is trying to do is undermine the powers of the Canadian Wheat Board and allow the open market to have all grades of wheat on hand to be able to sell at whatever price they like.

**MISS CLIFFORD:** — Do you really believe that?

**MR. LUSNEY:** — I believe every word of it. The minister indicates it very clearly with many of his actions.

The minister responsible for the Canadian Wheat Board also stated that there may be a possibility of allowing Canadian grain traders to handle oats on the open market and remove it from the Canadian Wheat Board. He says there is an indication of this happening. Now, whether he will do this or not will mean on just how hard the people of



western Canada complain about it. And that is another director and deliberate attempt to remove and destroy the powers of the Canadian Wheat Board.

Mr. Speaker, it is almost unbelievable that the federal minister of Transport would make such a suggestion and expect this government and the people of this province to accept his proposals. He must give the people of this province about as much credit for intelligence as did the member for Nipawin to the people of Kamsack.

Mr. Speaker, I wish to make it clear that this government will not stand by and allow the Liberals and the Conservatives or the minister in charge of the Canadian Wheat Board to manipulate the farmers of this province into the hands or into the pockets of their corporate friends. Mr. Speaker, I move Resolution No. 11.

**SOME HON. MEMBERS:** — Hear, hear!

**MR. L.E. JOHNSON (Turtleford):** — Mr. Speaker, I would like to put a few words on the record today and then adjourn it and speak about it later on.

If you take a look at the effects which the Feed Grain Policy has had on the prairie basin you are looking at about \$15 million a year if you have approximately 75 million bushels sold on the feed grains market. This amounts to about \$3.25 a ton and the \$5 million that would be lowered in the economy, if you figure that out under a normal effect that comes to money generated in the farm economy of about two and half times before it increases in value by about two and half times before it leaves the area, you come to between 12 and 15 million dollars.

I should like to also point out that what is taking place with this particular move of moving part of the grain into the feed grain policy is a very piece meal approach to destroying one of the oldest orderly marketing systems in Canada, a system which is probably basic to the reason that we still have as many small farmers as we do. The move that is now being suggested, where all the grades of wheat are to be moved into this market, is the same approach which we have seen before. First of all it was talking about it for a little while and then implementing it in both the moving in the feed grain policy. We see the same type of a situation happening with the transportation and now another move is being made in that direction by moving all the grades of wheat towards the feed marketing system.

Mr. Speaker, this gradual approach of a piece meal brick by brick breaking down of a program that has been effective and I believe instrumental in the support of the farmers in the prairie region, deserves the approach which the member for Pelly took and for that reason, Mr. Speaker, I wish to adjourn the debate.

Debate adjourned.

### **Resolution No. 12 — Unemployment in Canada**

**MR. P.P. MOSTOWAY (Saskatoon Centre)** moved, seconded by Mr. Allen (Regina Rosemont):

That this Assembly deplores the failure of the federal government to act decisively to prevent unprecedented levels of unemployment and renewed increases in the cost of living, and commends the Government of Saskatchewan for developing a strong and increasingly diversified economy

which has resulted in the maintenance of the lowest rate of unemployment in Canada.

He said: Mr. Speaker, I promise you in this Christmas season, this will be an extremely soft one relative to my others.

Mr. Speaker, this concerns Resolution 12 on unemployment throughout Canada and the employment situation in Saskatchewan.

The Canadian economy is in serious trouble. The federal government has been rolling up one huge deficit after another. That, and other efforts, have not sparked consumer demands which is stagnate. Our trade deficit in a wide variety of commodities is the largest that it has ever been. The total output of our national economy is actually declining when inflation is included in the calculators. The Consumer Price Index is edging back up towards double digit increases and worst of all about one million Canadian men and women are unemployed with no prospect of finding work in the near future. In this regard I should like to quote from the Saskatoon Star-Phoenix, Tuesday, December 13, a little paragraph:

The Consumer Price Index stood at 166.1 in November compared with 165.0 in October. This means a basket of consumer goods that cost \$100 in 1971 had jumped to \$166.10 last month, a 66 per cent increase.

Mr. Speaker, in Saskatchewan the situation has almost completely reversed. Our provincial economy is sound. Activity by this government to diversify the economy means if there should occur a slight reduction in farm income from time to time it will no longer expose retail merchants to a non-existent consumer demand. Shipments of almost every product manufactured in Saskatchewan have gone up steadily in recent years. Our province remains one of the least expensive places in Canada in which to live and most important of all, Saskatchewan has had the lowest or next to the lowest unemployment levels every month for the last five years.

**MR. MacMURCHY:** — Good government!

**MR. MOSTOWAY:** — Yes, it is good government, certainly.

Mr. Speaker, just one week ago newspapers were carrying headlines reading — “November unemployment hits post-1940 record.” The stories under the headlines told readers that the number of jobless people last month rose by 53,000 just since October and by over 130,000 since November of last year. The national unemployment rate was 8.4 per cent. Saskatchewan recorded 4.6 per cent, the lowest of any province in Canada.

Interjection by an hon. member.

**MR. MOSTOWAY:** — Well, he refers to a segment of our population — we don't control those figures. Those figures are supplied to us by your government in Ottawa — Statistics Canada.

We, in Saskatchewan, have 4.6 per cent unemployment rate, the lowest of any province in Canada and less than one-third of the rate in Tory New Brunswick where 14.6 per cent of the work force is unemployed and one-quarter of the jobless rate in Conservative Newfoundland.

Mr. Speaker, headlines like the one we read last week have been appearing on a regular monthly basis. In the first week of February, the front pages of newspapers all across Canada had some variation of the one that appears in Saskatchewan, which read: "New Unemployment Total Highest on Record." At that time, in January, 1977, actual jobless figures stood at 889,000 up almost 90,000 from January of 1976. Again last January our province had the lowest unemployment of any province at 3.9 per cent compared to Alberta's 4.3 per cent.

**MR. TCHORZEWSKI:** — What kind of government do they have there?

**MR. MOSTOWAY:** — What kind of government do they have there — I said 'tis the season to be jolly and I will not give an apt description of the kind of government they have there at this time.

Mr. Speaker, the newspaper accounts and the extremely serious unemployment situation itself go back well beyond January of this year. In fact, for well over three years our country has been experiencing a massive shortage of jobs for people who want work and if those people who have simply given up trying to find a job are included, the total number of jobless in Canada is well over one million men and women. Unemployment has a disastrous impact on the personal and family lives of its victims. When you consider what unemployment means in human terms it becomes clear by people want jobs and not handouts. To the unemployed head of a family it means waking up each day with a sense of frustration and anxiety at being unable to look forward to a day of useful work. It means long hours of waiting in line just to be one of the dozens to fill out an application for a job that someone else gets and to pound the streets in search of the next possibility. Even worse, in areas where there just isn't any work, it means days of unending, hopeless inactivity. The strain on a family afflicted with unemployment is immense.

The average weekly unemployment insurance payment last year was \$97 and if that isn't insult enough the federal government recently announced that the length of time worked required to qualify for unemployment insurance commission benefits was in some cases going to nearly double.

Mr. Speaker, women and young people have been those hardest hit by the record rates of unemployment. In fact, among those two groups there are areas of this country where the total number of unemployed is not much different today than it was in the dirty '30s. The families that need a second income and the students just out of school have the Trudeau government to thank for their dashed hopes and shattered dreams.

Mr. Speaker, if this unfortunate situation affected only the unemployed themselves, it would be bad enough but it does not. Last year, for instance, with unemployment running at over 7 per cent of the labor force, the cost to working Canadians was quite sizeable. About \$2 billion was required to pay those people on unemployment insurance. A lesser amount had to be paid in welfare for those who had their unemployment insurance commission benefit payments run out. Another \$8 billion was lost in taxes because the people out of work didn't earn their normal income and finally between \$6 billion and \$7 billion was lost in terms of gross national product because of the high level of human idleness. The total cost to Canadian of unemployment for the year 1976 was over \$9 billion, Mr. Member.

Mr. Speaker, when spokesmen for the federal Liberal government explain to us why it is that unemployment must remain at the current record high levels they invariably raise the issue of inflation. We argue that if Ottawa acts to get rid of unemployment, inflation would again get out of control. Now the truth is that the Trudeau government hasn't got any better control of inflation than they have of unemployment. Between January of 1977 and the end of March, the Consumer Price Index kept by Statistics Canada rose by almost 1 per cent a month then slowed a bit in the spring, only to climb back in midsummer. By all present indications, inflation is back on the increase, thanks largely to increased prices for food, clothing and fuel (all necessities). In this regard, again, I would like to quote from the Saskatoon Star-Phoenix (which I don't question), dated Tuesday, December 13, 1977:

As a result the 12 month inflation rate jumped to 9.1 per cent from 8.8 per cent, its highest rate since February, 1976. When selective pay and price controls were imposed in October, 1975, the inflation rate was 10.6 per cent.

The recent loss of value of Canadian currency as compared to US dollars has also aggravated the situation. The Canadian consumer must buy a wide range of necessities imported into this country. These items include manufactured goods and food stuffs which will now increase in price to compensate for the exchange rate.

It looks increasingly like inflation is on the rise again and may be into double digit figures before long. If the past actions of the Trudeau government are any guide, we should soon have a renewal of the three-pronged attack on inflation and unemployment. I can well recall the hon. Prime Minister announcing a number of years ago that he had rustled inflation to the ground. There is only one thing wrong in that, he probably did rustle it to the ground but he didn't give it the strangle hold lone enough. He didn't give it that extra twist.

First, the federal government attacks a handful of people on unemployment insurance who make a practice of abusing it. Now this of course has nothing to do with getting the one million unemployed Canadians back to work but it does bring a warm glow to the hearts of the captains of industry. They are the same men who collect a thousand times as much in money in terms of tax concessions, accelerated depreciation and deferred taxes as any unemployment insurance commission cheater ever got.

Then the Trudeau government will launch a million dollar advertising campaign to tell us what a great job the Manpower Department is doing. Now this, too, does not make any appreciable dent in the number of unemployed but it may create a part-time job at the ad agency.

The efforts Ottawa has put on to deal with unemployment have either been useless or aimed at the victims instead of the cause. The federal government's record has been dismal and with mounting unemployment and inflation it does not seem likely to improve.

Saskatchewan, in stark contract to what has been going on at the national level, has an excellent record of job creation. In the calendar year 1976, 14,000 new jobs were created in this province. Looking at just one area, manufacturing, we see the new jobs in that sector increased by only 6.8 per cent across Canada between 1971 and 1975.

During the same four years Saskatchewan's manufacturing employment expanded by 31.8 per cent. Translated into actual numbers, this means the manufacturing work force in Saskatchewan rose from 14,578 to 19,213 in the first four years the Blakeney government was in office.

Sluggish industrial growth in the rest of Canada makes our record all the more remarkable, Mr. Member. Other economic sectors have developed jobs, too, in this province.

In 1971 our two largest industries — food and beverage and printing and publishing — accounted for 50 per cent of Saskatchewan's manufacturing employment. By 1975 that figure had fallen below 40 per cent, reflecting increased numbers of jobs in the manufacture of industrial machinery, transportation equipment, wood products, metal fabricating, non-metallic mineral products and clothing, and I could go on and on, and if you want to see the evidence of that all you have to do is go to Saskatoon and in that industrial area you see expansion; you can almost see it grow from day to day.

This diversification has left our manufacturing base much less vulnerable to fluctuations in a few markets which was previously the case. It also has meant new jobs — 58,000 of them since 1971, not the 80,000 false ones that were promised by one premier a number of years ago. I know, hon. member, you had no control over that and you probably felt ashamed of the remarks made by that particular gentlemen. And that in turn has meant low unemployment for Saskatchewan. Mr. Speaker, I would like members of this Assembly to look at the monthly Statistics Canada figures comparing actual employment rates for Canadian provinces. Since June, 1971, Saskatchewan has led all other provinces in having the lowest percentage of its work force unemployed in more months than any other province. In fact, Saskatchewan has been the lowest in a clear majority of the months. That is an enviable record, Mr. Speaker, and one that does not develop by accident or fluke. Sound business management has been provided by the Blakeney government to set Saskatchewan apart from the economic chaos which appears in the rest of Canada.

Mr. Speaker, I so move this resolution.

**MR. W.J.G. ALLEN (Regina Rosemont):** — Mr. Speaker, I welcome the opportunity make a few brief remarks on this particular motion moved by the member for Saskatoon Centre.

On the subject of unemployment, I think it would be fair to say that we in western Canada, particularly in Saskatchewan and Alberta, have been insulated for a number of years now from the worse effects of unemployment that is being experienced in other provinces of Canada. There are a number of reasons for that. I think probably the main reason is that we have had a very high farm income over the last three or four years and this has contributed a fair amount of prosperity to our province, not only in the farm area but as the member from Saskatoon has mentioned, it has also contributed to an increase in jobs, particularly in the manufacturing area and small equipment supply companies — you see them springing up all over the province. And the provincial government, through SEDCO and other agencies of the government have been very pleased in helping these small business men in small communities establish these operations which provide a good living to them and employ small numbers of people in different communities all over the province. This has been a real boon I think, Mr. Speaker, to the province of Saskatchewan.

I think too, if you look at housing in Saskatchewan, the record housing starts we have had over the last three or four years have provided a number of jobs that weren't there before and filled in a gap in the construction area that we have had since prior to 1971. You will remember, Mr. Speaker, prior to 1971 and indeed into 1972, the economy of the province was in fairly bad straits and we lost many, many of our skilled workmen to other provinces. We had low unemployment in those years too but in those cases we were exporting our unemployment to other provinces in Canada. Now we see an increase in employment in Saskatchewan and we see people actually coming back to Saskatchewan because there are jobs and good paying jobs in Saskatchewan.

I want to say just a couple of other things before I sit down. I said in the beginning, Mr. Speaker, that we have been fortunate in Saskatchewan in that we have been insulated in a sense from the problems the economy has experienced in other areas of Canada. I don't think this is going to continue for very much longer. If we look at the prospect for the next two or three years if things remain the same — high unemployment, high inflation, we are going to see in Saskatchewan, a gradual increase in unemployment and I think we will see that in Alberta as well, and probably in Manitoba to an even greater extent, and there isn't very much that we can do. As a provincial government, I think that we have handled the situation here well. We have tried, as the hon. member for Saskatoon-Sutherland has stated, to diversify our economy. We have encouraged smaller kinds of operations. We have taken a stance in the Department of Industry and Commerce that we wish to manufacture much more of our farm products here than we have in the past. These things have all done a lot I think, to help the unemployment situation in Saskatchewan but when we see now that our farm prices are going down, that can only spell trouble for Saskatchewan, and there isn't a lot that we as a provincial government can do in that regard. I think that it is incumbent upon the federal government to now really take hold of this problem of unemployment.

When you've got 890,000 — well rounded off by the end of the winter we could have a million people unemployed in Canada, and in many regions of Canada, we find that the unemployment rate for young people, people between 18 and 25 is about 25 or 30 per cent. If we look at the long term and what that will mean in Canada, I think there are some very, very serious implications.

We have people who can't find work. We have a federal government minister of Manpower and Immigration who just a few weeks ago said that it wasn't his job to find work for people. He said that the problem is that people won't move in Canada, yet 890,000 people are unemployed, and the day that he said that there were 50,000 openings across Canada. Even if you could move those people there would still be 840,000 people who are unemployed.

Mr. Speaker, I want to go into this in a little more detail. The member for Saskatoon asked me to second this particular resolution, and I would like some time to give this a little bit more thought. I want to look at some of the people affects, how it affects individual families particularly in our province, rather than the cold statistics. So I would ask the House if it would be all right if I could adjourn the debate and come back at another time.

Debate adjourned.

The Assembly adjourned at 4:55 o'clock p.m.